Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No.
JIC101

6. If Indian, Allottee or Tribe Name
JICARILLA APACHE

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
HURON 1A

2. Name of Operator
HILCORP ENERGY COMPANY
Contact: ETTA TRUJILLO
E-Mail: ettrujillo@hilcorp.com

9. API Well No.
30-039-21511-00-S1

3a. Address
382 ROAD 3100
AZTEC, NM 87410

3b. Phone No. (include area code)
Ph: 505-324-5161

10. Field and Pool or Exploratory Area
BLANCO

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 2 T26N R4W SWNW 1850FNL 0790FWL

11. County or Parish, State
RIO ARRIBA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☒ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 requests permission to P&A the subject well per the attached procedure, current and proposed wellbore schematics and reclamation plan - Preonsite inspection conducted 9/17/20 with Bob Switzer (BLM).

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #530518 verified by the BLM Well Information System
For HILCORP ENERGY COMPANY, sent to the Rio Puerco
Committed to AFMSS for processing by HEATHER PERRY on 09/21/2020 (20HCP0004SE)

Name *(Printed/Typed)* ETTA TRUJILLO — Title OPERATIONS/REGULATORY TECH SR

Signature (Electronic Submission) — Date 09/17/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JOE KILLINS — Title PETROLEUM ENGINEER — Date 12/11/2020

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 Rio Puerco

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)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Revisions to Operator-Submitted EC Data for Sundry Notice #530518

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	ABD NOI	ABD NOI
Lease:	JIC101	JIC101
Agreement:		
Operator:	HILCORP ENERGY COMPANY 1111 TRAVIS STREET HOUSTON, TX 77002 Ph: 713-209-2400	HILCORP ENERGY COMPANY 382 ROAD 3100 AZTEC, NM 87410
Admin Contact:	ETTA TRUJILLO OPERATIONS/REGULATORY TECH SR E-Mail: ettrujillo@hilcorp.com Ph: 505-324-5161	ETTA TRUJILLO OPERATIONS/REGULATORY TECH SR E-Mail: ettrujillo@hilcorp.com Ph: 505-324-5161
Tech Contact:	ETTA TRUJILLO OPERATIONS/REGULATORY TECH SR E-Mail: ettrujillo@hilcorp.com Ph: 505-324-5161	ETTA TRUJILLO OPERATIONS/REGULATORY TECH SR E-Mail: ettrujillo@hilcorp.com Ph: 505-324-5161
Location: State: County:	 NM RIO ARRIBA	 NM RIO ARRIBA
Field/Pool:	BLANCO MESAVERDE	BLANCO
Well/Facility:	HURON 1A Sec 2 T026N R04W Mer NMP SWNW 1850FNL 790FWL	HURON 1A Sec 2 T26N R4W SWNW 1850FNL 0790FWL

HILCORP ENERGY COMPANY
HURON 1A
P&A

JOB PROCEDURES

1. Contact **NMOCD/BLM/JICARILLA 24 hours before** rigging up on the well.
2. MIRU workover rig and associated equipment; test BOP.
3. TOOH w/ **2-3/8"** tubing set @ **5,651'.**
4. TIH w/ plug & set @ **+/- 5,344'**.
5. Load hole w/ water & PT casing to **560 psi for 30 minutes** to determine if cement plugs will need to be tagged.
6. RU W/L, run CBL from plug **@ +/- 5,344' to top of liner** to ensure cement coverage behind 4-1/2" casing. Run CBL in 7" intermediate casing from **4-1/2" liner top to surface** to determine intermediate TOC. Adjust plugs as necessary for new TOC for 4-1/2" & 7" casing. Email log copy to BLM/NMOCD/JICARILLA. Note: Current procedure assumes full cement coverage behind 4-1/2" casing to liner top, and cement coverage behind the 7" casing from the shoe to 2,500'. All cement volumes use 100% excess for a casing-open hole annulus and 50' excess for inside casing or a casing-casing annulus.
7. TIH w/ tubing/work string to **+/- 5,344'**.
8. **Plug #1: MESA VERDE PERFORATIONS & CHACRA TOP (4,607' - 5,344', 62 Sacks of Class G Cement Total):**
   Pump a **+/- 737'** balanced cement plug (62 sacks (includes 50' excess) of Class G cement with an estimated **TOC @ +/- 4,607'** and an estimated **BOC @ +/- 5,344'**).
9. TOOH w/ tubing/work string to **+/- 3,860' (note: Top of Liner @ 3,810')**.
10. **Plug #2: LINER TOP, LEWIS, PICTURED CLIFFS, FRUITLAND & OJO ALAMO FORMATION TOPS (3,136' - 3,860', 144 Sacks of Class G Cement Total):** Pump a +/- **724'** balanced cement plug (144 sacks (includes 50' excess) of Class G cement with an estimated TOC @ **+/- 3,136'** and an estimated BOC @ **+/- 3,860'**).
11. TOOH w/ tubing/work string.
12. RU W/L, RIH & perf squeeze holes **@ +/- 2,050'.** RIH & set CICR @ **+/- 2,000'**.
13. TIH w/ tubing/work string to **+/- 2,000'** sting into CICR.
14. **Plug #3: NACIMIENTO FORMATION TOP (1,950' - 2,050', 56 Sacks of Class G Cement Total):**
    Pump 37 sacks below CICR, squeezing 27 sacks behind pipe (includes 100% excess) and leaving 10 sx (50') plug below CICR. Sting out of CICR & pump an additional 19 sx on top of CICR (includes 50' excess), with an estimated TOC @ **+/- 1,950'** and an estimated BOC @ **+/- 2,050'**
15. TOOH w/ tubing/work string.
16. RU W/L, RIH & perf squeeze holes @ **+/- 336'**.
17. TIH w/ tubing/work string to **+/- 336'**.
18. **Plug #4: SURFACE PLUG (0' - 336', 153 Sacks of Class G Cement Total):**
    Pump a **+/- 336'** balanced cement plug (65 sacks of Class G cement with an estimated **TOC @ +/- 0'** and an estimated **BOC @ +/- 367'**). Squeeze an additional 88 sx through the squeeze perfs @ +/- 336'. Ensure cement returns out BH valve.
19. TOOH w/ tubing/work string.
20. ND BOP, cut off casing below casing flange. Top off cement in surface casing annulus, if needed. Install a P&A marker with cement.

HILCORP ENERGY COMPANY
HURON 1A

HURON 1A - CURRENT WELLBORE SCHEMATIC

Hilcorp Energy Company

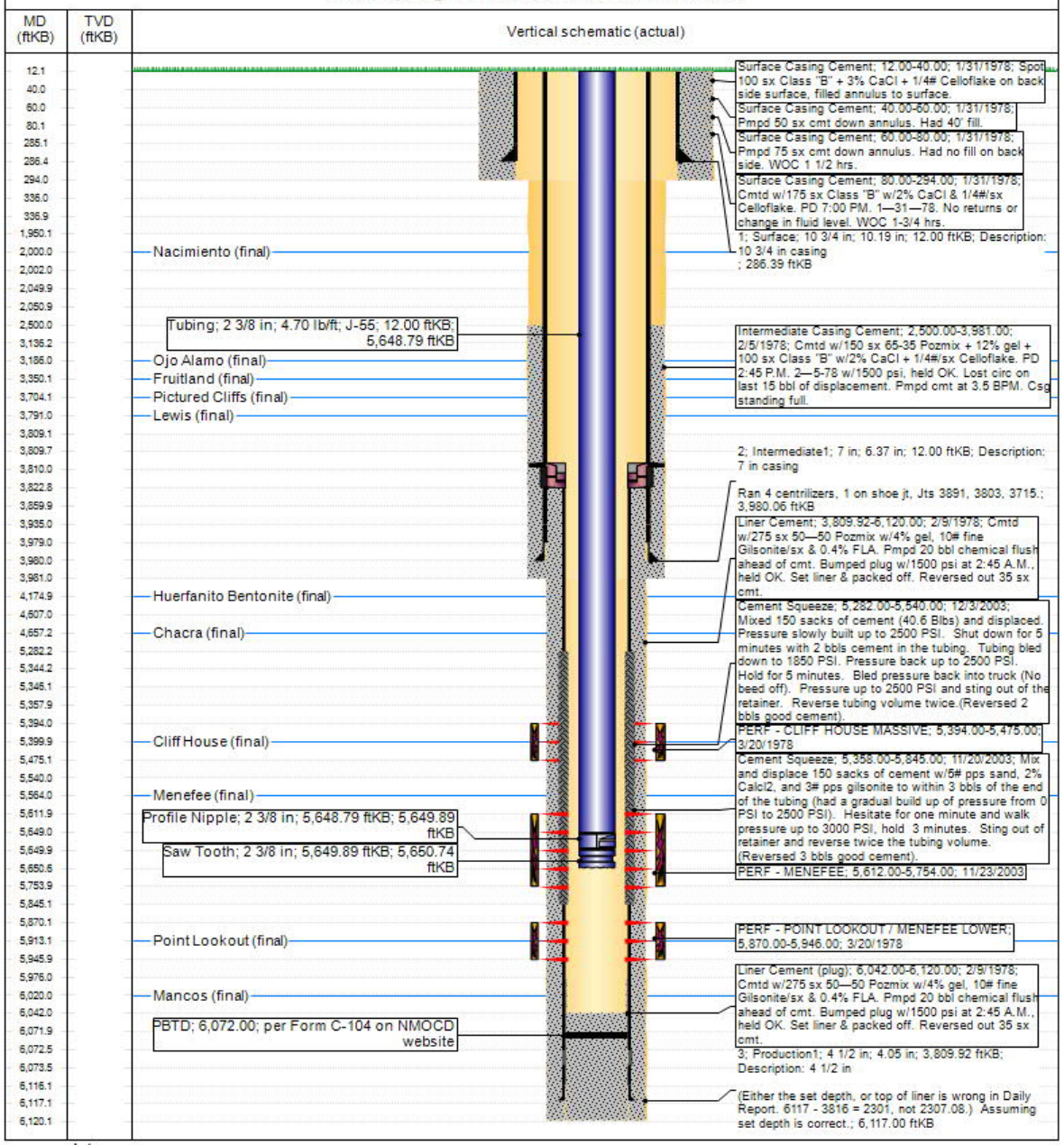
Current Schematic - Version 3

Well Name: HURON #1A

API / UWI	Surface Legal Location	Field Name	Route	State/Province	Well Configuration Type
3003921511	E-2-26N-4W	BLANCO	1414	NEW MEXICO	Vertical

Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
6,924.00	6,936.00	12.00		

Vertical, Original Hole, 9/1/2020 6:00:00 AM



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HILCORP ENERGY COMPANY
HURON 1A
P&A

HURON 1A - PROPOSED WELLBORE SCHEMATIC

Hilcorp Energy Company

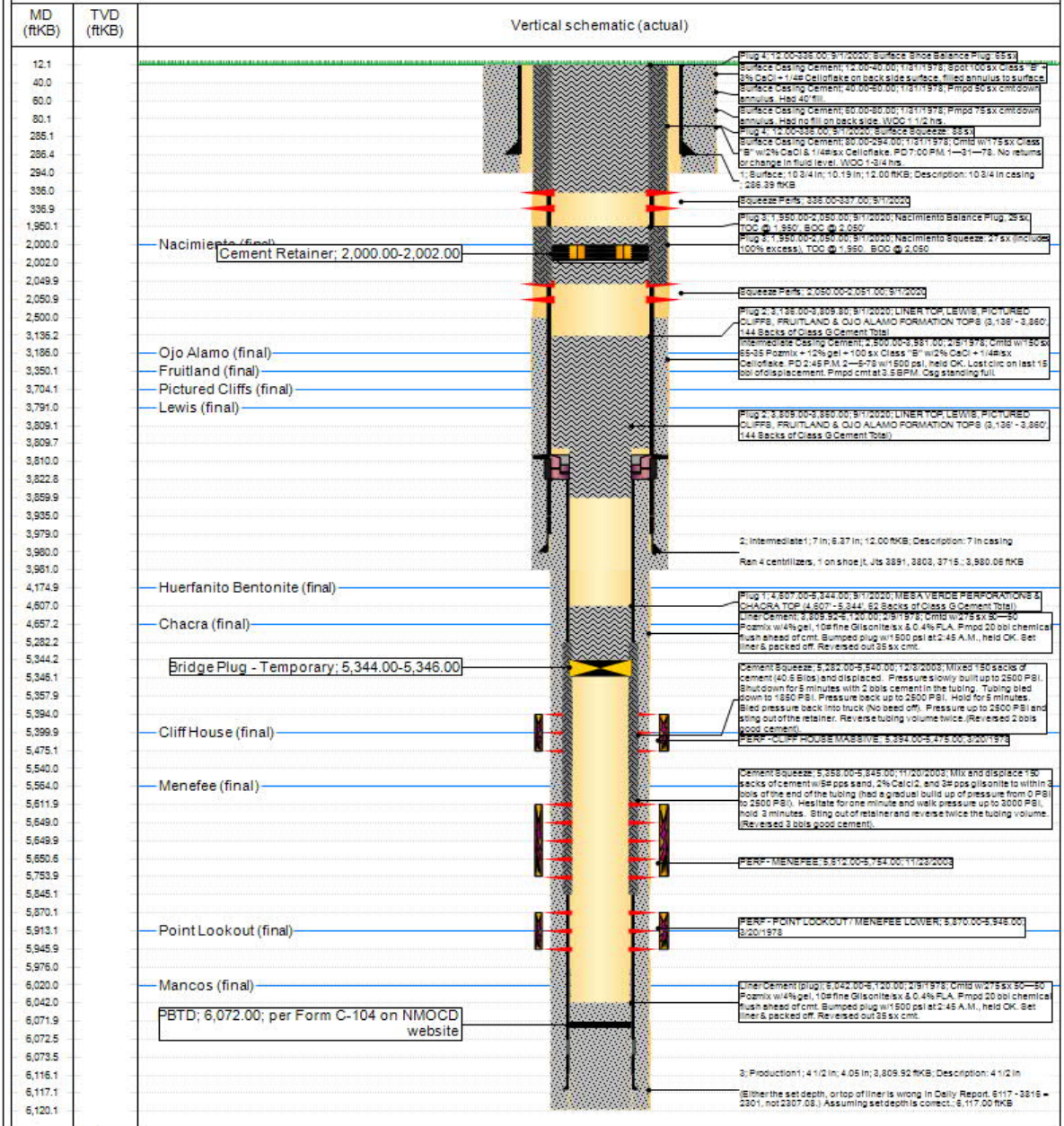
Current Schematic - Version 3

Well Name: HURON #1A

API / UWI	Surface Legal Location	Field Name	Route	State/Province	Well Configuration Type
3003921511	E-2-26N-4W	BLANCO	1414	NEW MEXICO	Vertical

Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
6,924.00	6,936.00	12.00		

Vertical, Original Hole, 9/1/2020 6:00:00 AM



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GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON FIELD OFFICE

1.0 The approved plugging plans may contain variances from the following minimum general requirements.

1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.

1.2 Requirements may be added to address specific well conditions.

2.0 Materials used must be accurately measured. (densometer/scales)

3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.

3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.

4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.

4.1 The cement shall be as specified in the approved plugging plan.

4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.3 Surface plugs may be no less than 50' in length.

4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.

4.6 **A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.**

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.

5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.

5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.

5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.

6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H_2S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Huron 1a
(API# 30-039-21511)

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

3. BLM picks Nacimiento at 2008' md (see geologic report). Adjust plug 3 to provide coverage 2058' to 1958'.

BLM FLUID MINERALS
Geologic Report

Date Completed: 12/9/2020

Well No.	Huron #001A (API# 30-039-21511)		Location	1850 FNL	&	790 FWL	
Lease No.	Jicarilla Contract 101		Sec. 2	T26N		R04W	
Operator	Hilcorp Energy Company		County	Rio Arriba	State	New Mexico	
Total Depth	6117	PBTD 6072	Formation	Mesaverde (producing), Mancos (TD)			
Elevation (GL)	6924		Elevation (KB)	6936			

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm			Surface	2008	Surface/Fresh water sands
Nacimiento Fm			2008	3210	Fresh water sands
Ojo Alamo Ss			3210	3300	Aquifer (fresh water)
Kirtland Shale			3300	3490	
Fruitland Fm			3490	3726	Coal/Gas/Possible water
Pictured Cliffs Ss			3726	3810	Gas
Lewis Shale			3810	4657	
Chacra			4657	5390	
Cliff House Ss			5390	5528	Water/Possible gas
Menefee Fm			5528	5870	Coal/Ss/Water/Possible O&G
Point Lookout Ss			5870	6020	Probable water/Possible O&G
Mancos Shale			6020	PBTD	
Gallup					O&G/Water
Graneros Shale					
Dakota Ss					O&G/Water

Remarks:
P & A

- No well log available above 4010’ in this well bore. Reference well #2 was used to pick formation tops from the Lewis formation to Surface.

- BLM geologist’s picks for the top of the Cliff House, Menefee, Point Lookout, Kirtland and Fruitland formations vary from operator’s. The proposed plugging program adequately covers the BLM formation top picks.

  Log analysis of reference well #3 indicates the San Jose formation contains fresh water (≤ 5,000 ppm TDS), and the Nacimiento and Ojo Alamo contain fresh to usable water (≤10,000 ppm TDS).

- Please ensure that the tops of the Mancos, Mesaverde (Cliff House), Pictured Cliffs, and Nacimiento formations, as well as the entire Ojo Alamo fresh water aquifer identified in this report, are isolated by proper placement of cement plugs. This will protect the fresh water sands in this well bore. Proposed plugging plan has adequate plugs to cover all necessary formation tops.

Reference Well:
1) Same Fm. Tops (Mancos-Chacra)

2) Enervest Jicarilla 102 #17 Fm. Tops (Lewis-Surface)
1850’ FNL, 790’ FEL
Sec. 03, T26N, R04W
GL 6963’ KB 6975’

3) Enervest Jicarilla A # 7E Water Analysis
900′ FNL, 1000′ FWL
Sec 17, T26N, R5W
GL 6638′ KB 6650′

Prepared by: *Chris Wenman*

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

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

COMMENTS

Action 11972

COMMENTS

Operator:			OGRID:	Action Number:	Action Type:
HILCORP ENERGY COMPANY	1111 Travis Street	Houston, TX77002	372171	11972	C-103F

Created By	Comment	Comment Date
kpickford	KP GEO Review 12/21/2020	12/21/2020

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

CONDITIONS

Action 11972

CONDITIONS OF APPROVAL

Operator:			OGRID:	Action Number:	Action Type:
HILCORP ENERGY COMPANY	1111 Travis Street	Houston, TX77002	372171	11972	C-103F

OCD Reviewer	Condition
kpickford	Notify NMOCD 24 hrs before beginning operations.