

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION FOR DOWNHOLE COMMINGLING
SUBMITTED BY HILCORP ENERGY COMPANY**

ORDER NO. DHC-5425

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Hilcorp Energy Company submitted a complete application (“Application”) to downhole commingle the pools described in Exhibit A (“the Pools”) within the well bore of the well identified in Exhibit A (“the Well”).
2. Applicant proposed a method to allocate the oil and gas production from the Well to each of the Pools that is satisfactory to the OCD and protective of correlative rights.
3. Applicant has certified that all produced fluids from all the Pools are compatible with each other.
4. Applicant has certified that downhole commingling the Pools will not decrease the value of the oil and gas production.
5. To the extent that ownership is diverse, Applicant identified all owners of interest in the Pools, provided evidence a copy of the Application was given to each person, and those persons either submitted a written waiver or did not file an objection to the Application.
6. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.

CONCLUSIONS OF LAW

7. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-6, 70-2-11, 70-2-12, 70-2-16, 70-2-17, and 19.15.12 NMAC.
8. The downhole commingling of the Pools is common, or Applicant has provided evidence that the fluids are compatible and will not damage the Pools in accordance with 19.15.12.11(A)(1) NMAC.
9. The bottom perforation of the lower zone is within one hundred fifty percent (150%) of the depth of the top perforation in the upper zone or Applicant has provided evidence that the

proposed commingling of the Pools shall not result in shut-in or flowing well bore pressure in excess of the commingled pool's fracture parting pressure in accordance with 19.15.12.11(A)(3) NMAC.

10. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.11(A)(8) NMAC.
11. To the extent that ownership is diverse, Applicant identified all owners of interest in the Pools and provided evidence the application was given to those persons in accordance with 19.15.12.11(C)(1)(b) NMAC.
12. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to downhole commingle the Pools described in Exhibit A within the well bore of the well identified in Exhibit A.
2. This Order supersedes Order DHC-3221.
3. Applicant shall allocate a fixed percentage of the oil and gas production from the Well to each of the Pools as described in Exhibit A.

Applicant shall allocate a fixed percentage of the oil production from the Well to each of the Pools until a different plan to allocate oil production is approved by OCD. Of the **oil** production from the Well:

- a. Forty one percent (41%) shall be allocated to the Basin Fruitland Coal pool (pool ID: 71629);
- b. Fifty eight percent (58%) shall be allocated to the Blanco Mesaverde pool (pool ID: 72319); and
- c. One percent (1%) shall be allocated to the Basin Dakota pool (pool ID: 71599).

Applicant shall allocate gas production to the new pool(s) equal to the total gas production from the Well minus the projected gas production from the current pool(s) until a different plan to allocate gas production is approved by OCD. The new pool(s) are:

- a. the Basin Fruitland Coal pool (pool ID: 71629)

The current pool(s) are:

- a. the Blanco Mesa Verde pool (pool ID: 72319); and
- b. the Basin Dakota pool (pool ID: 71599).

Until a different plan to allocate gas production is approved by OCD, of the projected gas production allocated to the current pools:

- a. fifty nine percent (59%) shall be allocated to the Blanco Mesaverde pool (pool ID: 72319); and
- b. forty one percent (41%) shall be allocated to the Basin Dakota pool (pool ID: 71599).

Applicant shall calculate the oil and gas production average during the fourth year after the commencement of commingling, which shall be used to establish a fixed percentage of the total oil and gas production that shall be allocated to each of the Pools ("fixed percentage allocation plan"). No later than ninety (90) days after the fourth year, Applicant shall submit a Form C-103 to the OCD Engineering Bureau that includes the fixed percentage allocation plan and all data used to determine it. If Applicant fails to do so, this Order shall terminate on the following day. If OCD denies the fixed percentage allocation plan, this Order shall terminate on the date of such action. If OCD approves the percentage allocation plan with or without modifications, then the approved percentage allocation plan shall be used to determine oil and gas allocation starting on the date of such action until the Well is plugged and abandoned.

4. If an alteration is made to the Well or a condition within the Well changes which may cause the allocation of production to the Pools as approved within this Order to become inaccurate, then no later than sixty (60) days after that event, Applicant shall submit Form C-103 to the OCD Engineering Bureau describing the event and include a revised allocation plan. If OCD denies the revised allocation plan, this Order shall terminate on the date of such action.
5. If any of the pools being commingled is prorated, or the Well's production has been restricted by an OCD order in any manner, the allocated production from each producing pool in the commingled well bore shall not exceed the top oil or gas allowable rate for a well in that pool or rate restriction applicable to the well.
6. If the Well is deepened, then no later than forty-five (45) days after the Well is deepened, Applicant shall conduct and provide logs to OCD that are sufficient for OCD to determine which pool(s) each new completed interval of the Well will produce from.
7. If the downhole commingling of the Pools reduces the value of the oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new downhole commingling application to OCD to amend this Order to remove the pool that caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
8. If a completed interval of the Well is altered from what is submitted within the Application as identified in Exhibit A, then no later than sixty (60) days after the alteration, Applicant shall submit Form C-103 to the OCD Engineering Bureau detailing the alteration and completed interval.
9. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
10. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

A handwritten signature in blue ink, appearing to read "G. Razatos", is positioned above a horizontal line.

**GERASIMOS RAZATOS
DIRECTOR (ACTING)**

DATE: 1/14/2025

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: DHC - 5425			
Operator: Hilcorp Energy Company			
Well Name: Walker Well No. 1M			
Well API: 30-045-35005			
Upper Zone	Pool Name: Basin Fruitland Coal		
	Pool ID: 71629	Current:	New: X
	Allocation:	Oil: 41.0%	Gas:
		Top: 2,990	Bottom: 3,244
Intermediate Zone	Pool Name: Blanco Mesaverde		
	Pool ID: 72319	Current: X	New:
	Allocation:	Oil: 58.0%	Gas: 59.0%
		Top: 4,780	Bottom: 5,888
Bottom of Interval within 150% of Upper Zone's Top of Interval: NO			
Lower Zone	Pool Name: Basin Dakota		
	Pool ID: 71599	Current: X	New:
	Allocation:	Oil: 1.0%	Gas: 41.0%
		Top: 7,651	Bottom: 7,790
Bottom of Interval within 150% of Upper Zone's Top of Interval: NO			
Top of Queen Formation:			

Revised March 23, 2017

ID NO. 337486

DHC - 5425

RECEIVED: 04/25/24	REVIEWER:	TYPE:	APP NO: pLEL2424060797
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Hilcorp Energy Company **OGRID Number:** 372171
Well Name: Walker 1M **API:** 30-045-35005
Pool: Basin Fruitland Coal **Pool Code:** 71629

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL

☐ NSP (PROJECT AREA)

☐ NSP (PRORATION UNIT)

☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) NOTIFICATION REQUIRED TO: Check those which apply.

A. ☒ Offset operators or lease holders

B. ☒ Royalty, overriding royalty owners, revenue owners

C. ☐ Application requires published notice

D. ☐ Notification and/or concurrent approval by SLO

E. ☒ Notification and/or concurrent approval by BLM

F. ☐ Surface owner

G. ☒ For all of the above, proof of notification or publication is attached, and/or,

H. ☐ No notice required

FOR OCD ONLY

☐ Notice Complete

☐ Application
Content
Complete

- 3) CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

4/25/2024

Date

Amanda Walker

Print or Type Name

346-237-2177

Phone Number

A Walker

Signature

mwalker@hilcorp.com

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240

District II
811 S. First St., Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-107A
Revised August 1, 2011

APPLICATION TYPE

Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

X

 Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Hilcorp Energy Company

382 Road 3100, Aztec, NM 87410

Operator

Address

Walker

IM

P 31, 31N, 09W Lot 20

San Juan

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 372171 Property Code 318440 API No. 30-045-35005 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Basin Fruitland Coal	Blanco Mesaverde	Basin Dakota
Pool Code	71629	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Est 2990' – 3244'	4780' – 5888'	7651' – 7790'
Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift	Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	43 psi	76 psi	140 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1087 BTU	1220 BTU	1039 BTU
Producing, Shut-In or New Zone	New Zone	Producing	Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates: Oil: Gas: Water:	Date: 11/1/2023 Rates: Oil: 0 Gas: 1043 Water: 0	Date: 11/1/2023 Rates: Oil: 0 Gas: 724 Water: 0
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % %	Oil Gas % %	Oil Gas % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?

Yes No X

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes X No

Are all produced fluids from all commingled zones compatible with each other?

Yes X No

Will commingling decrease the value of production?

Yes No X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes X No

NMOCD Reference Case No. applicable to this well:

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
Production curve for each zone for at least one year. (If not available, attach explanation.)
For zones with no production history, estimated production rates and supporting data.
Data to support allocation method or formula.
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

AMANDA WALKER

TITLE

Operations/Regulatory Technician

DATE

4/25/2024

TYPE OR PRINT NAME

Amanda Walker

TELEPHONE NO.

(346)237-2177

E-MAIL ADDRESS

mwalker@hilcorp.com

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised October 12, 2005

DISTRICT II
1301 W. Grand Avenue, Artesia, N.M. 88210

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

"AS DRILLED PLAT"

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-35005		² Pool Code 71599 / 72319		³ Pool Name BASIN DAKOTA/BLANCO MESAVERDE	
⁴ Property Code 7624		⁵ Property Name WALKER			⁶ Well Number 1 M
⁷ GRID No. 14538		⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP			⁹ Elevation 6347'

¹⁰ Surface Location

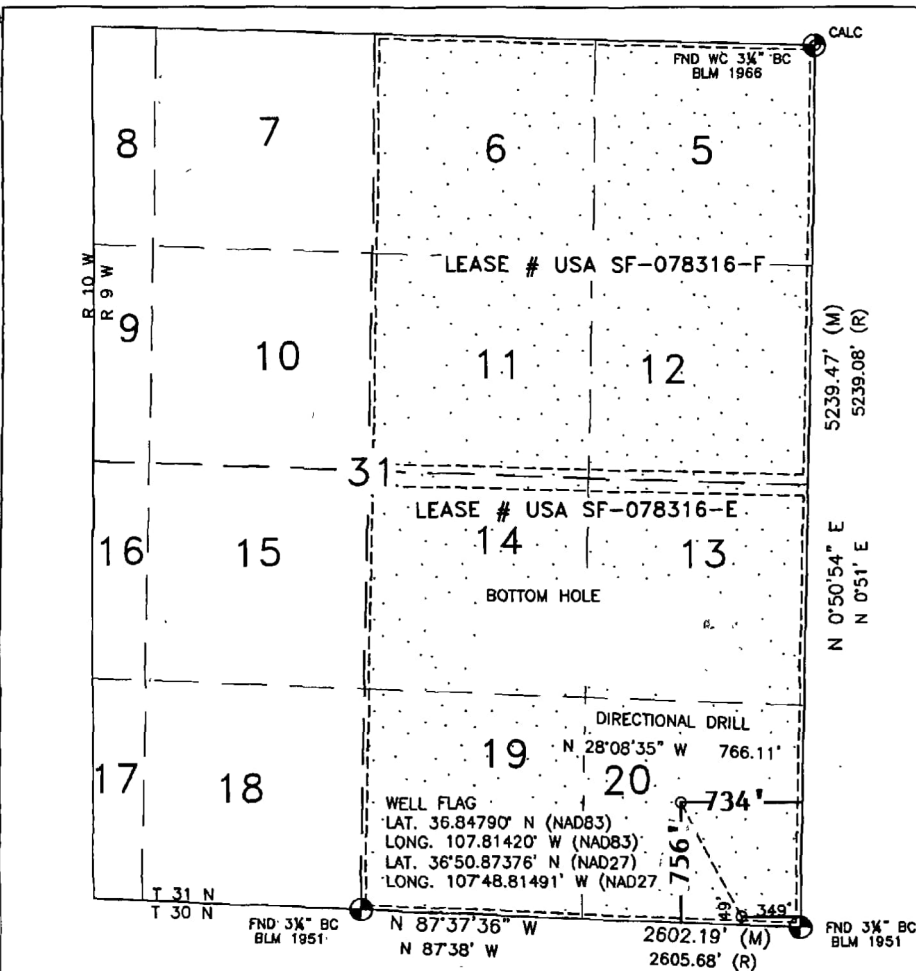
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	31	31N	9W	20	49'	SOUTH	349'	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	31	31N	9W	20	756	SOUTH	734	EAST	SAN JUAN

¹² Dedicated Acres 312.80 Acres - (E/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. RCVD JAN 28 '10 OIL CONS. DIV.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION **DIST. 3**



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner or a compulsory pooling order heretofore entered by the division.

Crystal Tafoya 1/25/10
Signature Date

Crystal Tafoya 1/25/2010
Printed Name

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

SEPTEMBER 10, 2008

Date of Survey

Signature and Seal of Professional Surveyor:

David R. Russell



DAVID RUSSELL

Certificate Number 10201

The near wellbore shut-in bottom hole pressures of the above reservoirs are much lower than the calculated far-field stabilized reservoir pressured due to the low permeability of the reservoirs. Based on pressure transient analysis performed in the San Juan Basin, it would take 7-25 years for shut-in bottom hole pressures to build up to the calculated far-field reservoir pressure. Our observation is that even for areas of high static reservoir pressures, the low permeability of the reservoir rock results in rapid depletion of the near-fracture region, quickly enough that the wells are unable to produce without the aid of a plunger. Given low permeabilities and low wellbore flowing pressures in the above reservoirs, loss of reserves due to cross-flow is not an issue during producing or shut-in periods. Given low shut-in bottom hole pressures, commingling the above reservoirs in this well will not result in shut-in or flowing wellbore pressures in excess of any commingled pool's fracture parting pressure. The pressures provided in the C-107A are based on shut-in bottom hole pressures of offset standalone wells which match expected near-wellbore shut-in bottom hole pressures of this proposed commingled completion.

Shut in pressures were calculated for operated offset standalone wells in each of the zones being commingled in the well in question via the following process:

- 1) Wells were shut in for 24 hours
- 2) Echometer was used to obtain a fluid level
- 3) Shut in BHP was calculated for the proposed commingled completion

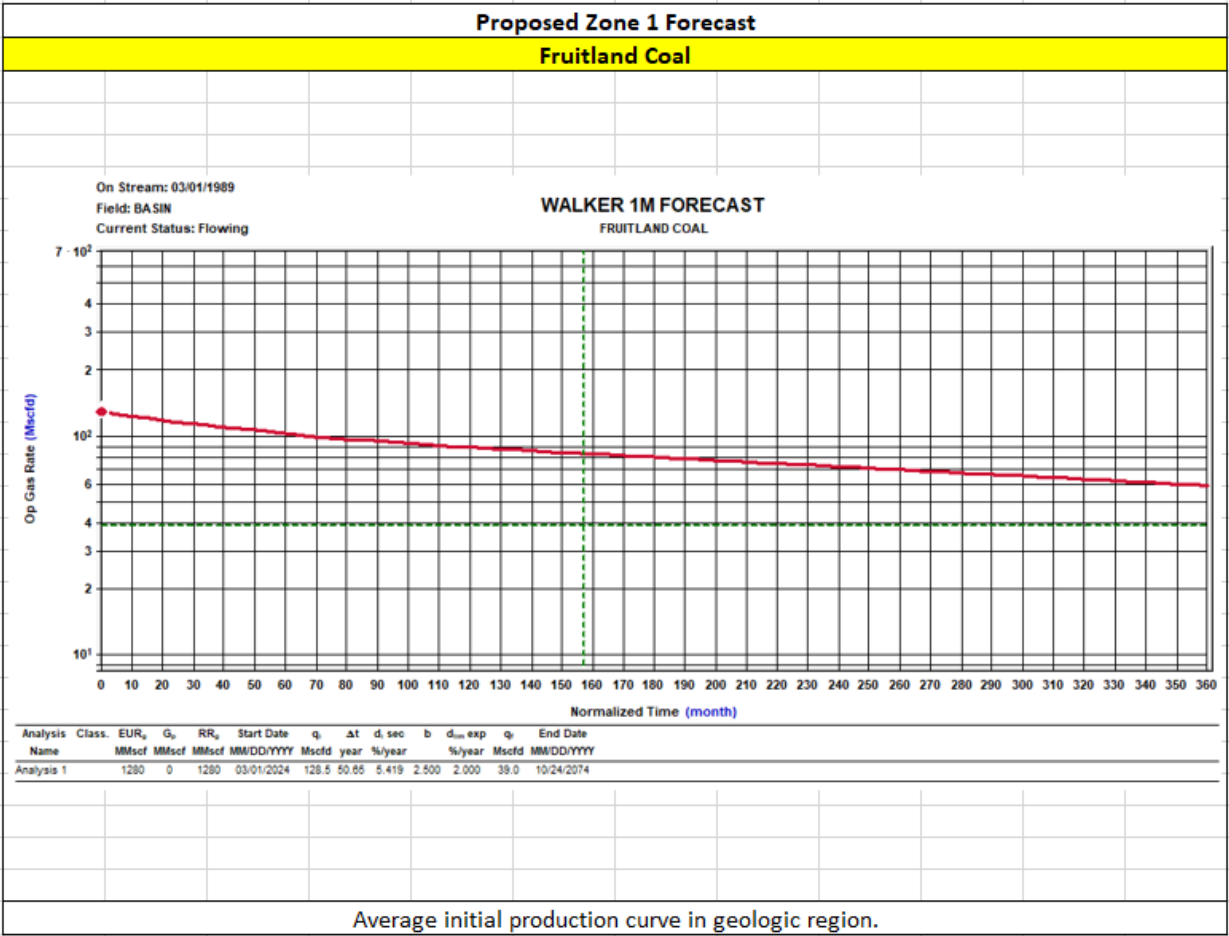
List of wells used to calculate BHPs for the Project:

3004533336	RIDDLE C LS 5	FRC
3004522452	WALKER 1A	MV
3004534459	Grambling C 001F	DK

I believe each of the reservoirs to be continuous and in a similar state of depletion at this well and at each of the wells from which the pressures are being derived.

Note: BTU Data taken from standalone completions in the zone of interest within a 2 mile radius of the well.

A farther radius is used if there is not enough data for a proper statistical analysis.



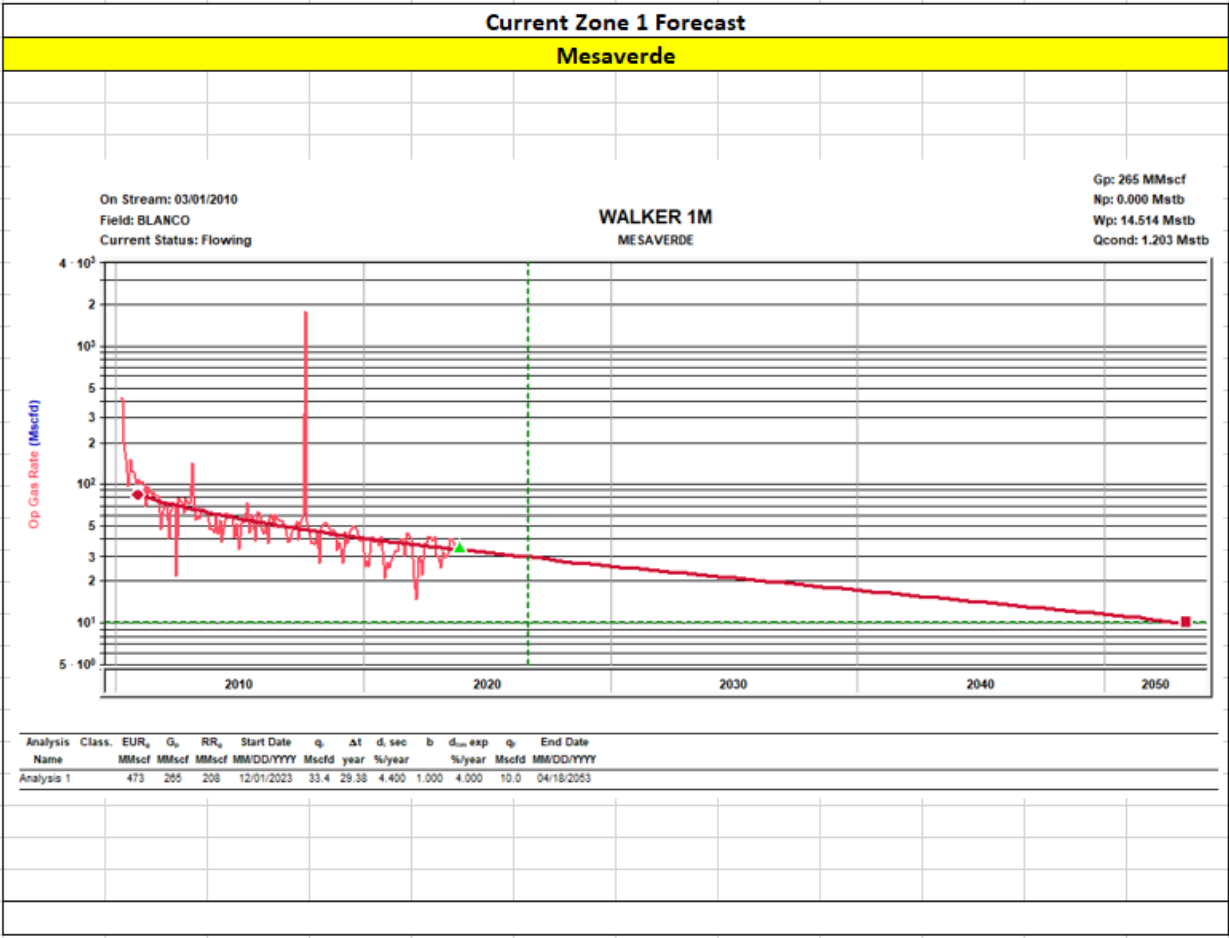
Production Allocation Method - Subtraction

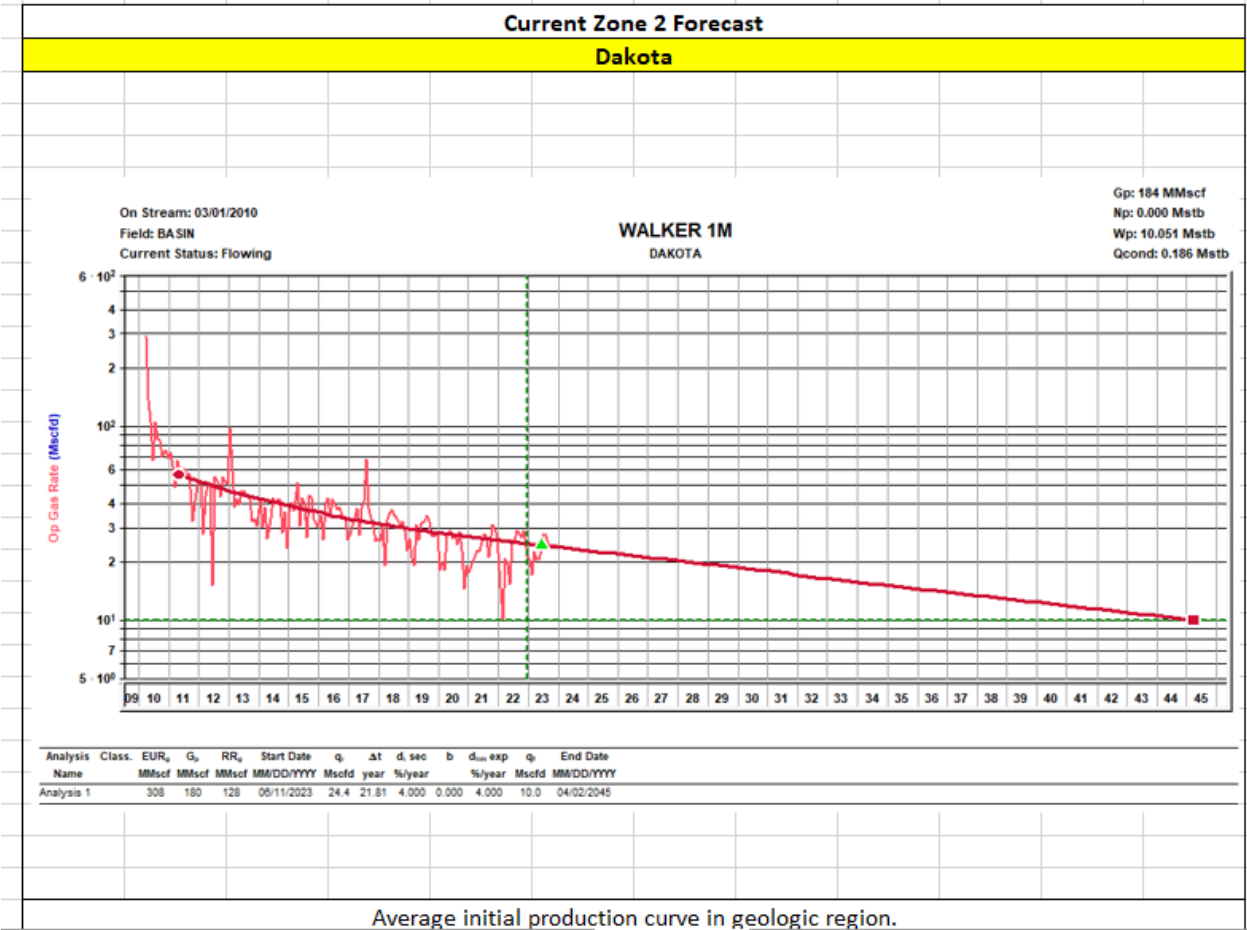
Gas Allocation:

Production for the downhole commingle will be allocated using the subtraction method in agreement with local agencies. The base formation is the Mesaverde/Dakota and the added formation to be commingled is the Fruitland Coal. The subtraction method applies an average monthly production forecast to the base formation using historic production. All production from this well exceeding the forecast will be allocated to the new formation.

After 3 years production will stabilize. A production average will be gathered during the 4th year and will be utilized to create a fixed percentage based allocation.

Hilcorp intends to continue to allocate the projected base production on the same fixed percentages to the following pools 59% (Mesaverde) 41% (Dakota) while the subtraction method is being used to determine the allocation to the new zone.





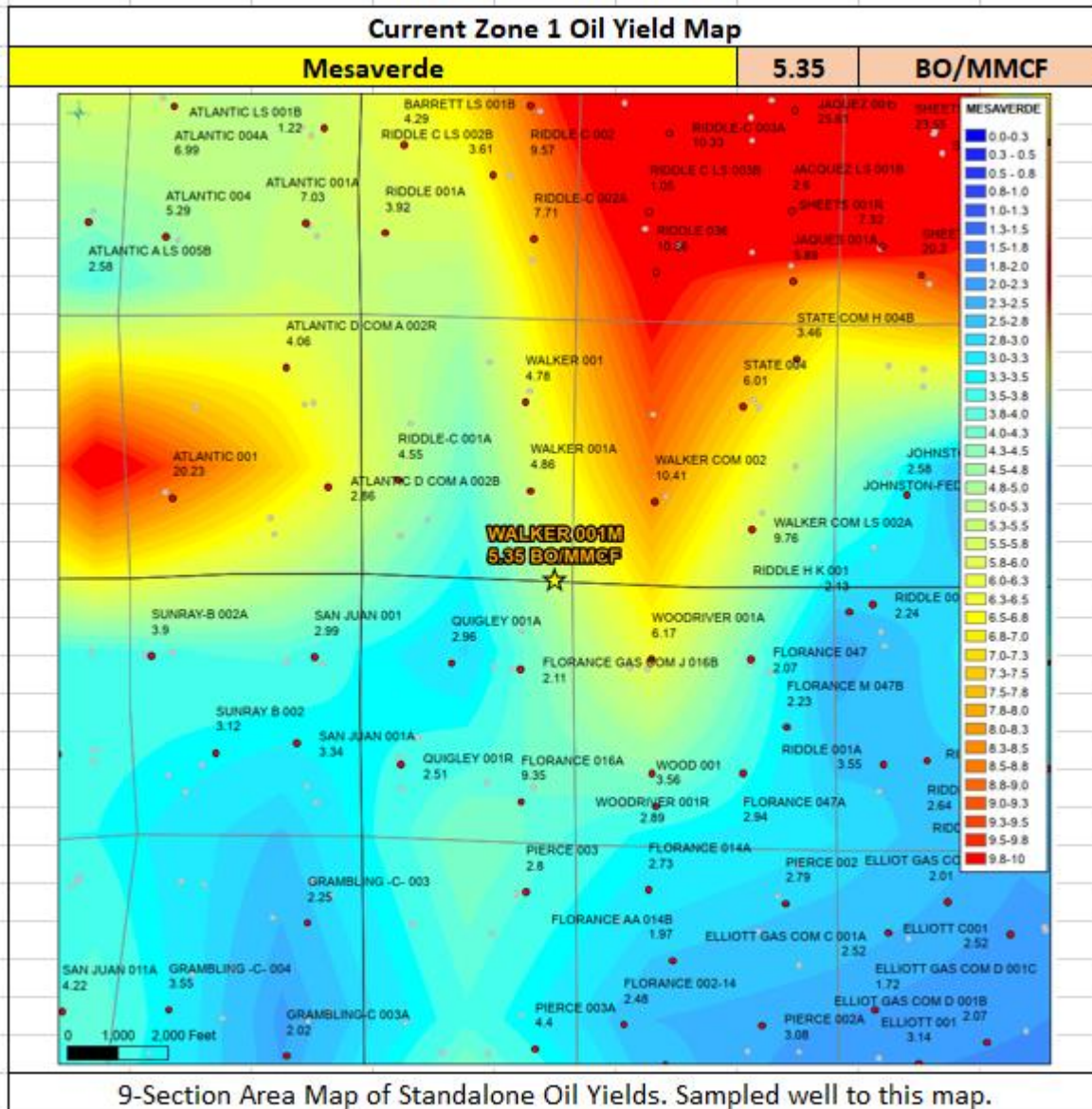
Oil Allocation:

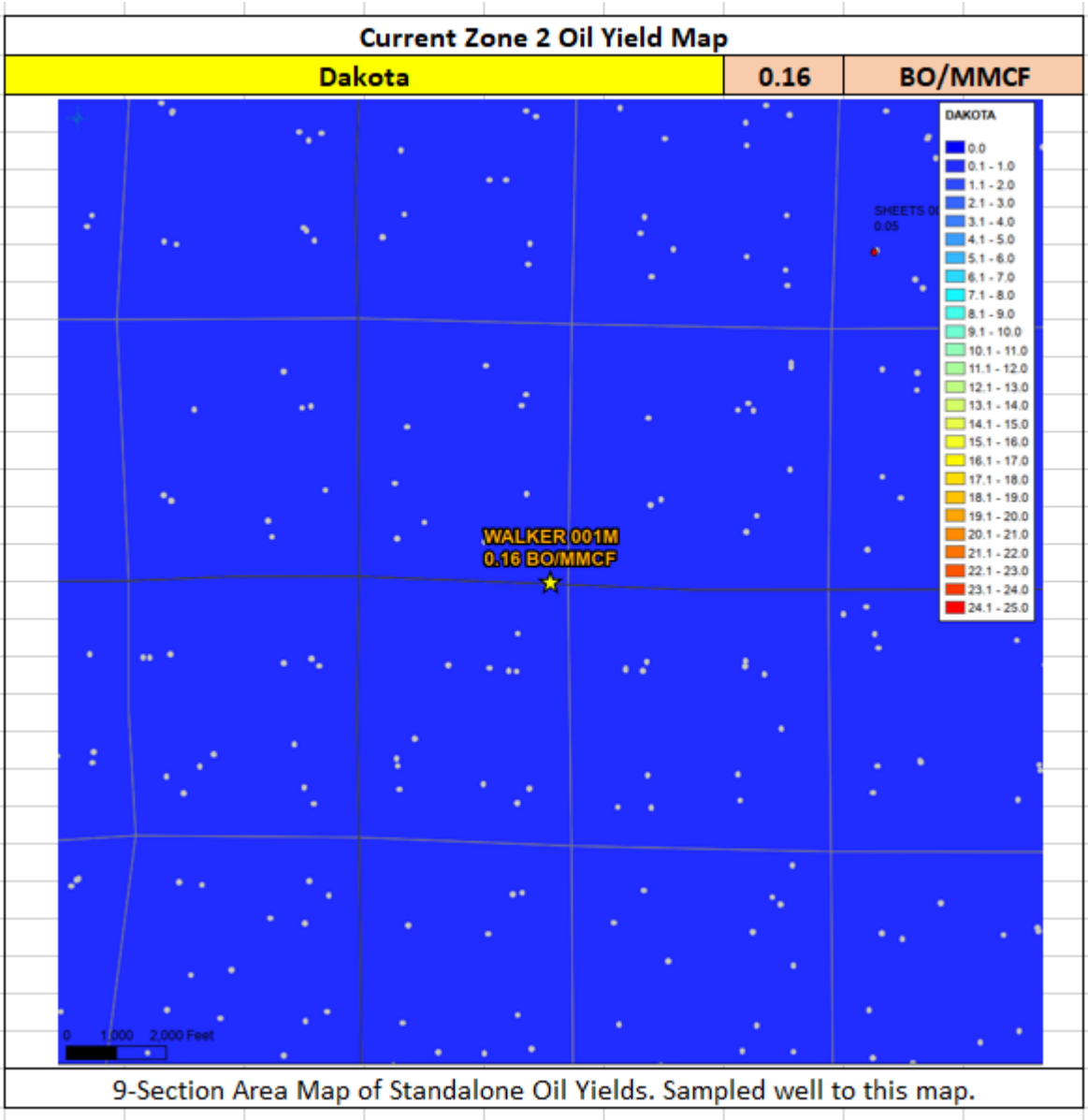
Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years.

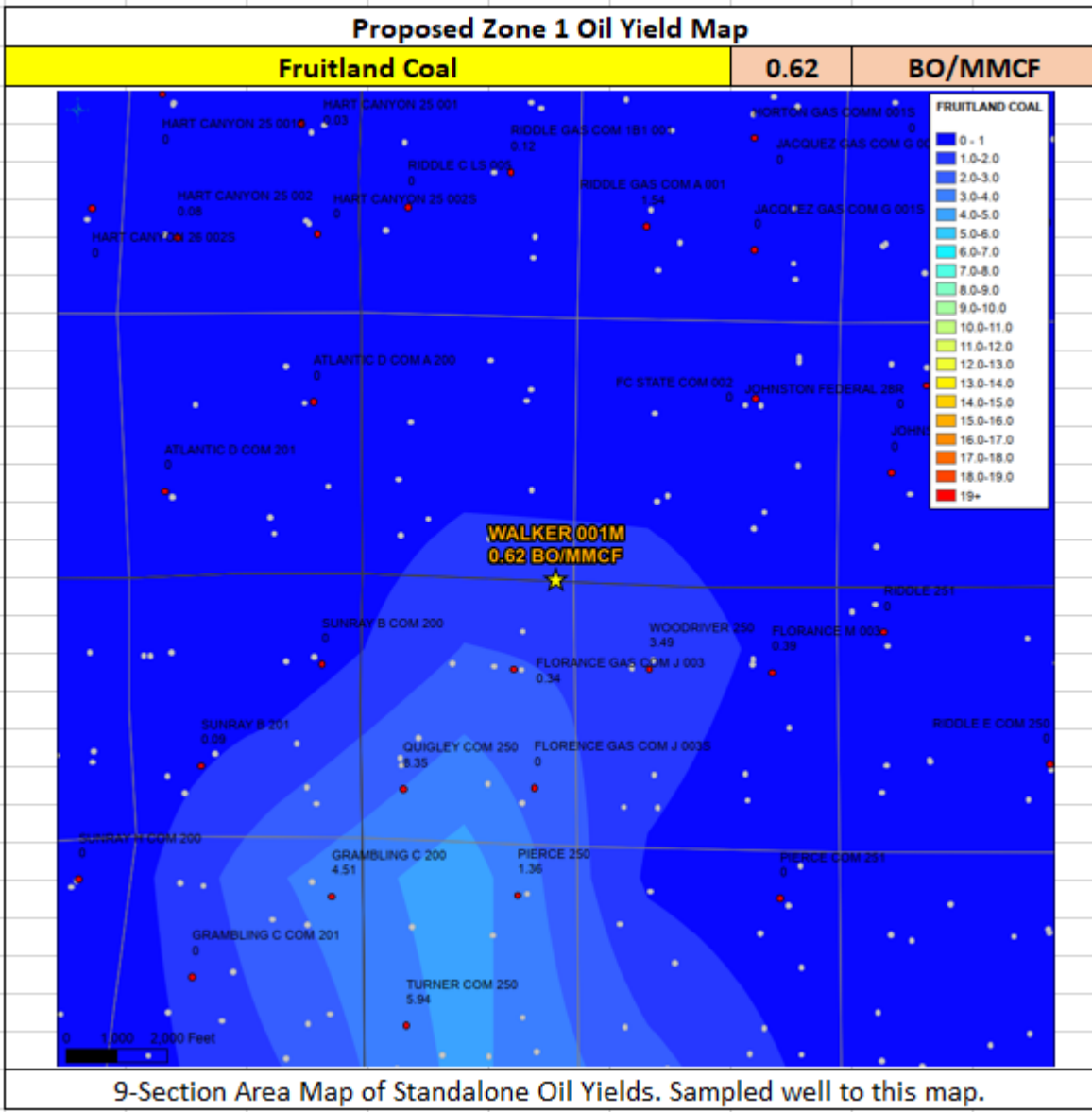
After 4 years oil will be reevaluated and adjust as needed based on average formation yields and new fixed gas allocation.

Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Oil Allocation
MV	5.35	208	58%
DK	0.16	128	1%
FRC	0.62	1280	41%
			100%

All documentation will be submitted to NMOCD.







Water Compatibility in the San Juan Basin

- The San Juan basin has productive siliciclastic reservoirs (Pictured Cliffs, Blanco Mesaverde, Basin Dakota, etc.) and a productive coalbed methane reservoir (Basin Fruitland Coal).
- These siliciclastic and coalbed methane reservoirs are commingled extensively throughout the basin in many different combinations with no observed damage from clay swelling due to differing formation waters.
- The samples below all show fresh water with low TDS.

Well Name	API
WALKER 1M	3004535005

FRC Offset (1.31 miles)		MV Offset (0.76 miles)		DK Offset (3.34 miles)	
API	3004526938	API	3004530850	API	3004534699
Property	WOODRIVER 250	Property	ATLANTIC D COM A 2B	Property	JOHNSTON FEDERAL 6E
CationBarium	0	CationBarium	0	CationBarium	4
CationBoron		CationBoron		CationBoron	
CationCalcium	1.69	CationCalcium	2.09	CationCalcium	16
CationIron	6.76	CationIron	83.2	CationIron	60.8
CationMagnesium	0.44	CationMagnesium	0.34	CationMagnesium	19.5
CationManganese	0.21	CationManganese	0.87	CationManganese	1.13
CationPhosphorus		CationPhosphorus		CationPhosphorus	
CationPotassium		CationPotassium		CationPotassium	
CationStrontium	0	CationStrontium	0	CationStrontium	0
CationSodium	139.82	CationSodium	204.07	CationSodium	263
CationSilica		CationSilica		CationSilica	
CationZinc		CationZinc		CationZinc	
CationAluminum		CationAluminum		CationAluminum	
CationCopper		CationCopper		CationCopper	
CationLead		CationLead		CationLead	
CationLithium		CationLithium		CationLithium	
CationNickel		CationNickel		CationNickel	
CationCobalt		CationCobalt		CationCobalt	
CationChromium		CationChromium		CationChromium	
CationSilicon		CationSilicon		CationSilicon	
CationMolybdenum		CationMolybdenum		CationMolybdenum	
AnionChloride	17.02	AnionChloride	20.02	AnionChloride	300
AnionCarbonate	0	AnionCarbonate	0	AnionCarbonate	0
AnionBicarbonate	122.2	AnionBicarbonate	207.74	AnionBicarbonate	0
AnionBromide		AnionBromide		AnionBromide	
AnionFluoride		AnionFluoride		AnionFluoride	
AnionHydroxyl		AnionHydroxyl		AnionHydroxyl	
AnionNitrate		AnionNitrate		AnionNitrate	
AnionPhosphate		AnionPhosphate		AnionPhosphate	54.8
AnionSulfate	0	AnionSulfate	0	AnionSulfate	20
phField		phField		phField	
phCalculated	5.92	phCalculated	4.7	phCalculated	5.62
TempField		TempField		TempField	
TempLab		TempLab		TempLab	
OtherFieldAlkalinity	122.2	OtherFieldAlkalinity	24.44	OtherFieldAlkalinity	97.76
OtherSpecificGravity	1	OtherSpecificGravity	1	OtherSpecificGravity	
OtherTDS	378.14	OtherTDS	728.34	OtherTDS	1086
OtherCaCO3	6.03	OtherCaCO3	6.62	OtherCaCO3	
OtherConductivity		OtherConductivity		OtherConductivity	
DissolvedCO2	90	DissolvedCO2	210	DissolvedCO2	250
DissolvedO2		DissolvedO2		DissolvedO2	
DissolvedH2S	0	DissolvedH2S	0	DissolvedH2S	2
GasPressure		GasPressure		GasPressure	
GasCO2	4	GasCO2	8	GasCO2	6
GasCO2PP		GasCO2PP		GasCO2PP	
GasH2S	0	GasH2S	0	GasH2S	0
GasH2SPP		GasH2SPP		GasH2SPP	
PitzerCaCO3_70		PitzerCaCO3_70		PitzerCaCO3_70	
PitzerBaSO4_70		PitzerBaSO4_70		PitzerBaSO4_70	
PitzerCaSO4_70		PitzerCaSO4_70		PitzerCaSO4_70	
PitzerSrSO4_70		PitzerSrSO4_70		PitzerSrSO4_70	
PitzerFeCO3_70		PitzerFeCO3_70		PitzerFeCO3_70	
PitzerCaCO3_220		PitzerCaCO3_220		PitzerCaCO3_220	
PitzerBaSO4_220		PitzerBaSO4_220		PitzerBaSO4_220	
PitzerCaSO4_220		PitzerCaSO4_220		PitzerCaSO4_220	
PitzerSrSO4_220		PitzerSrSO4_220		PitzerSrSO4_220	
PitzerFeCO3_220		PitzerFeCO3_220		PitzerFeCO3_220	

Gas Compatibility in the San Juan Basin

- The San Juan basin has productive siliciclastic reservoirs (Pictured Cliffs, Blanco Mesaverde, Basin Dakota, etc.) and a productive coalbed methane reservoir (Basin Fruitland Coal).
- These siliciclastic and coalbed methane reservoirs are commingled extensively throughout the basin in many different combinations with no observed damage from clay swelling due to differing formation waters or gas composition.
- The samples below all show offset gas analysis variability by formation is low.

Well Name	API
WALKER 1M	3004535005

FRC Offset (0.38 miles)		MV Offset(0.79 miles)		DK Offset (2.7 miles)	
AssetCode	3004527787	AssetCode	3004531095	AssetCode	3004524803
AssetName	FLORANCE GAS COM J 3	AssetName	RIDDLE C LS 1B	AssetName	RIDDLE COM 8
CO2	0.01	CO2	0.02	CO2	0.02
N2	0	N2	0	N2	0
C1	0.87	C1	0.82	C1	0.93
C2	0.06	C2	0.09	C2	0.04
C3	0.03	C3	0.04	C3	0.01
ISOC4	0.01	ISOC4	0.01	ISOC4	0
NC4	0.01	NC4	0.01	NC4	0
ISOC5	0	ISOC5	0	ISOC5	0
NC5	0	NC5	0	NC5	0
NEOC5	0	NEOC5		NEOC5	
C6	0	C6	0	C6	0
C6_PLUS		C6_PLUS		C6_PLUS	
C7		C7	0	C7	0
C8		C8	0	C8	0
C9		C9	0	C9	0
C10		C10		C10	
AR		AR		AR	
CO		CO		CO	
H2		H2		H2	
O2		O2	0	O2	0
H2O		H2O		H2O	
H2S	0	H2S	0	H2S	0
HE		HE		HE	
C_O_S		C_O_S		C_O_S	
CH3SH		CH3SH		CH3SH	
C2H5SH		C2H5SH		C2H5SH	
CH2S3_2CH3S		CH2S3_2CH3S		CH2S3_2CH3S	
CH2S		CH2S		CH2S	
C6HV		C6HV		C6HV	
CO2GPM		CO2GPM		CO2GPM	
N2GPM		N2GPM		N2GPM	
C1GPM		C1GPM		C1GPM	
C2GPM		C2GPM		C2GPM	
C3GPM		C3GPM		C3GPM	
ISOC4GPM		ISOC4GPM		ISOC4GPM	
NC4GPM		NC4GPM		NC4GPM	
ISOC5GPM		ISOC5GPM		ISOC5GPM	
NC5GPM		NC5GPM		NC5GPM	
C6_PLUSGPM		C6_PLUSGPM		C6_PLUSGPM	

Well Name: WALKER	Well Location: T31N / R9W / SEC 31 / SESE / 36.847907 / -107.814213	County or Parish/State: SAN JUAN / NM
Well Number: 1M	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078316E	Unit or CA Name: DK - E2, WALKER	Unit or CA Number: NMNM124190, NMNM73239
US Well Number: 3004535005	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2777155

Type of Submission: Notice of Intent	Type of Action: Recompletion
Date Sundry Submitted: 02/28/2024	Time Sundry Submitted: 12:08
Date proposed operation will begin: 04/01/2024	

Procedure Description: Hilcorp Energy Company requests to REVISE the previously BLM approved NOI (2/8/2024) to amend the FC perforation top. The subject well will be recompleted in the Fruitland Coal and downhole trimmingle with the existing MV/DK. Please see the attached revised procedure, current and proposed wellbore diagram, plat and natural gas management plan. A closed loop system will be used. A pre-reclamation site visit was held on 3/15/2022 with Roger Herrera/BLM. The reclamation plan is attached. A new federal communization agreement will be submitted to the BLM by the end of February.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

REVISED_Walker_1M_RC_NOI_20240228120815.pdf

Well Name: WALKER	Well Location: T31N / R9W / SEC 31 / SESE / 36.847907 / -107.814213	County or Parish/State: SAN JUAN / NM
Well Number: 1M	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078316E	Unit or CA Name: DK - E2, WALKER	Unit or CA Number: NMNM124190, NMNM73239
US Well Number: 3004535005	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

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: AMANDA WALKER	Signed on: FEB 28, 2024 12:08 PM
Name: HILCORP ENERGY COMPANY	
Title: Operations/Regulatory Technician	
Street Address: 1111 TRAVIS ST	
City: HOUSTON	State: TX
Phone: (346) 237-2177	
Email address: MWALKER@HILCORP.COM	

Field

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

BLM Point of Contact

BLM POC Name: MATTHEW H KADE	BLM POC Title: Petroleum Engineer
BLM POC Phone: 5055647736	BLM POC Email Address: MKADE@BLM.GOV
Disposition: Approved	Disposition Date: 02/28/2024
Signature: Matthew Kade	



**HILCORP ENERGY COMPANY
WALKER 1M
FRUITLAND COAL RECOMPLETION SUNDRY**

Prepared by:	Scott Anderson
Preparation Date:	February 6, 2024

WELL INFORMATION			
Well Name:	WALKER 1M	State:	NM
API #:	3004535005	County:	SAN JUAN
Area:	4	Location:	49' FSL & 349' FEL - Unit P - Section 31 - T 031N - R 009W
Route:	0408	Latitude:	36.847896 N
Spud Date:	10/31/2009	Longitude:	-107.813582 W

PROJECT DESCRIPTION	
Isolate the Dakota and Mesaverde, perforate and stimulate the UPE Fruitland Coal in 1-2 stages via csg frac. Commingle the Fruitland Coal production with the existing Mesa Verde and Dakota production. Strip facilities if necessary; repair production eqmt as needed, upgrade automation	

CONTACTS			
Title	Name	Office Phone #	Cell Phone #
Engineer	Scott Anderson		248-761-3965
Area Foreman	Colter Faverino		326-9758
Lead	Ramon Florez		599-3479
Artificial Lift Tech	Jesse McDowell		386-8062
Operator	Lawrence Lucero		592-1893



**HILCORP ENERGY COMPANY
WALKER 1M
FRUITLAND COAL RECOMPLETION SUNDRY**

JOB PROCEDURES

- | | | |
|--|--------------|--|
| <input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> | NMOCD
BLM | <p>Contact OCD 24 hrs prior to MIRU. Record and document all casing pressures <u>daily</u>, including BH, IC (if present) and PC. Comply with all NMOCD, BLM, and HEC safety and environmental regulations.</p> |
|--|--------------|--|
1. MIRU service rig and associated equipment. Pull insert pump and rods
 2. Nipple down wellhead, nipple up and test BOPs per HEC, State, and Federal guidelines.
 3. TOO H with 2-3/8" tubing
 4. **Set a 4-1/2" bridge plug at 4,730' to isolate the Mesaverde formation.**
 5. RU pressure test truck. Perform a Mechanical Integrity Test on the wellbore above the plug at 4,730'. Chart record the MIT test (Notify BLM and NMOCD +24hr before actual test).
NOTE: CBLs were run on both the 4-1/2" and 7" during drilling (2009) and submitted to the BLM and NMOCD
 6. **If needed, set a 4-1/2" Base of Frac plug at 3,294'**
 7. **RU wireline. Perforate the Fruitland Coal. (Top perforation @ 2,990', Bottom perforation @ 3,244').**
 8. N/D BOP, N/U 10K frac stack and test frac stack to frac pressure. **PT csg to 4,280 psi**
NOTE: production casing is a homogenous string of 11.6ppf 4-1/2" J55 csg. Burst on the 11.6ppf csg is 5,350 psi. Frac pressure is set at 80% of that burst pressure
 9. **RU stimulation crew. Frac the Fruitland Coal in one or two stages.**
 10. MIRU service rig. Nipple down frac stack, nipple up BOP and test. Kill well with fluid, if necessary
 11. **Drill out the Base of Frac plug, Mesaverde/Dakota Isolation plug. Clean out to PBTD at 7,811'**
 12. TIH and land 2-3/8" production tubing.
 13. **Flowback well thru flowback separator and sand trap. Get a trimmingle Fruitland Coal / Mesa Verde / Dakota flow rate.**



HILCORP ENERGY COMPANY
WALKER 1M
FRUITLAND COAL RECOMPLETION SUNDRY

WALKER 1M - CURRENT WELLBORE SCHEMATIC



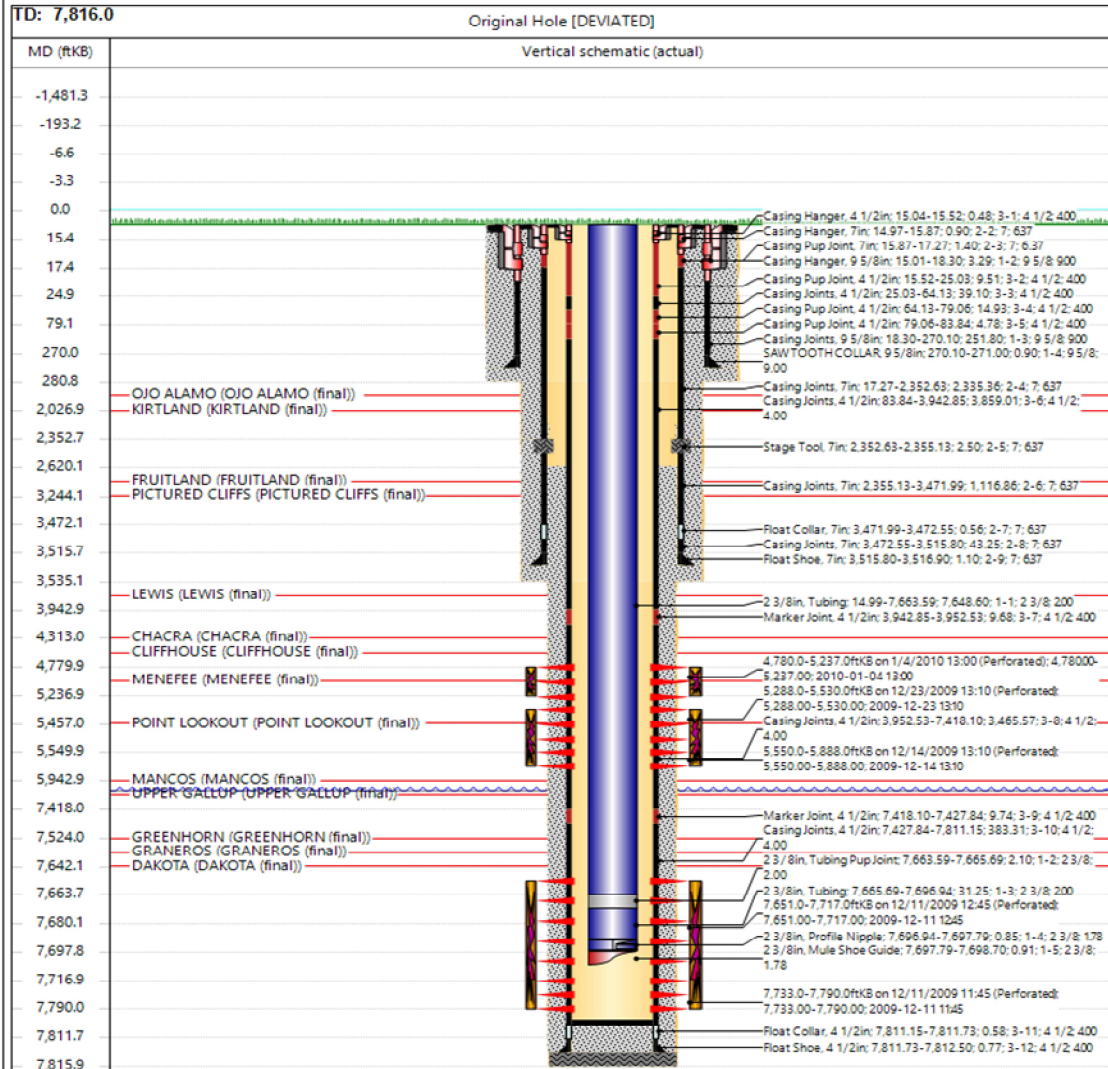
Schematic - Current

Well Name: WALKER #1M

API / UWI 3004535005	Surface Legal Location 031-031N-009W-P	Field Name MV/DK COM	License No.	State/Province NEW MEXICO	Well Configuration Type DEVIATED
Original K&B RT Elevation (ft) 6,362.00	RKB to GL (ft) 15.00	Original Spud Date 10/31/2009 06:45	Rig Release Date	PBTD (All) Original Hole - 7,811.0	Total Depth All (TVD)

Most Recent Job

Job Category COMPLETIONS	Primary Job Type INITIAL COMPLETION	Secondary Job Type INITIAL COMPLETION	Actual Start Date 11/25/2009	End Date 1/19/2010
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www.peloton.com

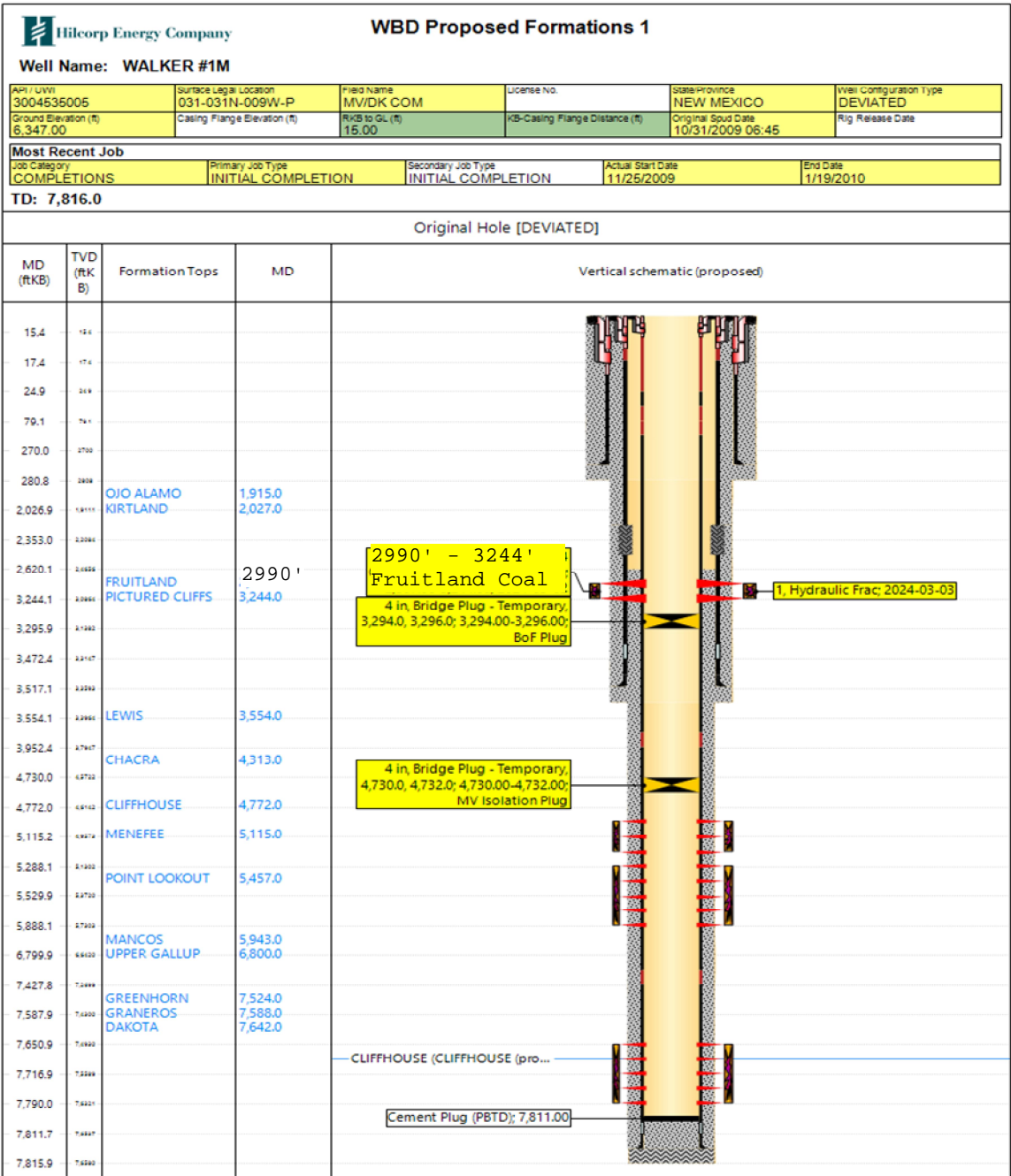
Page 1/1

Report Printed: 2/6/2024



HILCORP ENERGY COMPANY
WALKER 1M
FRUITLAND COAL RECOMPLETION SUNDRY

WALKER 1M - PROPOSED WELLBORE SCHEMATIC (PRIOR TO DRILLOUT/COMINGLING)



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

Form C-102
August 1, 2011

Permit 270063

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-35005	2. Pool Code 71629	3. Pool Name BASIN FRUITLAND COAL (GAS)
4. Property Code 318440	5. Property Name WALKER	6. Well No. 001M
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6347

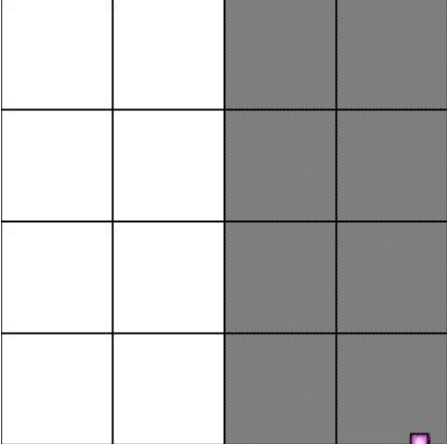

10. Surface Location

UL - Lot P	Section 31	Township 31N	Range 09W	Lot Idn 20	Feet From 49	N/S Line S	Feet From 349	E/W Line E	County SAN JUAN
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11. Bottom Hole Location If Different From Surface

UL - Lot P	Section 31	Township 31N	Range 09W	Lot Idn 20	Feet From 756	N/S Line S	Feet From 734	E/W Line E	County SAN JUAN
12. Dedicated Acres 312.80	13. Joint or Infill			14. Consolidation Code			15. Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By  Title: Operations Regulatory Tech Sr. Date: 2/7/2024</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Surveyed By: David Russell Date of Survey: 9/10/2008 Certificate Number: 10201</p>
--	--

Revised by OCD: 4/23/03 1:35:33 PM

Page 34 of 43

Hilcorp Energy
Interim Reclamation Plan
Walker #1M
API: 30-045-35005
P – Sec.31-T031N-R009W
Lat: 36.847896, Long: -107.813582
Footage: 49' FSL & 349' FEL
San Juan County, NM

1. PRE- INTERIM RECLAMATION SITE INSPECTION

- 1.1) A pre-interim reclamation site inspection was completed by Roger Herrera with the BLM and Chad Perkins construction Foreman for Hilcorp Energy on March 15, 2022.

2. LOCATION INTERIM RECLAMATION PROCEDURE

- 2.1) Interim reclamation work will only be completed after well recompletion.
2.2) The interim reclamation work will be completed during spring or fall months.
2.3) Location tear drop will be re-defined as applicable for the interim reclamation.
2.4) All diversion ditches and silt traps will be cleaned and re-established as applicable for the interim reclamation.
2.5) All disturbed areas will be seeded, any disturbed areas that are compacted will be ripped before seeding.
2.6) All trash and debris will be removed within 50' buffer outside of the location disturbance during reclamation.

3. ACCESS ROAD RECLAMATION PROCEDURE:

- 3.1) No lease access road issues were identified at the time of onsite.

4. SEEDING PROCEDURE

- 4.1) A Pinion/Juniper seed mix will be used for all reclaimed and disturbed areas of the location.
4.2) Drill seeding will be done where applicable and all other disturbed areas will be broadcast seeded and harrowed, broadcast seeding will be applied at a double the rate of seed.
4.3) Timing of the seeding will take place when the ground is not frozen or saturated.

5. WEED MANAGEMENT

- 5.1) No action is required at this time for weed management, no noxious weeds were identified during the onsite.

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

Submit Electronically
Via E-permitting

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: Hilcorp Energy Company **OGRID:** 372171 **Date:** 2/7/2024

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Walker 1M	30-045-35005	P-31-31N-09W Lot: 20	49 FSL 349 FEL	0	200	1

IV. Central Delivery Point Name: Chaco-Blanco Processing Plant [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
<u>Walker 1M</u>	<u>30-045-35005</u>					

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan

EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☒ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will select one of the following:

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices


1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: 
Printed Name: Amanda Walker
Title: Operations Regulatory Tech Sr.
E-mail Address: mwalker@hilcorp.com
Date: 2/7/2024
Phone: 346.237.2177
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

VI. Separation Equipment:

Hilcorp Energy Company (HEC or Operator) production facilities include separation equipment designed to efficiently separate gas from liquid phases to optimize gas capture based on projected and estimated volumes from the targeted pool of our recomple project. HEC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the recomple to optimize gas capture and send gas to sales or flare based on analytical composition. HEC operates facilities that are typically one-well facilities. Production separation equipment is upgraded prior to well being completed, if determined to be undersized or inadequate. This equipment is already on-site and tied into our sales gas lines prior to the recomple operations.

VII. Operational Practices:

1. Subsection (A) Venting and Flaring of Natural Gas
 - HEC understands the requirements of NMAC 19.15.27.8 which outlines that the venting and flaring of natural gas during drilling, completion or production operations that constitutes waste as defined in 19.15.2 are prohibited.
2. Subsection (B) Venting and Flaring during drilling operations
 - This gas capture plan isn't for a well being drilled.
3. Subsection (C) Venting and flaring during completion or recompletion
 - Flowlines will be routed for flowback fluids into a completion or storage tank and if feasible under well conditions, flare rather than vent and commence operation of a separator as soon as it is technically feasible for a separator to function.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
4. Subsection (D) Venting and flaring during production operations
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
 - Monitor manual liquid unloading for wells on-site or in close proximity (<30 minutes' drive time), take reasonable actions to achieve a stabilized rate and pressure at the earliest practical time, and take reasonable actions to minimize venting to the maximum extent practicable.
 - HEC will not vent or flare except during the approved activities listed in NMAC 19.15.27.8 (D) 1-4.
5. Subsection (E) Performance standards
 - All tanks and separation equipment are designed for maximum throughput and pressure to minimize waste.
 - If a flare is utilized during production operations it will have a continuous pilot and is located more than 100 feet from any known well or storage tanks.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.

6. Subsection (F) Measurement or estimation of vented and flared natural gas
 - o Measurement equipment is installed to measure the volume of natural gas flared from process piping.
 - o When measurement isn't practicable, estimation of vented and flared natural gas will be completed as noted in 19.15.27.8 (F) 5-6.

VIII. Best Management Practices:

1. Operator has adequate storage and takeaway capacity for wells it chooses to recomplete as the flowlines at the sites are already in place and tied into a gathering system.
2. Operator will flare rather than vent vessel blowdown gas when technically feasible during active and/or planned maintenance to equipment on-site.
3. Operator combusts natural gas that would otherwise be vented or flared, when technically feasible.
4. Operator will shut in wells in the event of a takeaway disruption, emergency situation, or other operations where venting or flaring may occur due to equipment failures.



April 12, 2024

Mailed Certified / Return Receipt Requested

To: ALL INTEREST OWNERS

RE: Application to Downhole Commingle Production
Well: WALKER #001M
API: 30-045-35005
Township 31 North, Range 9 West, Section 31
San Juan County, New Mexico

Ladies and Gentlemen:

Hilcorp Energy Company ("Hilcorp"), as Operator of the subject well, has filed application with the New Mexico Oil Conservation Division ("NMOCD") for approval to downhole commingle production from the **Fruitland Coal**, a formation Hilcorp soon intends to perforate, with existing production from the **Mesaverde** and **Dakota** formations, and allocate production between these formations using the subtraction allocation method; a method prescribed by the NMOCD.

This letter and the application copy enclosed serve to provide you, an owner in one or more of the aforementioned formations, with written notice as prescribed by Subsection C of 19.15.12.11 New Mexico Administrative Code.

No action is required by you unless you wish to file an objection to this application.

Any objections or requests for hearing must be submitted to the NMOCD's Santa Fe office, in writing, within twenty (20) days from the date the NMOCD receives the subject application.

Sincerely,

A handwritten signature in blue ink, appearing to read 'R. Carlson', is written over the name Robert Carlson.

Robert Carlson
Sr. Landman

1111 Travis Street Houston, TX 77002
Phone: 713/209-2400 Fax 713/209-2420

District I
1625 N. French Drive, Hobbs, NM 88240

District II
811 S. First St., Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-107A
Revised August 1, 2011

APPLICATION TYPE
☐ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Hilcorp Energy Company

382 Road 3100, Aztec, NM 87410

Operator

Address

Walker

IM

P 31, 31N, 09W Lot 20

San Juan

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 372171 Property Code 318440 API No. 30-045-35005 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Basin Fruitland Coal	Blanco Mesaverde	Basin Dakota
Pool Code	71629	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Est 2990' – 3244'	4780' – 5888'	7651' – 7790'
Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift	Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	43 psi	76 psi	140 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1087 BTU	1220 BTU	1039 BTU
Producing, Shut-In or New Zone	New Zone	Producing	Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates: Oil: Gas: Water:	Date: 11/1/2023 Rates: Oil: 0 Gas: 1043 Water: 0	Date: 11/1/2023 Rates: Oil: 0 Gas: 724 Water: 0
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % %	Oil Gas % %	Oil Gas % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☐ No ☒
Yes ☒ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well:

Attachments:

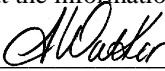
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE 

TITLE Operations/Regulatory Technician DATE 2/14/2024

TYPE OR PRINT NAME Amanda Walker

TELEPHONE NO. (346)237-2177

E-MAIL ADDRESS mwalker@hilcorp.com

Certified Number	Sender	Recipient	Date Mailed	Delivery Status
92148969009997901834663864	Brenda Guzman	, OFFICE OF NATURAL RESOURCES REVENUE, LAKEWOOD ACCTG CENT ONSHORE, DENVER, CO, 80225-0627 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834663871	Brenda Guzman	, LINDSAY PRODUCTION, and ROYALTIES LTD, FREDERICKSBURG, TX, 78624 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834663888	Brenda Guzman	, THE NORDAN TRUST, RANDOLPH C MARCEAU TRUSTEE, SAN ANTONIO, TX, 78209 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834663895	Brenda Guzman	, PRIMITIVE PETROLEUM INC, , MIDLAND, TX, 79707 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834663901	Brenda Guzman	, WESLEY WEST MINERALS LTD, , HOUSTON, TX, 77001 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834663918	Brenda Guzman	, FREDERICKSBURG ROYALTY LTD, , SAN ANTONIO, TX, 78295-1481 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834663925	Brenda Guzman	, KENNEDY MINERALS LTD, , MIDLAND, TX, 79701 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834663932	Brenda Guzman	, BHCH MINERAL LTD, , SAN ANTONIO, TX, 78296-1817 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834663949	Brenda Guzman	, MARGARET A KEARNS TRUST FBO, HELENE D GORMAN AND AS TRUSTEE, NAPLES, FL, 34102 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834663956	Brenda Guzman	, MARGARET A KEARNS TRUST FBO, JAMES B DRAPER TRUSTEE, COLORADO SPRINGS, CO, 80904-1029 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834663963	Brenda Guzman	, GROVER BROTHERS PARTNERSHIP, 6116 N CENTRAL EXPRESSWAY, DALLAS, TX, 75206 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834663970	Brenda Guzman	, CYNTHIA GRAY MILANI ESTATE, BARBARA B GRAY INDEP EXECUTRIX, FT WORTH, TX, 76199-0084 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834663987	Brenda Guzman	, UNION OIL COMPANY OF CALIF, ATTN: REVENUE ACCOUNTING, DALLAS, TX, 75284-1055 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834663994	Brenda Guzman	, CLAUD W RAYBOURN, , APPLE VALLEY, CA, 92307 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664007	Brenda Guzman	, ELSR LP, C/O PETROLEDGER FINANCIAL SERV, FORT WORTH, TX, 76107 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664014	Brenda Guzman	, GROVER FAMILY LP, , MIDLAND, TX, 79702-3666 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664021	Brenda Guzman	, FLORENCIA EXPLORATION INC, , SAN ANTONIO, TX, 78296-1817 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664038	Brenda Guzman	, ARCHER PEARL ENERGY LTD, , SAN ANTONIO, TX, 78209 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664045	Brenda Guzman	, CHARLES RUSSELL BELL JR, , BELLVILLE, TX, 77418-0042 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664052	Brenda Guzman	, VALERIE L JONES HUNDLEY, , CORPUS CHRISTI, TX, 78468-1242 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664069	Brenda Guzman	, JOHN HUNTER JONES, , AUSTIN, TX, 78746 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664076	Brenda Guzman	, JESSICA DAVANT STANLEY, , AUSTIN, TX, 78732 Code: Walker 1M DHC	4/12/2024	Signature Pending

92148969009997901834664083	Brenda Guzman	, AMELIA ANNE SUNDBERG, , RICHMOND, TX, 77406-6727 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664090	Brenda Guzman	, HDBC INVESTMENTS LTD, A TEXAS LTD PTRSHP, DALLAS, TX, 75225 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664106	Brenda Guzman	, PAUL DAVIS LTD, , MIDLAND, TX, 79702 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664113	Brenda Guzman	, MULLIGAN LP, , RICHARDSON, TX, 75080-4611 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664120	Brenda Guzman	, OKLAHOMA STATE UNIVERSITY FOUN, , OKLAHOMA CITY, OK, 73196-0484 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664137	Brenda Guzman	, REBECCA ANN HOWARD MUNNELL, , SUGAR LAND, TX, 77479-1470 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664144	Brenda Guzman	, RICHARD HOWARD, , HOUSTON, TX, 77024 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664151	Brenda Guzman	, ROBERT LOUIS HOWARD JR, , CLARKESVILLE, GA, 30523 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664168	Brenda Guzman	, CROSS TIMBERS ENERGY LLC, C/O DRILLINGINFO MAIL, FORT WORTH, TX, 76102 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664175	Brenda Guzman	, WILLIAM C EILAND, , MIDLAND, TX, 79702 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664182	Brenda Guzman	, DELACOSTA ENERGY LP, ANTHONY SPEIER REGISTER AGENT, SAN ANTONIO, TX, 78212 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664199	Brenda Guzman	, PNH RESOURCES LLC, PHILIP N HUDSON MANAGER, SAN ANTONIO, TX, 78280 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664205	Brenda Guzman	, FREDERICK EUGENE TURNER, JGT ESTATE, DALLAS, TX, 75206-4079 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664212	Brenda Guzman	, FRED ELDON SPENCER, and JANE B SPENCER JTWROS, MUSTANG, OK, 73064 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664229	Brenda Guzman	, JAMES R LEETON JR, , MIDLAND, TX, 79702 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664236	Brenda Guzman	, KELLEY ALLINSON MURRELL, , DALLAS, TX, 75205 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664243	Brenda Guzman	, MITZI ANN HENDERSON EASLEY, , AUSTIN, TX, 78727 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664250	Brenda Guzman	, SUSAN H RITTER, , AUSTIN, TX, 78746 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664267	Brenda Guzman	, BETSY H BRYANT, , GEORGETOWN, TX, 78628 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664274	Brenda Guzman	, 1994 KENYON FAMILY TRUST, DAVID G KENYON and KAREN L KENYON, NOVATO, CA, 94945 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664281	Brenda Guzman	, M J FLORANCE NO 2 TRUST, FBO DOUGLAS E FLORANCE, DALLAS, TX, 75222-6270 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664298	Brenda Guzman	, MARTHA M TUCKER, , HOUSTON, TX, 77252-2822 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664304	Brenda Guzman	, BEN HOWELL LANGFORD, , EL PASO, TX, 79912 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664311	Brenda Guzman	, THOMPSON FAMILY LLC, , SANTA FE, NM, 87501 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664328	Brenda Guzman	, VIRGINIA THOMPSON CREPS REV TRUST, ELIZABETH R HARNED SUCC TRUSTEE, WEST	4/12/2024	

		CHESTER, PA, 19380 Code: Walker 1M DHC		Signature Pending
92148969009997901834664335	Brenda Guzman	, ATKO PARTNERS LTD, , HUNTSVILLE, TX, 77340 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664342	Brenda Guzman	, DAVID H GRAY, JPMORGAN CHASE BANK AGENT and AIF, FORT WORTH, TX, 76199-0084 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664359	Brenda Guzman	, JOHN L GRAY, JPMORGAN CHASE BANK AGENT and AIF, FORT WORTH, TX, 76199-0084 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664366	Brenda Guzman	, LAURA A GUNN, , SAN ANTONIO, TX, 78216- 2227 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664373	Brenda Guzman	, CARA CATHLEEN HOWELL LIND, , CHANDLER, AZ, 85226 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664380	Brenda Guzman	, PICO PROPERTIES LLC, , EL PASO, TX, 79901 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664397	Brenda Guzman	, GUY DAVID WARD, , SPRING HILL, TN, 37174 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664403	Brenda Guzman	, TIMOTHY WINSTON WARD, , CARROLLTON, TX, 75007 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664410	Brenda Guzman	, JAMES WENDELL WEST, , LOS ANGELES, CA, 90049-8382 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664427	Brenda Guzman	, HELEN BLOXSOM DAVIS, , HOUSTON, TX, 77025 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664434	Brenda Guzman	, CORNELIA DAVANT PERRY, JAMES E DAVANT POA, BLESSING, TX, 77419-0206 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664441	Brenda Guzman	, DAVID ELBERT REESE, , RICHMOND, TX, 77469 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664458	Brenda Guzman	, ANGELA SLAIS, , GARDNERVILLE, NV, 86460 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664465	Brenda Guzman	, JAMES H ATWILL, , PORT ARANSAS, TX, 78373-1810 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664472	Brenda Guzman	, DOUGLAS E ATWILL, , SANTA FE, NM, 87502- 5959 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664489	Brenda Guzman	, JEAN ASHLEY WARD CARTER, , HOUSTON, TX, 77062 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664496	Brenda Guzman	, SANDRA T CURRIE, , LLANO, TX, 78643 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664502	Brenda Guzman	, WILLIAM LOUIS DAVANT, , BLESSING, TX, 77419 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664519	Brenda Guzman	, JAMES E DAVANT DVM, , BLESSING, TX, 77419-0695 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664526	Brenda Guzman	, KATHRYN DAVANT DODSON, , CLARKSDALE, MS, 38614 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664533	Brenda Guzman	, THOMAS E DUNNAM III, , SAN ANTONIO, TX, 78269 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664540	Brenda Guzman	, JAMES H ESSMAN, , MIDLAND, TX, 79702 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664557	Brenda Guzman	, A R GROVER SAN JUAN ROYALTY JV-90, , MIDLAND, TX, 79702 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664564	Brenda Guzman	, ANNA CELIA HOWELL HILTON, , COLORADO SPRINGS, CO, 80909 Code: Walker 1M DHC	4/12/2024	Signature Pending

92148969009997901834664571	Brenda Guzman	, BRADFORD TUCKER, , HOUSTON, TX, 77056-1421 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664588	Brenda Guzman	, F LOUIS TUCKER JR, , HOUSTON, TX, 77056 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664595	Brenda Guzman	, EUGENIA DAVANT WILSON, , SULPHUR, LA, 70664-1160 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664601	Brenda Guzman	, PAMELA GRAY BALDWIN, , SHELLBURNE, VT, 05482-0298 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664618	Brenda Guzman	, SUSAN FRY BRACKEN, , TYLER, TX, 75701 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664625	Brenda Guzman	, ANNA REBECCA WARD DELKRUG, , HOUSTON, TX, 77062 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664632	Brenda Guzman	, LOUANN H FEUILLE, C/O WESTSTAR WEALTH MANAGEMENT, EL PASO, TX, 79999 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664649	Brenda Guzman	, DICK HOLLAND, , MIDLAND, TX, 79702-2926 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664656	Brenda Guzman	, CLAY JOHNSON, , MIDLAND, TX, 79701 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664663	Brenda Guzman	, MARY KATHRYN DUNNAM LADEWIG, , TROPHY CLUB, TX, 76262 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664670	Brenda Guzman	, MARGARET ALLINSON LAYCOCK, , ATHENS, TX, 75752 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664687	Brenda Guzman	, KEVIN K LEONARD, , MIDLAND, TX, 79710 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664694	Brenda Guzman	, ELIZABETH H LUND ROYALTY TRUST, BARBARA LUND TRUSTEE, DALLAS, TX, 75230 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664700	Brenda Guzman	, LILLY L NEWKIRK, , INDIANOLA, IA, 50125 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664717	Brenda Guzman	, PARADOX VALLEY PARTNERS LTD, , LLANO, TX, 78643 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664724	Brenda Guzman	, NANCY J SPENCER, , RANCHO CUCAMONGA, CA, 91739-2565 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664731	Brenda Guzman	, JOHN B ALLINSON JR, , WACO, TX, 76702 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664748	Brenda Guzman	, BIG LAKE FISHING LLC, , DALLAS, TX, 75252-5297 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664755	Brenda Guzman	, JANICE P CAMPBELL, AUSTEN S CAMPBELL POA, MIDLAND, TX, 79702-1714 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664762	Brenda Guzman	, RICHARD PARKER LANGFORD, , EL PASO, TX, 79912 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664779	Brenda Guzman	, L J and R R MONEY 1990 TR, DATED 10-9-90, SACRAMENTO, CA, 95864 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664786	Brenda Guzman	, OAK TREE MINERALS LLC, , FRISCO, TX, 75034 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664793	Brenda Guzman	, RAYBOURN ENTERPRISES LLC, , NEWTOWN SQUARE, PA, 19073 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664809	Brenda Guzman	, CATHARINE GRAY REMENICK, , WEST CHESTER, PA, 19382-6937 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664816	Brenda Guzman	, L DORIS WILLIAMS TRUST, DON D FORD III and JANE M CAROLUS, HOUSTON, TX, 77225-	4/12/2024	Signature Pending

		0606 Code: Walker 1M DHC		
92148969009997901834664823	Brenda Guzman	, WILLIAM R ARCHER JR 2003 GRANTOR, TRUST WILLIAM R ARCHER JR TRUSTEE, MCLEAN, VA, 22101 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664830	Brenda Guzman	, HELEN MCCUSKER ATWILL TRUST, HELEN MCCUSKER ATWILL TRUSTEE, THE DALLIES, OR, 97058 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664847	Brenda Guzman	, BARBARA A BRYANT 2003 GRANTOR TRUST, KATHERINE BRYAN LYNCH and, MCLEAN, VA, 22101 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664854	Brenda Guzman	, EMILIE M HARDIE, ROYALTY TRUST, EL PASO, TX, 79912-1942 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664861	Brenda Guzman	, MARY ELIZABETH HARDIE, ROYALTY TRUST, DALLAS, TX, 75225 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664878	Brenda Guzman	, DEAN and DARLA KENYON 2004 FAM TR, DEAN KENYON and DARLA KENYAN TTEES, GOSHEN, IN, 46526 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664885	Brenda Guzman	, MUIRFIELD RESERVES LLC, , DALLAS, TX, 75252-5297 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664892	Brenda Guzman	, NORTHGATE ROYALTY FUND B LLC, , NOTRE DAME, IN, 46556-0757 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664908	Brenda Guzman	, IM H PORTER TUW, FBO JOHN PORTER, DAVENPORT, FL, 33837 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664915	Brenda Guzman	, MABELLE H SOWERS, ROYALTY TRUST, COLLEGE STATION, TX, 77845-8983 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664922	Brenda Guzman	, NEAL S WATERFALL, FAMILY TR DTD 05-29-79, BELLEVUE, WA, 98007-3904 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664939	Brenda Guzman	, RICHARD A GROENENDYKE JR, , TULSA, OK, 74114 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664946	Brenda Guzman	, SHERRI HULT HEINTSCHEL, , ROCKPORT, TX, 78382 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664953	Brenda Guzman	, GLENN HEINTSCHEL, , ROCKPORT, TX, 78382 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664960	Brenda Guzman	, MARY L HERROLD REVOC TR, DTD 1/7/92, TULSA, OK, 74133 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664977	Brenda Guzman	, DONALD E HERROLD REV TR, , TULSA, OK, 74133 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664984	Brenda Guzman	, ICON PETROLEUM INC, , MIDLAND, TX, 79701 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834664991	Brenda Guzman	, JOSEPH C JASTRZEMBSKI, , MINOT, ND, 58703-2426 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665004	Brenda Guzman	, NINETY SIX CORPORATION, , MIDLAND, TX, 79701-4695 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665011	Brenda Guzman	, RESERVATION LAKE RESOURCES LLC, , EL PASO, TX, 79912 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665028	Brenda Guzman	, TRIANGLE H ENTERPRISES LLC, , MESILLA, NM, 88046 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665035	Brenda Guzman	, ANNA M PORTER WAINWRIGHT, BANK OF AMERICA NA INV MANAGER, DALLAS, TX, 75284-0738 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665042	Brenda Guzman	, GLADYS WATFORD TRUST, ANNE V POGSON TRUSTEE, DALLAS, TX, 75230 Code: Walker 1M DHC	4/12/2024	Signature Pending

92148969009997901834665059	Brenda Guzman	, ENDURING RESOURCES IV, LLC, , CENTENNIAL, CO, 80111 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665066	Brenda Guzman	, JANE B SPENCER, , YUKON, OK, 73099 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665073	Brenda Guzman	, WATERS S DAVIS III BYPASS TRUST, C/O PDS/SSandC INNOVEST, FT WORTH, TX, 76102 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665080	Brenda Guzman	, EDWARD WINTERER and JACQUELINE M, WINTERER REV TRUST #1 DTD 12-4-91, SPOKANE, WA, 99218 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665097	Brenda Guzman	, RUGELEY TRUST, FRANK M RUGELEY CO- TTEE, BATON ROUGE, LA, 70816 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665103	Brenda Guzman	, CHARLES E EDMIASTON, , UNKNOWN, TX, 99999 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665110	Brenda Guzman	, JULIANNE DEAN, , SPRING, TX, 77393 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665127	Brenda Guzman	, MARION H GRAMBLING LIV TRUST, JOHN A GRAMBLING TTE, EL PASO, TX, 79912-3327 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665134	Brenda Guzman	, ROBERT WALTER LUNDELL, , HOUSTON, TX, 77063-2318 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665141	Brenda Guzman	, LINDA JEANNE LUNDELL LINDSEY, , NACOGDOCHES, TX, 75963 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665158	Brenda Guzman	, CLAUDIA MARCIA LUNDELL GILMER, , GEORGETOWN, TX, 78628 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665165	Brenda Guzman	, GB SAFEWAY PROPERTY LTD, , KERRVILLE, TX, 78028 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665172	Brenda Guzman	, AMANDA HENRY, , ROCKWALL, TX, 75087 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665189	Brenda Guzman	, AUSTEN S CAMPBELL, , MIDLAND, TX, 79702 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665196	Brenda Guzman	, HOLTEN G CAMPBELL, , MIDLAND, TX, 79702 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665202	Brenda Guzman	, CHARISA J ALMAGER TRUST, , MIDLAND, TX, 79702 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665219	Brenda Guzman	, JOHN L TURNER LLC, , DALLAS, TX, 75231 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665226	Brenda Guzman	, SIMCOE, LLC, , HOUSTON, TX, 77002-5632 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665233	Brenda Guzman	, BETTY ANN STEDMAN ESTATE, , HOUSTON, TX, 77001 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665240	Brenda Guzman	, M J FLORANCE NO 2 TRUST, FBO MAURICE J FLORANCE JR, DALLAS, TX, 75222 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665257	Brenda Guzman	, M J FLORANCE NO 2 TRUST, FBO CATHERINE M FLORANCE, DALLAS, TX, 75222 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665264	Brenda Guzman	, M J FLORANCE NO 2 TRUST, FBO JAMES J FLORANCE, DALLAS, TX, 75222-6270 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665271	Brenda Guzman	, M J FLORANCE NO 2 TRUST, FBO MAUREEN E FLORANCE, DALLAS, TX, 75222 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665288	Brenda Guzman	, GEORGE ASHLEY REESE JR, , HOUSTON, TX, 77079 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665295	Brenda Guzman	, ROY RANDOLPH REESE, , SUGAR LAND, TX, 77478	4/12/2024	

		Code: Walker 1M DHC		Signature Pending
92148969009997901834665301	Brenda Guzman	, MWOODHAM LLC, , DENVER, CO, 80220 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665318	Brenda Guzman	, ROYALET PARTNERS LLC, , DALLAS, TX, 75219-1767 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665325	Brenda Guzman	, MARILYNN L JACKSON, , PONCA CITY, OK, 74604 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665332	Brenda Guzman	, MARBAR HOLDINGS LLC, , BELLAIRE, TX, 77401 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665349	Brenda Guzman	, MARY DAVANT FRICKE, , PORT LAVACA, TX, 77979 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665356	Brenda Guzman	, LISA F BERGER, , TULSA, OK, 74132 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665363	Brenda Guzman	, LAURA F GRUNDHOEFER, , SAN ANTONIO, TX, 78258 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665370	Brenda Guzman	, RDJL HOLDINGS LLC, , RICHMOND, TX, 77469 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665387	Brenda Guzman	, GEOJAC LLC, , HOUSTON, TX, 77079-6422 Code: Walker 1M DHC	4/12/2024	Signature Pending
92148969009997901834665394	Brenda Guzman	, JAMES G TURNER JR ESTATE, CYNTHIA M TURNER IND EXEC, DALLAS, TX, 75205 Code: Walker 1M DHC	4/12/2024	Signature Pending

Bruce H. C. Hill	Address Unknown	Notice of Downhole published 3/1/2024
Carter Family Trust	Address Unknown	Notice of Downhole published 3/1/2024
Texas Gulf Bank, N.A., as Escrow Agent for David Dewitt Jones	Address Unknown	Notice of Downhole published 3/1/2024
Edward Litton Winterer (decd)	Address Unknown	Notice of Downhole published 3/1/2024
Joan Winterer, f/k/a Joan Winterer Kenyon	Address Unknown	Notice of Downhole published 3/1/2024
Children's Trust for the benefit of John Porter	Address Unknown	Notice of Downhole published 3/1/2024
James A. "Bill" and Doris L. Williams Scholarship Foundation	Address Unknown	Notice of Downhole published 3/1/2024
M.A. Thompson (assignment no 17)	Address Unknown	Notice of Downhole published 3/1/2024
Claud and Peggy Raybourn Family Trust dated May 24, 1994 (assignment 136)	Address Unknown	Notice of Downhole published 3/1/2024
Texas National Bank of Houston, Attorney-in-Fact for Waters S. Davis III, et al	Address Unknown	Notice of Downhole published 3/1/2024
Doris C. Henderson	Address Unknown	Notice of Downhole published 3/1/2024



Texas/New Mexico

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GANNETT

PROOF OF PUBLICATION

Hilcorp Energy
Hilcorp Energy
382 Rd 3100
Aztec NM 87410

STATE OF WISCONSIN, COUNTY OF BROWN

The Farmington Daily Times, a daily newspaper published in the city of Farmington, San Juan County, State of New Mexico, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issue:

03/01/2024

and that the fees charged are legal.

Sworn to and subscribed before on 03/01/2024

Notice by Hilcorp Energy Company for Downhole Commingling, San Juan County, New Mexico. Pursuant to Paragraph (2) of Subsection C of 19.15.12.11 NMAC, Hilcorp Energy Company, as Operator, has filed form C-107-A with the New Mexico Energy, Minerals and Natural Resources Department - Oil Conservation Division (NMOCD) seeking administrative approval to downhole commingle new production from the Basin-Fruitland Coal Gas Pool (71629) with existing production from the Blanco-Mesaverde Gas Pool (72319) and Basin-Dakota Gas Pool (71599) in the WALKER #001B well (API No. 30-045-34954) located in Unit B, Section 31, Township 31 North, Range 9 West, NMPM, San Juan County, New Mexico. Commingling will not reduce the value of production. The allocation of production between zones will occur via subtraction method. This notice is intended for certain unlocatable interest owners in the aforementioned well for which certified mail delivery is not possible. Should you (the interest owner for which this notice is intended) have an objection, you must notify the NMOCD in writing within twenty (20) days from the date of this publication. Thereafter, the matter may be set for hearing with the NMOCD in Santa Fe, NM, wherein your attendance and testimony would be required.
#9885260, Daily Times, March 1, 2024

Legal Clerk

Notary, State of WI, County of Brown

My commission expires

Publication Cost: \$86.00

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KATHLEEN ALLEN
Notary Public
State of Wisconsin

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 337486

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 337486
	Action Type: [C-107] Down Hole Commingle (C-107A)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	8/27/2024