

Well Name: SAN JUAN 29-6 UNIT	Well Location: T29N / R6W / SEC 28 / NWNW / 36.70068 / -107.47376	County or Parish/State: RIO ARRIBA / NM
Well Number: 58A	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM03471	Unit or CA Name: SAN JUAN 29-6 UNIT--FR, SAN JUAN 29-6 UNIT--MV	Unit or CA Number: NMNM78416A, NMNM78416E
US Well Number: 3003921262	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2691645

Type of Submission: Notice of Intent

Date Sundry Submitted: 09/09/2022

Date proposed operation will begin: 08/31/2022

Type of Action: Commingling (Subsurface)

Time Sundry Submitted: 12:12

Procedure Description: Please see attached production allocation.

NOI Attachments

Procedure Description

SJ_29_6_Unit_58A___Fixed_Allocation_Form_20220909120602.pdf

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Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: KANDIS ROLAND
Signed on: SEP 09, 2022 12:06 PM
Name: HILCORP ENERGY COMPANY
Title: Operation Regulatory Tech
Street Address: 382 Road 3100
City: Farmington State: NM
Phone: (505) 599-3400
Email address: kroland@hilcorp.com

Field

Representative Name:
Street Address:
City: State: Zip:
Phone:
Email address:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK
BLM POC Title: Petroleum Engineer
BLM POC Phone: 5055647742
BLM POC Email Address: krennick@blm.gov
Disposition: Approved
Disposition Date: 09/12/2022
Signature: Kenneth Rennick

Once the well conditions have stabilized and sample(s) collected and analyzed submit a follow up sundry with the findings.

Dean R McClure 09/14/2022

Area: «TEAM»

<h1 style="margin: 0;">Hilcorp Energy Company</h1> <h2 style="margin: 0;">PRODUCTION ALLOCATION FORM</h2>					Distribution: BLM 4 Copies Regulatory Accounting Well File Revised: March 9, 2006	
					Status PRELIMINARY <input type="checkbox"/> FINAL <input checked="" type="checkbox"/> REVISED <input type="checkbox"/>	
Commingle Type SURFACE <input type="checkbox"/> DOWNHOLE <input checked="" type="checkbox"/> Type of Completion NEW DRILL <input type="checkbox"/> RECOMPLETION <input type="checkbox"/> PAYADD <input type="checkbox"/> COMMINGLE <input checked="" type="checkbox"/>					Date: 9/1/22 API No. 30-039-21262 DHC No. DHC5218 Lease No. NMNM03471 <div style="text-align: center;">Federal</div>	
Well Name San Juan 29-6 Unit					Well No. 58A	
Unit Letter D	Section 28	Township 29N	Range 6W	Footage 1150' FNL & 870' FWL	County, State Rio Arriba County, New Mexico	
Completion Date 8/31/22		Test Method HISTORICAL <input checked="" type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>				
FORMATION MESAVERDE		GAS 74 MCF		PERCENT 38%	CONDENSATE .05 bbls	
FRUITLAND COAL		120 MCF		62%	.06 bbls	
JUSTIFICATION OF ALLOCATION: Mesaverde and Fruitland Coal were metered separately before downhole commingle. Fixed percentage-based allocation is calculated from average production rates from the last twelve months for both gas and condensate.						
APPROVED BY			DATE		TITLE	
X <i>Kandis Roland</i>					Operations/Regulatory Tech – Sr.	
Kandis Roland			9/1/22			

San Juan 29-6 Unit 58A

The Mesaverde and Fruitland Coal formations have been producing through dual strings and metered separately since the Fruitland Coal was stimulated in 2004. Hilcorp is proposing to commingle these zones and allocate production using a fixed percentage based on the historical separately metered production volumes.

During the workover operation, HEC was unable to recover the packer but received approval from NMOCD to produce the well as is. At this time, HEC has no reason to believe this will enable the well to produced as normally expected. Current plan is to get the well on production and install a compressor to bring the flowing wellhead pressure to approximately 10 PSIG. This will be lower than the pressure prior to rig up. The Mesaverde is still flowing as confirmed from troubleshooting efforts. Once online HEC will need to collect gas samples for our gathering allocation and can use this data to confirm the uplift by zone due to the differences in gas makeup between the Fruitland and Mesaverde. If this indicates an allocation variance, HEC will follow-up and provide a supported allocation change.

The new fixed percentage based allocation will be calculated from average production rates from the past twelve months.

Date	Gas Production		
	Mesaverde	Fruitland Coal	Total
Jun-21	72.5	114.4	186.9
Jul-21	78.3	124.8	203.1
Aug-21	76.9	123.7	200.6
Sep-21	76.0	122.3	198.3
Oct-21	75.2	119.8	195.0
Nov-21	76.1	121.7	197.8
Dec-21	75.9	115.3	191.2
Jan-22	74.9	128.0	202.9
Feb-22	74.2	122.1	196.3
Mar-22	73.5	119.7	193.2
Apr-22	76.0	124.9	200.9
May-22	64.9	101.7	166.6
Averages	74.5	119.9	194.4
% of Total	38%	62%	

Date	Oil Production		
	Mesaverde	Fruitland C	Total
Jun-21	0.4	0.4	0.8
Jul-21	0.1	0.1	0.2
Aug-21	0.0	0.0	0.0
Sep-21	0.0	0.0	0.0
Oct-21	0.0	0.0	0.0
Nov-21	0.0	0.0	0.0
Dec-21	0.0	0.0	0.0
Jan-22	0.0	0.0	0.0
Feb-22	0.0	0.0	0.0
Mar-22	0.1	0.1	0.2
Apr-22	0.0	0.1	0.1
May-22	0.0	0.0	0.0
Averages	0.05	0.06	0.1
% of Total	46%	54%	

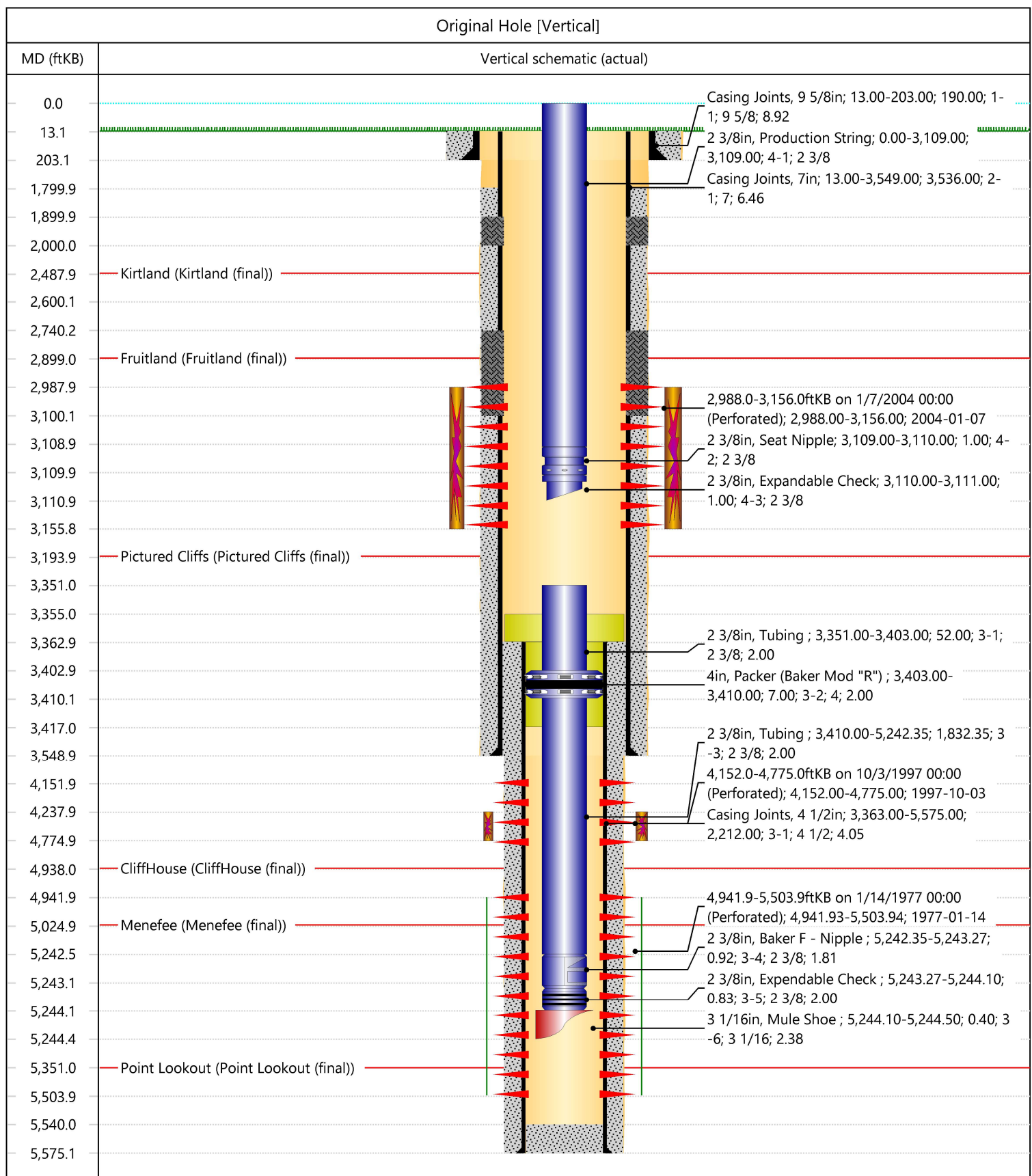
Since production was historically metered separately, oil will be allocated based on the produced oil in the last 12 months.



Current Schematic

Well Name: SAN JUAN 29-6 UNIT #58A

API / UWI 3003921262	Surface Legal Location 028-029N-006W-D	Field Name FC/MV DUAL	Route 1003	State/Province NEW MEXICO	Well Configuration Type Vertical
Ground Elevation (ft) 6,280.00	Original KB/RT Elevation (ft) 6,293.00	KB-Ground Distance (ft) 13.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	



District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

COMMENTS

Action 143284

COMMENTS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 143284
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

COMMENTS

Created By	Comment	Comment Date
dmcclure	Action approved under Action ID: 142601	9/14/2022

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dmcclure	None	9/14/2022