

ID NO. 520585

DHC - 5540

Revised March 23, 2017

RECEIVED: <b>10/28/26</b>	REVIEWER:	TYPE:	APP NO:
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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:** Decker 3A **API:** 30-045-22320  
**Pool:** Basin Fruitland Coal / Blanco Pictured Cliffs / Blanco Mesaverde **Pool Code:** 71629, 72359, 72319

**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

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.

Cherylene Weston

Print or Type Name

Cherylene Weston

Signature

10/10/2025  
Date

713-289-2614  
Phone Number

cweston@hilcorp.com  
e-mail Address

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised August 1, 2011

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

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

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

District III  
1000 Rio Brazos Road, Aztec, NM 87410

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

**APPLICATION FOR DOWNHOLE COMMINGLING**

Hilcorp Energy Company 382 Road 3100, Aztec, NM 87410

Operator Address

DECKER 3A F-23-T32N-R12W SAN JUAN, NM  
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 372171 Property Code 318883 API No. 30-045-22320 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Basin Fruitland Coal (Gas)	Blanco Pictured Cliffs (Gas)	Blanco-Mesaverde (Prorated Gas)
Pool Code	71629	72359	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Est. 2233' - 2617'	Est. 2618' - 2799'	4740' - 5072'
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)	325 psi	360 psi	509 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1135 BTU	1133 BTU	1187 BTU
Producing, Shut-In or New Zone	NEW ZONE	NEW ZONE	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:	Date: Rates:	Date: 7/1/2025 Rates: Oil - 1 bbl Gas - 1,827 mcf Water - 0 bbl
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   
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? 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 Cherylene Weston TITLE Operations/Regulatory Tech-Sr. DATE 10/10/2025

TYPE OR PRINT NAME Cherylene Weston TELEPHONE NO. ( 713 ) 289-2615

E-MAIL ADDRESS cweston@hilcorp.com



October 22, 2025

Mailed Certified with Electronic Return Receipt

To: All Interest Owners

RE: Application to Downhole Commingle Production  
Well: Decker 003A  
API: 30-045-22320  
Section 23, Township 32 North, Range 12 West  
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 **Basin Fruitland Coal** and the **Blanco Pictured Cliffs**, formations that Hilcorp soon intends to perforate, with existing production from the **Blanco Mesaverde** formation. 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 pursue a formal protest.

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 "Carson Parker Rice".

Carson Parker Rice  
Landman  
713.757.7108  
[carice@hilcorp.com](mailto:carice@hilcorp.com)

CPR:dpk  
Enclosures

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

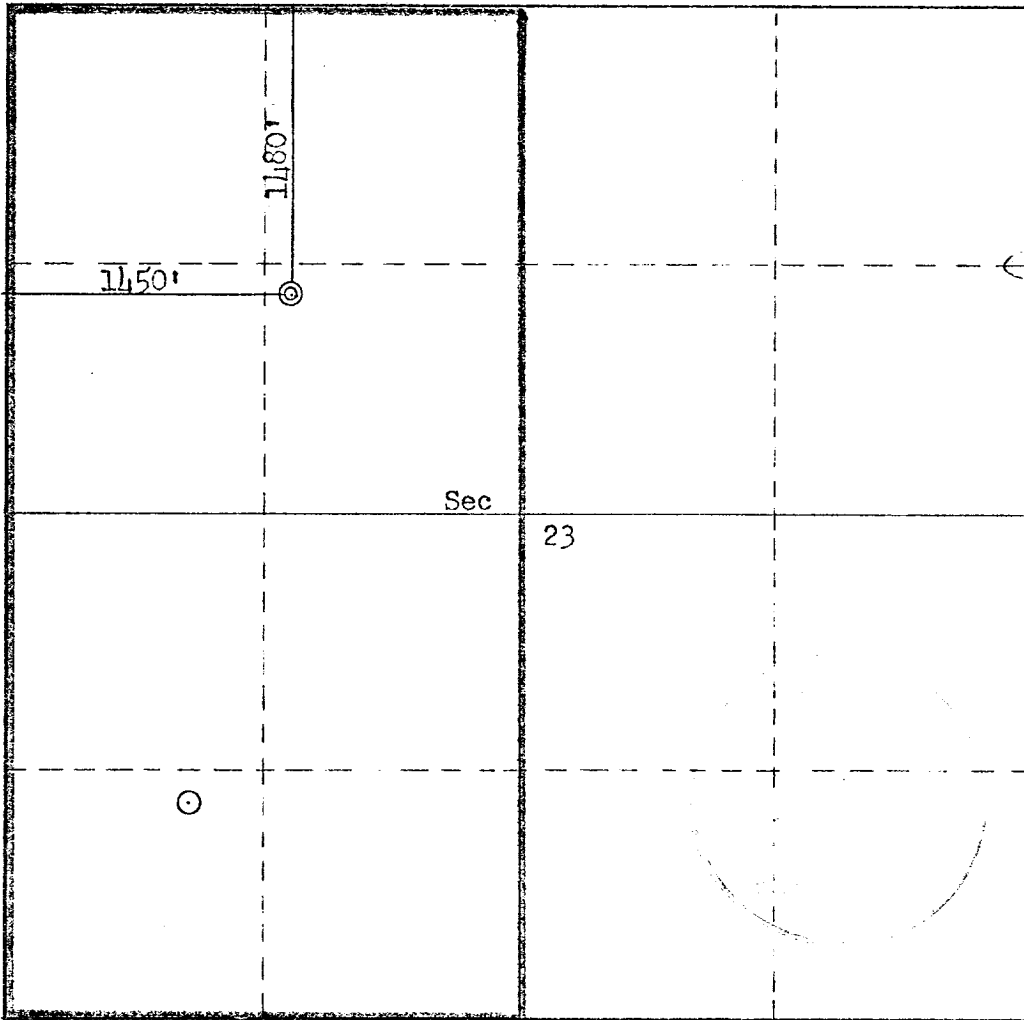
Operator <b>Aztec Oil &amp; Gas Company</b>			Lease <b>Decker</b>		Well No. <b>3A</b>
Unit Letter <b>F</b>	Section <b>23</b>	Township <b>32N</b>	Range <b>12W</b>	County <b>San Juan</b>	
Actual Footage Location of Well: <b>1480</b> feet from the <b>North</b> line and <b>1450</b> feet from the <b>West</b> line					
Ground Level Elev. <b>6218</b>	Producing Formation <b>Mesa Verde</b>		Pool <b>Blanco</b>	Dedicated Acreage: <b>320</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name: *Stan Ryan*  
 Position: **District Production Manager**  
 Company: **Aztec Oil & Gas Company**  
 Date: **January 12, 1977**

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 knowledge and belief.

Date Surveyed: **December 20, 1976**

Registered Professional Engineer and/or Land Surveyor

*Fred B. Kerr Jr.*  
**Fred B. Kerr Jr.**

Certificate No. **3950**

### Decker 3A - Production Allocation

These zones are proposed to be commingled because the application of dual completions impedes the ability to produce the shallow zone without artificial lift and the deeper zones with reduced artificial lift efficiency. All horizons will require artificial lift due to low bottomhole pressure (BHP) and permeability.

The BHPs of all zones, producing and non-producing, were estimated based upon basin wide Moving-Domain Material Balance models that have proven to approximate the pressure in the given reservoir well in this portion of the basin, in conjunction with shut-in pressure build-ups. These models were constructed incorporating reservoir dynamics, physics, historic production and observed pressure data. Historic commingling operations have proven reservoir fluids are compatible.

### Production Allocation Method – Subtraction

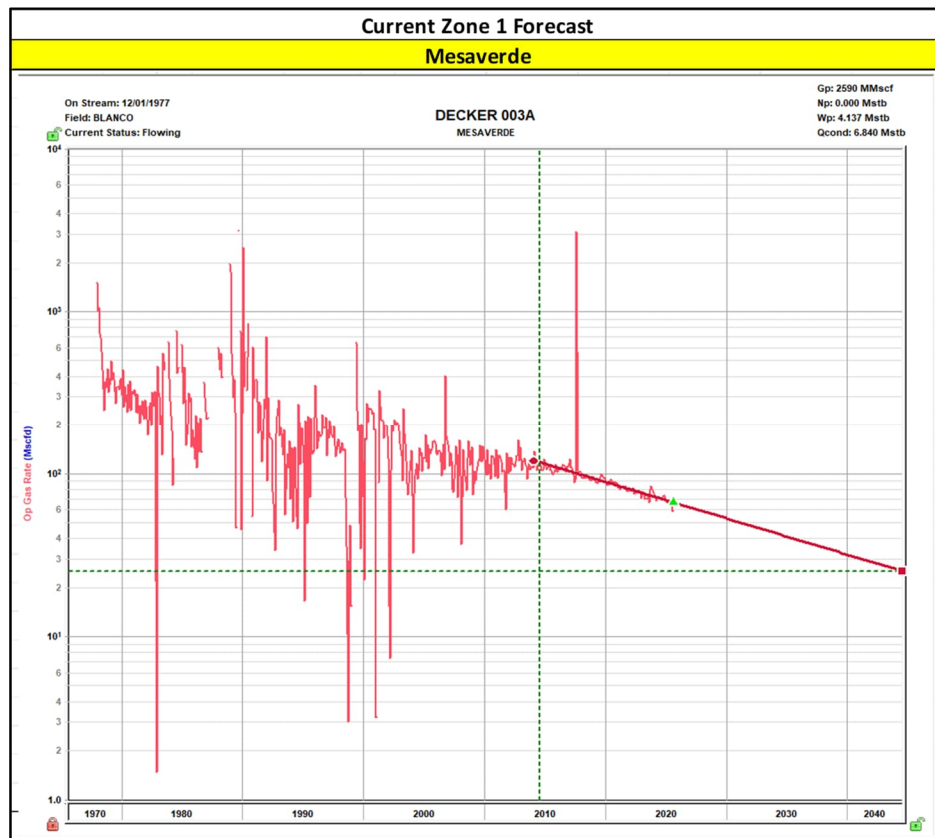
#### Gas Allocation:

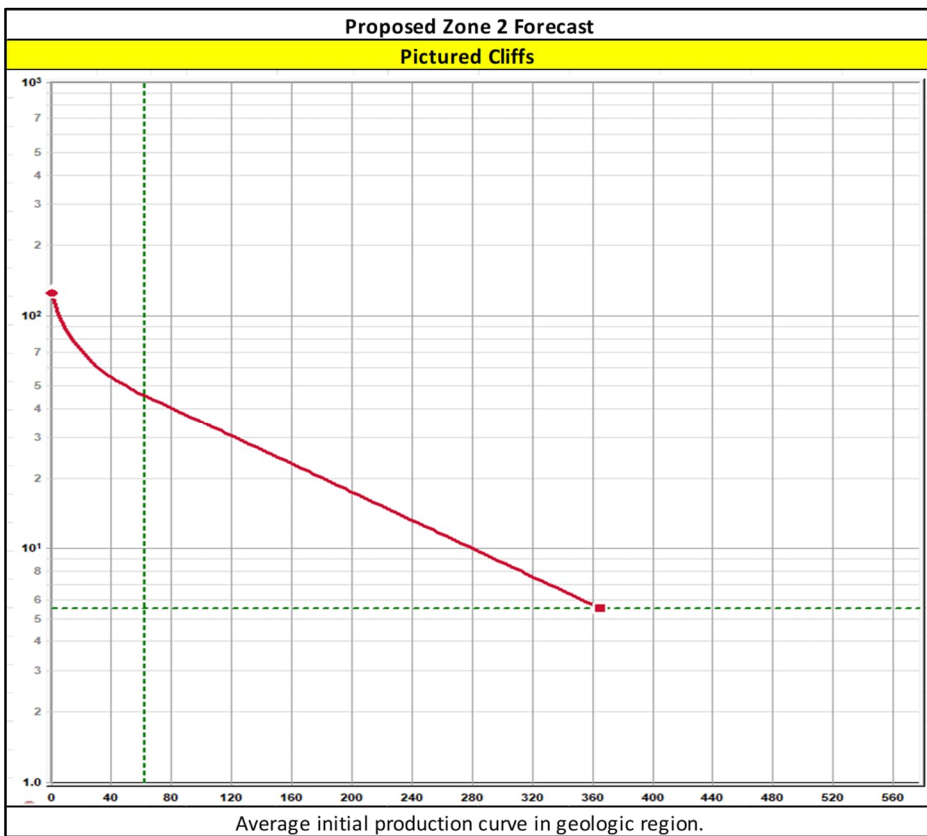
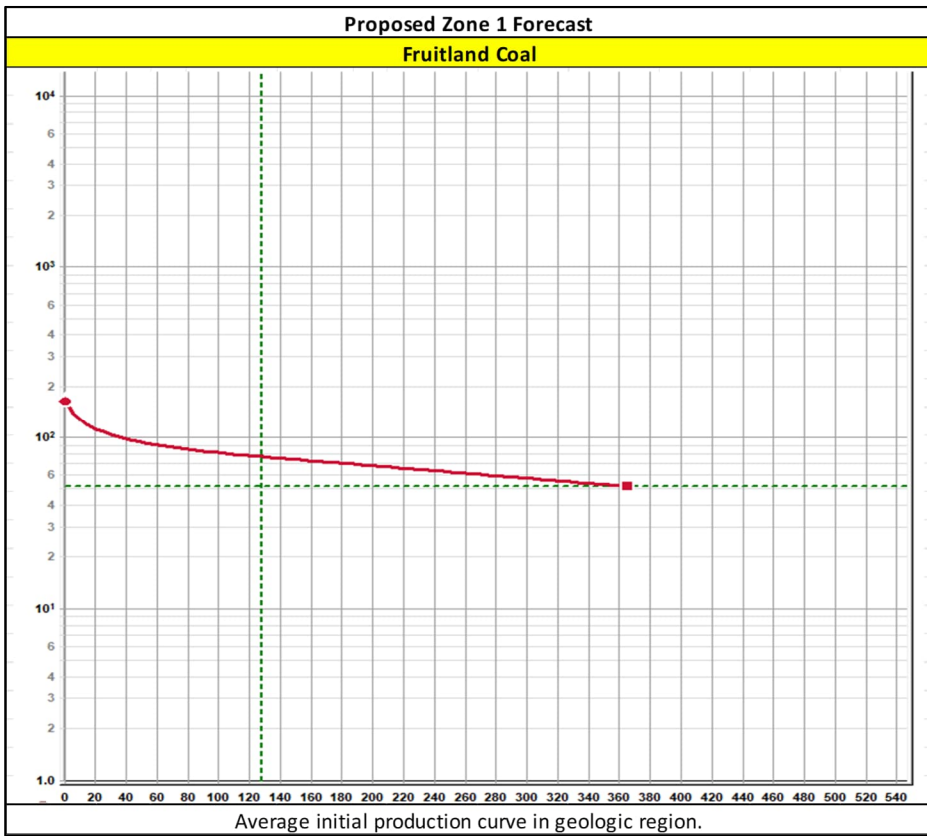
Production for the downhole commingle will be allocated using the subtraction method in agreement with local agencies. The base formation is the **Mesaverde** and the added formation to be commingled is the **Fruitland Coal/Pictured Cliffs**. The subtraction method applies an average monthly production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

New zones will be allocated using a fixed allocation. Forecasted rates for FRC/PC are based on offsets type curve. The maps show the standalone offsets that were used for type-curves. The split between FRC/PC is based on the ratio of forecasted reserves as shown in the table below.

Formation	Remaining Reserves (MMcf)	% Gas Allocation
Fruitland Coal	829	73%
Pictured Cliffs	301	27%

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

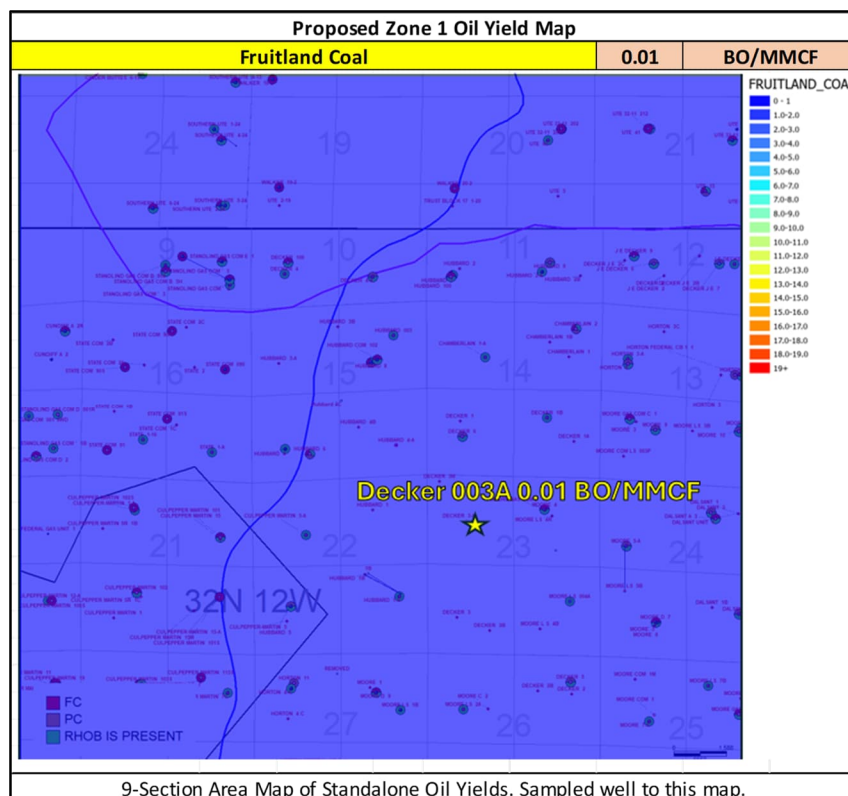
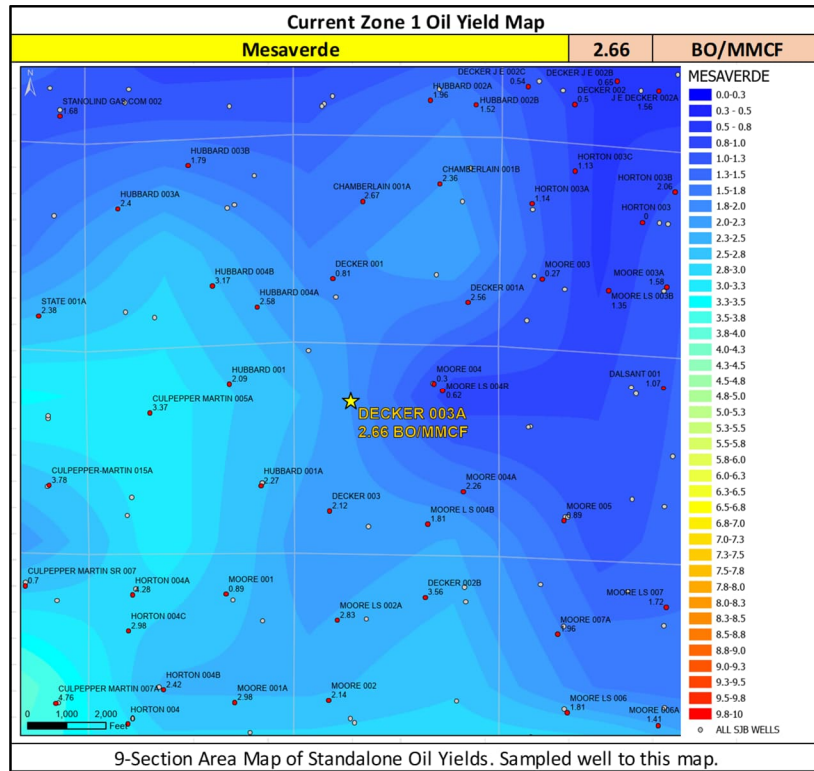




**Oil Allocation:**

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 adjusted as needed based on average formation yields and new fixed gas allocation.

Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Oil Allocation
MV	2.66	295	99%
FRC	0.01	829	1%
PC	0	301	0%





**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.
- 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.

<b>Well Name</b>	API
DECKER 3A	3004522320

FRC Offset (2 miles)		MV Offset (1.5 miles)		PC Offset (1.4 miles)	
	3004527484		3004511799		3004523350
	MOORE GAS COM B 1		CULPEPPER MARTIN SRC 5		DALSANT 2
(CationBarium)	0.7	(CationBarium)	0	(CationBarium)	0
(CationBoron)	0	(CationBoron)	0	(CationBoron)	0
(CationBarium)	0.7	(CationBarium)	0	(CationBarium)	0
(CationBoron)	0	(CationBoron)	0	(CationBoron)	0
(CationCalcium)	18.42	(CationCalcium)	0.64	(CationCalcium)	2.57
(CationIron)	26.67	(CationIron)	25	(CationIron)	0.95
(CationMagnesium)	5.17	(CationMagnesium)	0.93	(CationMagnesium)	0.2
(CationManganese)	5.17	(CationManganese)	0.93	(CationManganese)	0.2
(CationPhosphorus)	0	(CationPhosphorus)	0	(CationPhosphorus)	0
(CationPotassium)	0	(CationPotassium)	0	(CationPotassium)	0
(CationStrontium)	0	(CationStrontium)	0	(CationStrontium)	0
(CationSodium)	1499.62	(CationSodium)	1752.44	(CationSodium)	792.55
(CationSilica)	0	(CationSilica)	0	(CationSilica)	0
(CationZinc)	0	(CationZinc)	0	(CationZinc)	0
(CationAluminum)	0	(CationAluminum)	0	(CationAluminum)	0
(CationCopper)	0	(CationCopper)	0	(CationCopper)	0
(CationLead)	0	(CationLead)	0	(CationLead)	0
(CationLithium)	0	(CationLithium)	0	(CationLithium)	0
(CationNickel)	0	(CationNickel)	0	(CationNickel)	0
(CationCobalt)	0	(CationCobalt)	0	(CationCobalt)	0
(CationChromium)	0	(CationChromium)	0	(CationChromium)	0
(CationSilicon)	0	(CationSilicon)	0	(CationSilicon)	0
(CationMolybdenum)	0	(CationMolybdenum)	0	(CationMolybdenum)	0
(AnionChloride)	1424.57	(AnionChloride)	930.02	(AnionChloride)	61.07
(AnionCarbonate)	0	(AnionCarbonate)	0	(AnionCarbonate)	0
(AnionBicarbonate)	200.41	(AnionBicarbonate)	366.6	(AnionBicarbonate)	513.24
(AnionBromide)	0	(AnionBromide)	0	(AnionBromide)	0
(AnionFluoride)	0	(AnionFluoride)	0	(AnionFluoride)	0
(AnionHydroxyl)	0	(AnionHydroxyl)	0	(AnionHydroxyl)	0
(AnionNitrate)	0	(AnionNitrate)	0	(AnionNitrate)	0
(AnionPhosphate)	0	(AnionPhosphate)	0	(AnionPhosphate)	0
(AnionSulfate)	550	(AnionSulfate)	0	(AnionSulfate)	0
(pHField)	7.09	(pHField)	6.96	(pHField)	8.16
(pHCalculated)	0	(pHCalculated)	0	(pHCalculated)	0
(TempField)	0	(TempField)	0	(TempField)	0
(TempLab)	0	(TempLab)	0	(TempLab)	0
(OtherFieldAlkalinity)	0	(OtherFieldAlkalinity)	0	(OtherFieldAlkalinity)	0
(OtherSpecificGravity)	0	(OtherSpecificGravity)	0	(OtherSpecificGravity)	0
<b>(OtherTDS)</b>	<b>4023.39</b>	<b>(OtherTDS)</b>	<b>4075.83</b>	<b>(OtherTDS)</b>	<b>1910.9</b>
(OtherCaCO3)	0	(OtherCaCO3)	0	(OtherCaCO3)	0
(OtherConductivity)	0	(OtherConductivity)	0	(OtherConductivity)	0
(DissolvedCO2)	295	(DissolvedCO2)	1000	(DissolvedCO2)	540
(DissolvedO2)	0	(DissolvedO2)	0	(DissolvedO2)	0
<b>(DissolvedH2S)</b>	<b>0</b>	<b>(DissolvedH2S)</b>	<b>0</b>	<b>(DissolvedH2S)</b>	<b>0</b>
(GasPressure)	0	(GasPressure)	0	(GasPressure)	0
(GasCO2)	2.5	(GasCO2)	10	(GasCO2)	6
(GasCO2PP)	0	(GasCO2PP)	0	(GasCO2PP)	0
(GasH2S)	0	(GasH2S)	0	(GasH2S)	0
(GasH2SPP)	0	(GasH2SPP)	0	(GasH2SPP)	0
(PitzerCaCO3_70)	0	(PitzerCaCO3_70)	0	(PitzerCaCO3_70)	0
(PitzerBaSO4_70)	0	(PitzerBaSO4_70)	0	(PitzerBaSO4_70)	0
(PitzerCaSO4_70)	0	(PitzerCaSO4_70)	0	(PitzerCaSO4_70)	0
(PitzerSrSO4_70)	0	(PitzerSrSO4_70)	0	(PitzerSrSO4_70)	0
(PitzerFeCO3_70)	0	(PitzerFeCO3_70)	0	(PitzerFeCO3_70)	0
(PitzerCaCO3_220)	0	(PitzerCaCO3_220)	0	(PitzerCaCO3_220)	0
(PitzerBaSO4_220)	0	(PitzerBaSO4_220)	0	(PitzerBaSO4_220)	0
(PitzerCaSO4_220)	0	(PitzerCaSO4_220)	0	(PitzerCaSO4_220)	0

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.
- 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.

Well Name	API
DECKER 3A	3004522320

FRC Offset (0.4 miles)		MV Offset (0.6 miles)		PC Offset (1.5 miles)	
--	3004528617	--	3004511423	--	3004525660
--	MOORE GAS COM E 1	--	DECKER 1	--	HUBBARD 7
N2	0.86	N2	0.19	N2	0.48
CO2	0.76	CO2	1.36	CO2	0.42
C1	88.18	C1	81.39	C1	89.85
C2	5.82	C2	9.04	C2	4.78
C3	3.12	C3	4.57	C3	2.84
IC4	0.6	IC4	0.74	IC4	0.57
NC4	0.36	NC4	1.11	NC4	0.61
IC5	0.13	IC5	0.4	IC5	0.24
NC5	0.06	NC5	0.31	NC5	0.15
C6_PLUS	0	C6_PLUS	0	C6_PLUS	0
C7	0	C7	0	C7	0
C8	0	C8	0	C8	0
C9	0	C9	0	C9	0
C10	0	C10	0	C10	0
AR	0	AR	0	AR	0
CO	0	CO	0	CO	0
H2	0	H2	0	H2	0
O2	0	O2	0	O2	0
H2O	0	H2O	0	H2O	0
H2S	0	H2S	0	H2S	0
HE	0	HE	0	HE	0
C_O_S	0	C_O_S	0	C_O_S	0
CH3SH	0	CH3SH	0	CH3SH	0
C2H5SH	0	C2H5SH	0	C2H5SH	0
CH2S3_2CH3S	0	CH2S3_2CH3S	0	CH2S3_2CH3S	0
CH2S	0	CH2S	0	CH2S	0
C6HV	0	C6HV	0	C6HV	0
CO2GPM	0	CO2GPM	0	CO2GPM	0
N2GPM	0	N2GPM	0	N2GPM	0
C1GPM	0	C1GPM	0	C1GPM	0
C2GPM	1.56	C2GPM	0	C2GPM	0
C3GPM	0.86	C3GPM	0	C3GPM	0
ISOC4GPM	0.2	ISOC4GPM	0	ISOC4GPM	0
NC4GPM	0.12	NC4GPM	0	NC4GPM	0
ISOC5GPM	0.05	ISOC5GPM	0	ISOC5GPM	0
NC5GPM	0.02	NC5GPM	0	NC5GPM	0
C6_PLUSGPM	0.05	C6_PLUSGPM	0	C6_PLUSGPM	0

<b>Well Name:</b> DECKER	<b>Well Location:</b> T32N / R12W / SEC 23 / SENW / 36.97502 / -108.06834	<b>County or Parish/State:</b> SAN JUAN / NM
<b>Well Number:</b> 3A	<b>Type of Well:</b> CONVENTIONAL GAS WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMSF078147	<b>Unit or CA Name:</b>	<b>Unit or CA Number:</b> NMNM73352
<b>US Well Number:</b> 3004522320	<b>Operator:</b> HILCORP ENERGY COMPANY	

### Notice of Intent

**Sundry ID:** 2877078

**Type of Submission:** Notice of Intent

**Type of Action:** Recompletion

**Date Sundry Submitted:** 10/03/2025

**Time Sundry Submitted:** 11:00

**Date proposed operation will begin:** 11/01/2025

**Procedure Description:** Hilcorp Energy Company requests permission to recomplete the subject well in the Fruitland Coal/Pictured Cliffs formations and downhole commingle with the existing Mesaverde. Please see the attached procedure, current and proposed wellbore diagram, plats and natural gas management plan. A closed loop system will be used. A pre-reclamation site visit was held on 10/17/2023 with Roger Herrera/BLM. The reclamation plan is attached. The FRC and PC will be reported on a new CA's.

### Surface Disturbance

**Is any additional surface disturbance proposed?:** No

### NOI Attachments

**Procedure Description**

Decker\_3A\_FRC\_PC\_Recomplete\_NOI\_20251003105753.pdf

**Well Name:** DECKER

**Well Location:** T32N / R12W / SEC 23 /  
SENW / 36.97502 / -108.06834

**County or Parish/State:** SAN  
JUAN / NM

**Well Number:** 3A

**Type of Well:** CONVENTIONAL GAS  
WELL

**Allottee or Tribe Name:**

**Lease Number:** NMSF078147

**Unit or CA Name:**

**Unit or CA Number:**  
NMNM73352

**US Well Number:** 3004522320

**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:** CHERYLENE WESTON

**Signed on:** OCT 14, 2025 11:06 AM

**Name:** HILCORP ENERGY COMPANY

**Title:** Operations/Regulatory Tech - Sr

**Street Address:** 1111 TRAVIS STREET

**City:** HOUSTON

**State:** TX

**Phone:** (713) 289-2615

**Email address:** CWESTON@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:** 10/14/2025

**Signature:** Kenneth Rennick

Form 3160-5  
(October 2024)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0220  
Expires: October 31, 2027

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.	NMSF078147
6. If Indian, Allottee or Tribe Name	

<b>SUBMIT IN TRIPLICATE - Other instructions on page 2</b>		7. If Unit of CA/Agreement, Name and/or No. NMNM73352
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. DECKER/3A
2. Name of Operator HILCORP ENERGY COMPANY		9. API Well No. 3004522320
3a. Address 1111 TRAVIS STREET, HOUSTON, TX 77002	3b. Phone No. (include area code) (713) 209-2400	10. Field and Pool or Exploratory Area BASIN/BLANCO MESAVERDE
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) SEC 23/T32N/R12W/NMP		11. Country or Parish, State SAN JUAN/NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Hilcorp Energy Company requests permission to recomplete the subject well in the Fruitland Coal/Pictured Cliffs formations and downhole commingle with the existing Mesaverde. Please see the attached procedure, current and proposed wellbore diagram, plats and natural gas management plan. A closed loop system will be used. A pre-reclamation site visit was held on 10/17/2023 with Roger Herrera/BLM. The reclamation plan is attached. The FRC and PC will be reported on a new CA's.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) CHERYLENE WESTON / Ph: (713) 289-2615	Title Operations/Regulatory Tech - Sr
Signature (Electronic Submission)	Date 10/14/2025

**THE SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by KENNETH G RENNICK / Ph: (505) 564-7742 / Approved	Title Petroleum Engineer	Date 10/14/2025
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office FARMINGTON

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.

(Instructions on page 2)



HILCORP ENERGY COMPANY  
Decker 3A  
PICTURED CLIFFS/FRUITLAND COAL RECOMPLETE NOI  
API 3004522320

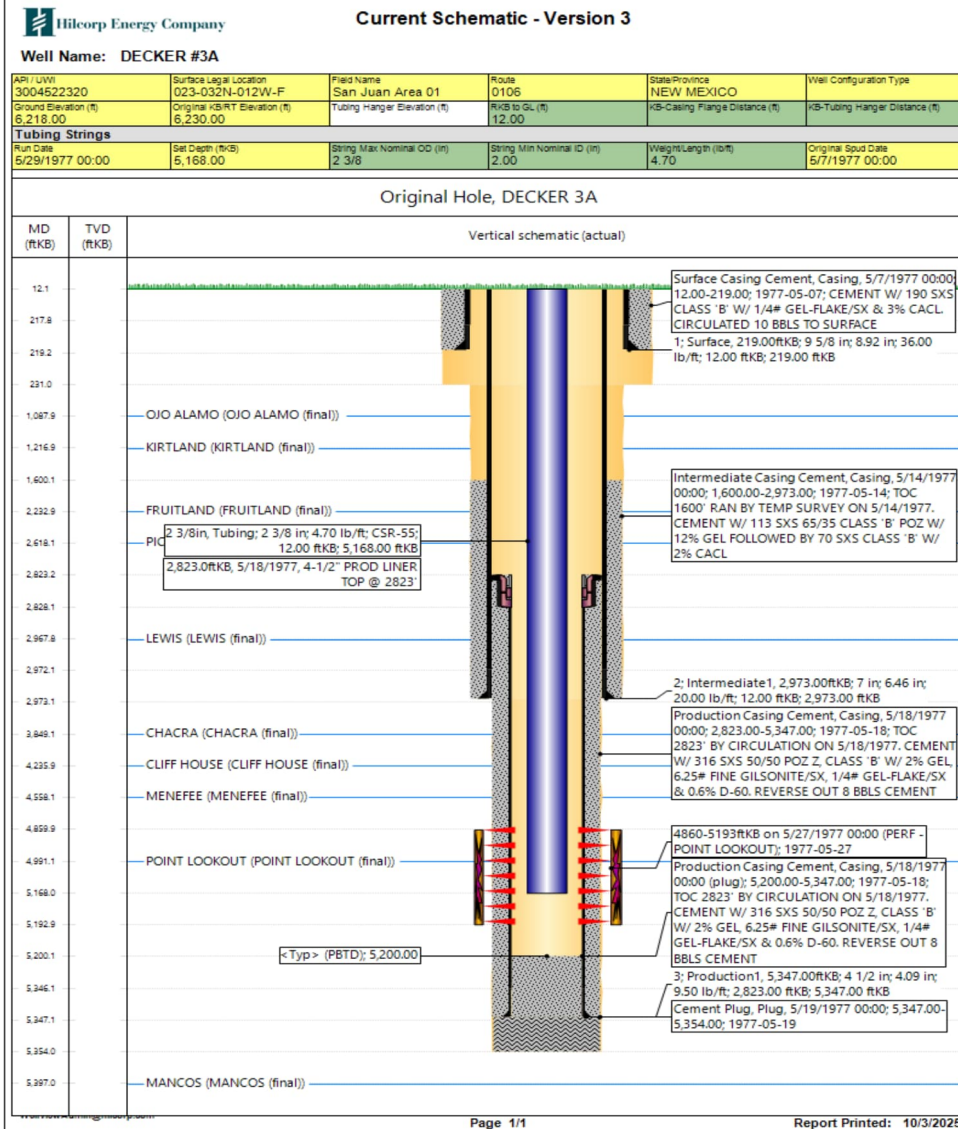
JOB PROCEDURES

1. MIRU workover rig and associated equipment; NU and test BOP.
2. TOOH with tubing.
3. Set plug within 50' of the top **Mesaverde** perforation (4,860') for zonal isolation.
4. Load hole with fluid. RU WL and run CBL to verify TOC. Review results with operations engineer and regulatory agencies.
5. **Perform MIT on casing with NMOCD witness** (notify NMOCD 24+ hours before test) and submit results to regulatory group.
6. **If frac'ing down casing:** pressure test casing to frac pressure.
7. RU WL. Perforate the **Pictured Cliffs**. Top perforation @ 2,618', bottom perforation @ 2,799'.
8. **If frac'ing down frac string:** RIH w/ frac string and packer.
9. ND BOP, NU frac stack. Pressure test frac stack to frac pressure. Pressure test frac string (if applicable) to frac pressure. RDMO.
10. RU stimulation crew. Frac the **Pictured Cliffs** in one or more stages. Set plugs in between stages, if necessary.
11. Perforate the **Fruitland Coal**. Top Perforation @ 2,233', bottom perforation @ 2,617'.
12. Frac the **Fruitland Coal** in one or more stages. Set plugs in between stages, if necessary.
13. MIRU workover rig and associated equipment; NU and test BOP.
14. **If frac was performed down frac string:** POOH w/ frac string and packer.
15. TIH with mill and clean out to isolation plug.
16. Mill out isolation plugs. Cleanout to PBTD. TOOH with cleanout assembly.
17. TIH and land production tubing. Flowback the well. Return well to production as a **Fruitland Coal/Pictured Cliffs/Mesaverde** producer.



**HILCORP ENERGY COMPANY**  
**Decker 3A**  
**PICTURED CLIFFS/FRUITLAND COAL RECOMPLETE NOI**

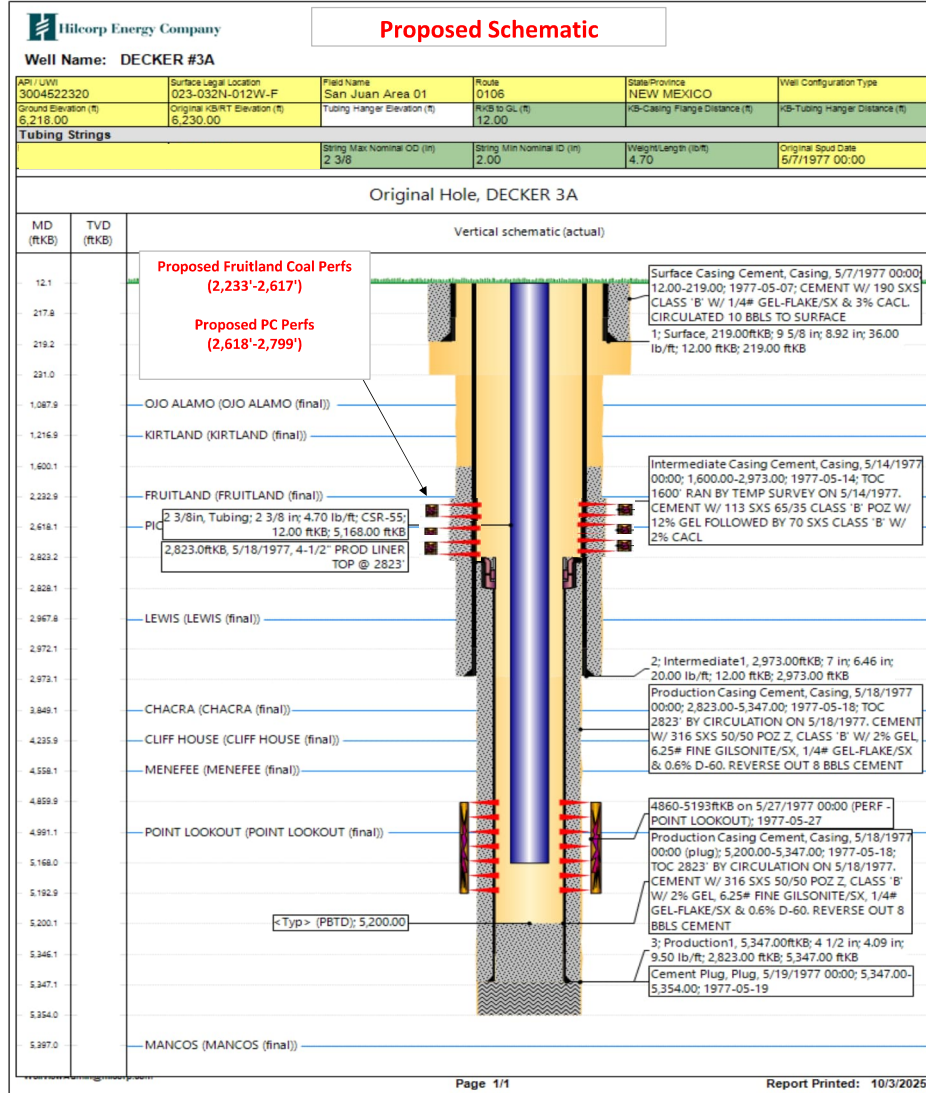
**Decker 3A - CURRENT WELLBORE SCHEMATIC**





HILCORP ENERGY COMPANY  
Decker 3A  
PICTURED CLIFFS/FRUITLAND COAL RECOMPLETE NOI

Decker 3A - PROPOSED WELLBORE SCHEMATIC



Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116  Online Phone Directory Visit: <a href="https://www.emnrd.nm.gov/ocd/contact-us/">https://www.emnrd.nm.gov/ocd/contact-us/</a>	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	<p style="text-align: right;"><b>C-102</b></p> Revised July 9, 2024 Submit Electronically via OCD Permitting		
		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:15%; vertical-align: top;">Submittal Type:</td> <td> <input type="checkbox"/> Initial Submittal  <input type="checkbox"/> Amended Report  <input type="checkbox"/> As Drilled                 </td> </tr> </table>	Submittal Type:	<input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
Submittal Type:	<input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled			

**WELL LOCATION INFORMATION**

API Number 30-045-22320	Pool Code 71629	Pool Name Basin Fruitland Coal (Gas)
Property Code 318883	Property Name Decker	Well Number 3A
OGRID No. 372171	Operator Name Hilcorp Energy Company	Ground Level Elevation 6218'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

**Surface Location**

UL F	Section 23	Township 032N	Range 012W	Lot	Ft. from N/S 1480 N	Ft. from E/W 1450 W	Latitude 36.9750633	Longitude -108.0689011	County San Juan
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**Bottom Hole Location**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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Dedicated Acres 320.00 – W/2	Infill or Defining Well Parent	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code C
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

**Kick Off Point (KOP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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**First Take Point (FTP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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**Last Take Point (LTP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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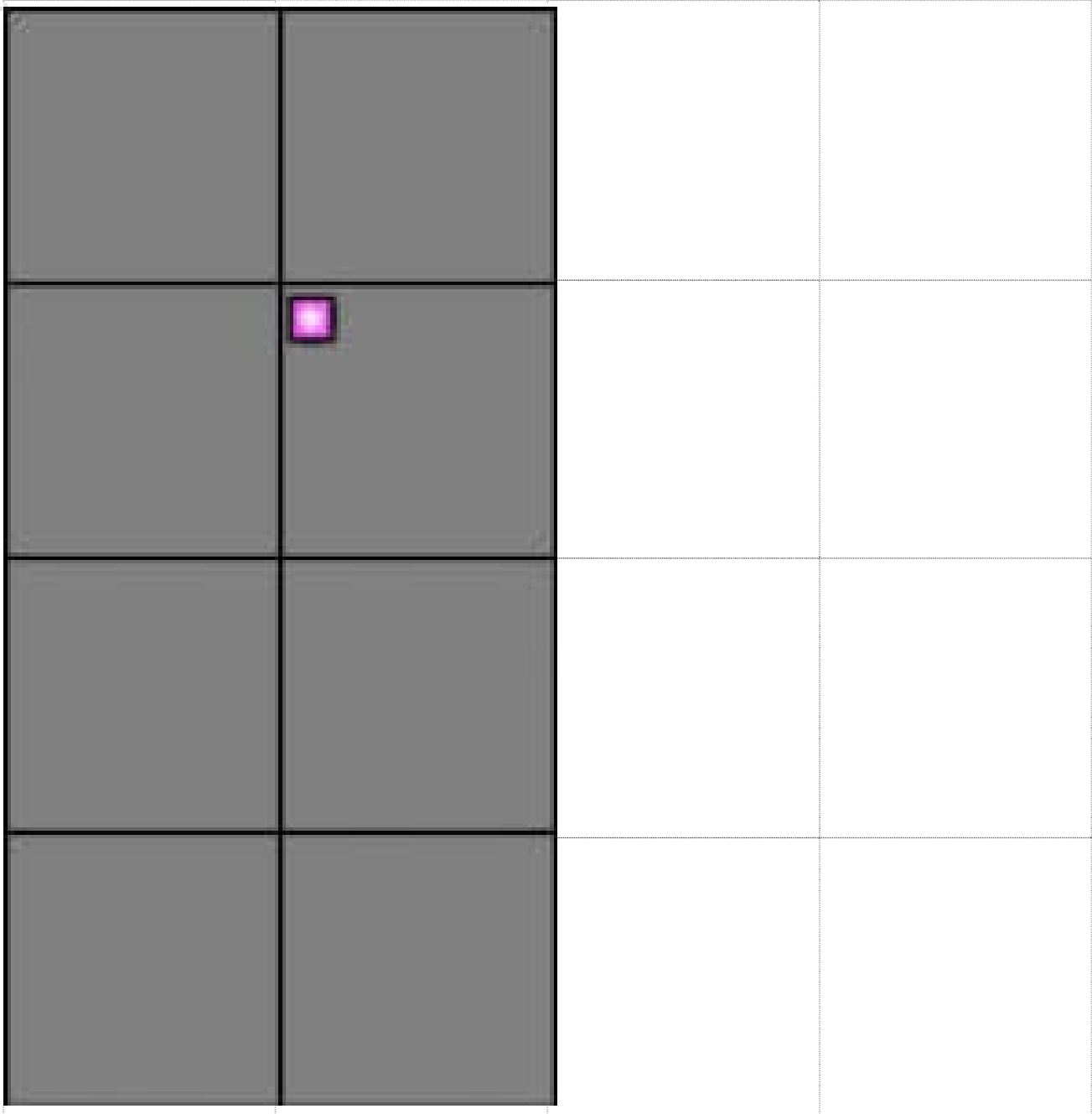
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation: 6218'
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be obtained or a compulsory pooling order from the division.</i></p> <p style="text-align: center;"><i>Cherylene Weston</i>                      8/12/2025</p> <p>Signature    Date</p> <p><b>Cherylene Weston, Operations/Regulatory Tech-Sr.</b></p> <p>Printed Name</p> <p><a href="mailto:cweston@hilcorp.com">cweston@hilcorp.com</a></p> <p>Email Address</p>	<p><b>SURVEYOR CERTIFICATIONS</b></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 style="text-align: center;"><b>Fred B. Kerr, Jr.</b></p> <p>Signature and Seal of Professional Surveyor</p> <hr/> <table style="width:100%;"> <tr> <td style="width:50%;">Certificate Number 3950</td> <td style="width:50%;">Date of Survey 12/20/1976</td> </tr> </table>	Certificate Number 3950	Date of Survey 12/20/1976
Certificate Number 3950	Date of Survey 12/20/1976		

Note: 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.

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

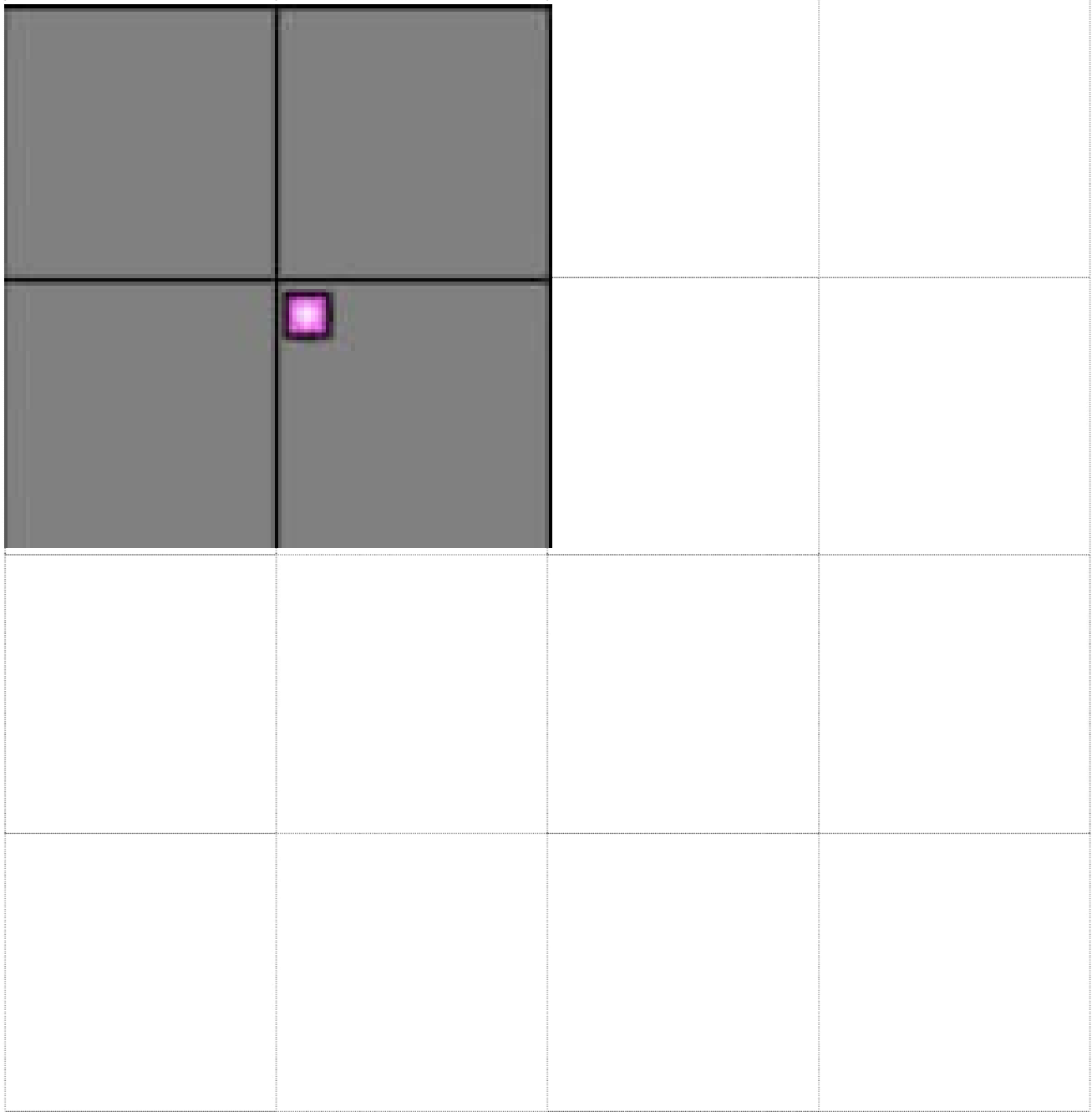
Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.





This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



State of New Mexico  
 Energy, Minerals and Natural Resources Department

Submit Electronically  
 Via E-permitting

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

## 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:** 10/01/2025

**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
Decker 3A	3004522320	F-23-32N-12W	1480' FNL, 1450' FWL	0 bbl/d	290 mcf/d	2 bbl/d

**IV. Central Delivery Point Name:** Ignacio 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>Decker 3A</u>	<u>3004522320</u>					<u>2026</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:	<i>Cherylene Weston</i>
Printed Name:	Cherylene Weston
Title:	Operations/Regulatory Tech-Sr.
E-mail Address:	cweston@hilcorp.com
Date:	10/01/2025
Phone:	713-289-2615

**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 recompleting project. HEC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the recompleting 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 recompleting 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 recompleting
  - 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
  - Measurement equipment is installed to measure the volume of natural gas flared from process piping.
  - 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.

Hilcorp Energy  
Interim Reclamation Plan  
**DECKER #3A**  
API: 30-045-22320  
F – Sec.23-T032N-R012W  
Lat: 36.97501, Long: -108.06834  
Footage: 1480' FNL & 1450' FWL  
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 October 17, 2023.
- 1.2) Location surface will be brush hogged or mulched and bladed as required within original disturbance to acquire additional working surface for well recompletion activities.

**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.
- 3.2) Lease access road will be maintained as applicable before, during, and after, recompletion activities.

**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.

Certified Number	Sender	Recipient	Date Mailed	Delivery Status
92148969009997901851185189	Dani Kuzma	, XTO ENERGY INC, , DALLAS, TX, 75284-0791 Code: DECKER 3A DHC	10/22/2025	Signature Pending
92148969009997901851185196	Dani Kuzma	, OFFICE OF NATURAL RESOURCES REVENUE, , FARMINGTON, NM, 87402 Code: DECKER 3A DHC	10/22/2025	Signature Pending
92148969009997901851185202	Dani Kuzma	, CROSS TIMBERS ENERGY LLC, C/O DRILLINGINFO MAIL, DALLAS, TX, 75266-9226 Code: DECKER 3A DHC	10/22/2025	Signature Pending
92148969009997901851185219	Dani Kuzma	, KENNON ALLEN DECKER, , AZTEC, NM, 87410 Code: DECKER 3A DHC	10/22/2025	Signature Pending
92148969009997901851185226	Dani Kuzma	, MITZI ANN HENDERSON EASLEY, , AUSTIN, TX, 78727 Code: DECKER 3A DHC	10/22/2025	Signature Pending
92148969009997901851185233	Dani Kuzma	, SUSAN H RITTER, , AUSTIN, TX, 78746 Code: DECKER 3A DHC	10/22/2025	Signature Pending
92148969009997901851185240	Dani Kuzma	, BETSY H BRYANT, , GEORGETOWN, TX, 78628 Code: DECKER 3A DHC	10/22/2025	Signature Pending
92148969009997901851185257	Dani Kuzma	, WARREN AMERICAN OIL COMPANY, , TULSA, OK, 74147-0372 Code: DECKER 3A DHC	10/22/2025	Signature Pending
92148969009997901851185264	Dani Kuzma	, MILNER TRUST NOV 2 1973, REESE L MILLNER II TRUSTEE, LOS ANGELES, CA, 90067 Code: DECKER 3A DHC	10/22/2025	Signature Pending
92148969009997901851185271	Dani Kuzma	, ROYCE FAMILY TRUST DTD 9/30/1999, STEPHEN M ROYCE TRUSTEE, SOLANA BEACH, CA, 92075 Code: DECKER 3A DHC	10/22/2025	Signature Pending
92148969009997901851185288	Dani Kuzma	, VICKIE LYNN CLARK, , FARMINGTON, NM, 87402 Code: DECKER 3A DHC	10/22/2025	Signature Pending
92148969009997901851185295	Dani Kuzma	, ROBERT B DENNY, , MESA, AZ, 85215 Code: DECKER 3A DHC	10/22/2025	Signature Pending
92148969009997901851185301	Dani Kuzma	, BRIAN L DENNY, , IDAHO FALLS, ID, 83402 Code: DECKER 3A DHC	10/22/2025	Signature Pending
92148969009997901851185318	Dani Kuzma	, DEVON DENNY, , JUNCTION CITY, OR, 97448 Code: DECKER 3A DHC	10/22/2025	Signature Pending

92148969009997901851185325	Dani Kuzma	, FRANCES R CUSACK, , AUSTIN, TX, 78732 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185332	Dani Kuzma	, SYLVESTER FRANCIS CUSACK II, , DALLAS, TX, 75382-2984 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185349	Dani Kuzma	, RAYMOND JOHN CUSACK JR, , DALLAS, TX, 75382 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185356	Dani Kuzma	, DENNIS EGAN DECKER, , DURANGO, CO, 81303 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185363	Dani Kuzma	, JAYE E DECKER, , LA PLATA, NM, 87418 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185370	Dani Kuzma	, FRANK D GRAHAM, , DALLAS, TX, 75354 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185387	Dani Kuzma	, JAMIE LEE LISTER, , HERRIMON, UT, 84096 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185394	Dani Kuzma	, KATHIE RENEE GALLION, , FARMINGTON, NM, 87402 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185400	Dani Kuzma	, GARY R JOHNSON, , THE WOODLANDS, TX, 77387-7507 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185417	Dani Kuzma	, JAMES T BUCHENAU LIV TR UNDER REVOC, TRUST AGMT 9 13 1994, PLANO, TX, 75025-2810 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185424	Dani Kuzma	, GRIFFITH and STONE ROYALTY, A TEXAS PARTNERSHIP, BELLAIRE, TX, 77401-3712 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185431	Dani Kuzma	, KLINE TRUST, MORTIMER A KLINE III TRUSTEE, TETON VILLAGE, WY, 83025 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185448	Dani Kuzma	, SDH 2009 INVESTMENTS LP, , DALLAS, TX, 75225 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185455	Dani Kuzma	, KIM DOUGHERTY REV TR 2 19 1987, KIM R DOUGHERTY TRUSTEE, RANCHO SANTA FE, CA, 92067 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185462	Dani Kuzma	, VICTORIA ZIMMERMAN REV LIV TR DTD, 6 1 2011 and VICTORIA ZIMMERMAN TTEE, PLANO, TX,	10/22/2025	<b>Signature Pending</b>

		75025-2829 Code: DECKER 3A DHC		
92148969009997901851185479	Dani Kuzma	, SANDRA M CHAPMAN TRUST, WELLS FARGO BANK NA, AUSTIN, TX, 78704 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185486	Dani Kuzma	, DANA DENNY, , ASHLAND, OR, 97520 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185493	Dani Kuzma	, GLADYS WATFORD TRUST, ANNE V POGSON TRUSTEE, DALLAS, TX, 75230 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185509	Dani Kuzma	, ENDURING RESOURCES IV, LLC, , CENTENNIAL, CO, 80111 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185516	Dani Kuzma	, MARQUITA M HAIN REV LIV TR, UTA DTD 6/1/1994, BEND, OR, 97702 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185523	Dani Kuzma	, SHANNA LOUISE DECKER, , SAN DIEGO, CA, 92130 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185530	Dani Kuzma	, WILLIAM TRAVIS DECKER, , SAN MARCOS, CA, 92069 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185547	Dani Kuzma	, SAN JUAN BASIN TRUST, , BARTLESVILLE, OK, 74006-7500 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185554	Dani Kuzma	, ROBERT WALTER LUNDELL, , HOUSTON, TX, 77063-2318 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185561	Dani Kuzma	, LINDA JEANNE LUNDELL LINDSEY, , NACOGDOCHES, TX, 75963 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185578	Dani Kuzma	, CLAUDIA MARCIA LUNDELL GILMER, , GEORGETOWN, TX, 78628 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185585	Dani Kuzma	, GB SAFEWAY PROPERTY LTD, , KERRVILLE, TX, 78028 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185592	Dani Kuzma	, HENRIETTA SCHULTZ INHERITANCE, PARTNERSHIP LP, DALLAS, TX, 75229 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185608	Dani Kuzma	, DANA R STANLEY, , IGNACIO, CO, 81137 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>

92148969009997901851185615	Dani Kuzma	, CASEY R WEISS INHERITANCE TR DTD 4., CASEY R WEISS TRUSTEE, EVERGREEN, CO, 80439 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185622	Dani Kuzma	, BRYAN G MOSELEY, , ALBUQUERQUE, NM, 87107 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185639	Dani Kuzma	, DANIEL S MOSELEY, , LOS RANCHOS, NM, 87107 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185646	Dani Kuzma	, MARQUITA C MOSELEY, , LOS RANCHOS, NM, 87107 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>
92148969009997901851185653	Dani Kuzma	, THERESA DECKER, , COPE, CO, 80812 Code: DECKER 3A DHC	10/22/2025	<b>Signature Pending</b>

# BALLANTINE COMMUNICATIONS

## AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO

County of San Juan

Odette Zerillo, the undersigned, authorized Representative of the Tri-City Record, on oath states that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Law of 1937, that payment therefore has been made of assessed as court cost; and that the notice, copy of which is hereto attached, was published in said paper in the regular daily edition, for 1 time(s) on the following date(s):

10/24/2025

Sworn and subscribed before me, a notary public in and for the county of La Plata and the State of Colorado, 10-24-25

Gail Lynn Vitarius  
Notary Public

PRICE: \$ 96.94

Statement to come at the end of the month.

ACCOUNT NUMBER: 109863

GAIL LYNN VITARIUS  
Notary Public  
State of Colorado  
Notary ID # 20254005989  
My Commission Expires 02-12-2029

## COPY OF ADVERTISEMENT

31520

**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-107A 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 Pool (71629) and the Blanco Pictured Cliffs Pool (72359) with existing production from the Blanco Mesaverde Pool (72319) in the Decker 003A well (API No. 30-045-22320) located in Unit F, Section 23, Township 32 North, Range 12 West, NMPM, San Juan County, New Mexico. Commingling will not reduce the value of production. Allocation method to be determined upon completion of this project. This notice is intended for certain unlocatable royalty 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 are required to respond within twenty (20) days from the date of this publication. Please mail your objection letter, referencing the well details above, to the New Mexico Oil Conservation Division's Santa Fe office.

Published in Tri-City Record  
October 24, 2025

**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-5540**

**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 (“Applicant”) 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. 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. one percent (1.0 %) shall be allocated to the Basin Fruitland Coal pool (pool ID: 71629);
  - b. zero percent (0.0 %) shall be allocated to the Blanco Pictured Cliffs pool (pool ID: 72359); and
  - c. ninety nine percent (99%) shall be allocated to the Blanco Mesaverde pool (pool ID: 72319).

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); and
- b. the Blanco Pictured Cliffs pool (pool ID: 72359).

The current pool(s) are:

- a. the Blanco Mesaverde pool (pool ID: 72319);

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

- a. seventy-three percent (73 %) shall be allocated to the Basin Fruitland Coal pool (pool ID: 71629); and
- b. zero percent (0.0 %) shall be allocated to the Blanco Pictured Cliffs pool (pool ID: 72359).

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.

3. 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.
4. 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.
5. 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.
6. 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.
7. 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.
8. 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).
9. 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**



Gerasimos Razatos for Albert Chang

**DATE:** 2/27/2026

**ALBERT CHANG  
DIVISION DIRECTOR**

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: **DHC - 5540**

Operator: **Hilcorp Energy Company**

Well Name: **30-045-22320**

Well API: **Decker Well No. 3A**

	Pool Name: <b>Basin Fruitland Coal</b>		
<b>Upper Zone</b>	Pool ID: <b>71629</b>	Current:	New: <b>X</b>
	Allocation:	Oil: <b>1.0%</b>	Gas:
		Top: <b>2,233</b>	Bottom: <b>2,617</b>

	Pool Name: <b>Blanco Pictured Cliffs</b>		
<b>Intermediate Zone</b>	Pool ID: <b>72359</b>	Current:	New: <b>X</b>
	Allocation:	Oil: <b>0.0%</b>	Gas:
		Top: <b>2,618</b>	Bottom: <b>2,799</b>

Bottom of Interval within 150% of Upper Zone's Top of Interval: **YES**

	Pool Name: <b>Blanco-Mesaverde</b>		
<b>Lower Zone</b>	Pool ID: <b>72319</b>	Current: <b>X</b>	New:
	Allocation:	Oil: <b>99.0%</b>	Gas:
		Top: <b>4,740</b>	Bottom: <b>5,072</b>

Bottom of Interval within 150% of Upper Zone's Top of Interval: **NO**

Top of Queen Formation:

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

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/ocd/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 520585

**CONDITIONS**

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 520585
	Action Type: [C-107] Down Hole Commingle (C-107A)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	2/18/2026