

<b>Well Name:</b> CANYON LARGO UNIT	<b>Well Location:</b> T25N / R6W / SEC 12 / SWNW / 36.417114 / -107.42395	<b>County or Parish/State:</b> RIO ARRIBA / NM
<b>Well Number:</b> 154	<b>Type of Well:</b> CONVENTIONAL GAS WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMSF078884	<b>Unit or CA Name:</b> CANYON LARGO UNIT--CH	<b>Unit or CA Number:</b> NMNM78383B
<b>US Well Number:</b> 3003920278	<b>Well Status:</b> Gas Well Shut In	<b>Operator:</b> HILCORP ENERGY COMPANY

**Notice of Intent**

**Sundry ID:** 2672451

**Type of Submission:** Notice of Intent

**Type of Action:** Plug and Abandonment

**Date Sundry Submitted:** 05/19/2022

**Time Sundry Submitted:** 06:07

**Date proposed operation will begin:** 06/09/2022

**Procedure Description:** Hilcorp Energy Company requests permission to P&A the subject well per the attached procedures, current and proposed wellbore schematics. The Pre-Disturbance Site Visit was held on 5/17/2022 with Roger Herrera/BLM. The Re-Vegetation Plan is attached. A closed loop system will be used.

**Surface Disturbance**

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

**NOI Attachments**

**Procedure Description**

CanyonLargo154\_Final\_Reclamation\_Plan\_20220519060648.pdf

Canyon\_Largo\_154\_P\_A\_Procedure\_for\_NOI\_20220519060648.pdf

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Operator: HILCORP ENERGY COMPANY

Conditions of Approval

Additional

- 2672451\_NOIA\_154\_3003920278\_KR\_06022022\_20220602152224.pdf
General\_Requirement\_PxA\_20220602152103.pdf
25N06W12EKIs\_Canyon\_Largo\_Unit\_154\_20220602124540.pdf

Operator

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

Operator Electronic Signature: KANDIS ROLAND

Signed on: MAY 19, 2022 06:07 AM

Name: HILCORP ENERGY COMPANY

Title: Operation Regulatory Tech

Street Address: 382 Road 3100

City: Farmington State: NM

Phone: (505) 599-3400

Email address: kroland@hilcorp.com

Field

Representative Name:

Street Address:

City: State: Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742

BLM POC Email Address: krennick@blm.gov

Disposition: Approved

Disposition Date: 06/02/2022

Signature: Kenneth Rennick



## P&A Procedure

General Information			
<b>Well Name</b>	Canyon Largo Unit 154	<b>Date:</b>	5/12/2022
<b>API:</b>	30-039-20278	<b>AFE #</b>	
<b>Field:</b>	San Juan	<b>County</b>	San Juan
<b>Status:</b>	Well is ACOI		
<b>Subject:</b>	Permanently P&A wellbore		
<b>By:</b>	M. Wissing		

### Well Data

Surface Casing: 8-5/8" 24# K-55 8rd csg at 135'

Production Casing: 2-7/8" JS 6.4# 10rd at 3,941'

Production tubing: none

Current Perforations: 3,758' – 3,782'

Current PBTD: 3,931' (cement plug)

KB: 11'

SICP = 0 psig/ BH: 0 psi (no historic BH pressures in last 12 tests)

Cement log: Temp Survey

**Notes: No documented rig work on well. No slickline reports able to be found.**

Hold PJSM prior to begin all operations. Properly document all operations via the JSA process. Ensure that all personnel onsite abide by HEC safety protocol, including PPE, housekeeping, and standard guidelines. Verify cathodic protection is off and wellhead instrumentation is properly disconnected from the wellhead. Comply with all NMOCD, BLM, and HEC safety and environmental regulations. Verify there is no H2S present prior to beginning operations. If any H2S is present, take the necessary actions to ensure that the location is safe prior to beginning operations. Observe and record pressures across all strings daily, prior to beginning operations.

Remember to notify NMOCD and BLM 24 hours prior to starting operations on location. This procedure is contingent upon P&A sundry approval by the NMOCD & BLM.

**P&A Rig Procedure- Canyon Largo 154**

1. MIRU P&A rig and equipment.
  - a. *Record daily pressures on all strings.*
  - b. *Document all agency onsite witnesses and any approved procedure changes with all agencies.*
2. RU E-line and MU 2-7/8" GR. Clear 2-7/8" csg to 3,725'.
3. MU 2-7/8" CIBP and RIH. Set at 3,708'. Tag to verify set.
  - a. **Chacra top perf at 3,758'.**
4. RU E-line and MU CBL tools. Load wellbore with water. RIH and log well from CIBP to surface with pressure on csg.
  - a. *Review results with NMOCD and BLM to finalize all future cement plugs.*
5. Pressure test the casing to 500 psi to verify wellbore integrity and plug set.
6. NU 5k BOP & test.
7. RIH with 1-1/4" work string.
8. **Plug #1 (Chacra top perf 3,758'; Chacra formation top at 3,750')**: RU cementers and pump a 150' balanced cmt plug inside the 2-7/8" csg from 3,558' – 3,708', using 1 bbls (5 sx) of 15.8+ ppg Class G cmt.
9. TOOH to 2,935'
10. **Plug #2 (PC top at 2,885', FRC top at 2,686', Kirtland top at 2,460', Ojo top at 2,270')**: RU cementers and pump a 765' cmt plug inside 2-7/8" csg from 2,170' – 2,935' using 4.5 bbls (22 sx) of 15.8+ ppg Class G cmt.
11. TOOH with tbg.
12. RU E-line and MU DP charges, RIH and perf 2-7/8" csg at 1,388'.
13. MU 2-7/8" CICR and RIH. Set CICR at 1,338'
  - a. Nacimiento form. Top at 1,338'.
14. Establish injection rate.
15. **Plug #3 (Nacimiento formation top at 1,338')**: RU cementers and pump a 100' inside/outside cmt plug with the 2-7/8" csg from 1,288' – 1,388' + 50' excess cement inside 2-7/8" tbg, using 8.4 bbls (41 sx) of 15.8+ ppg Class G cmt.
16. TOOH with tbg.

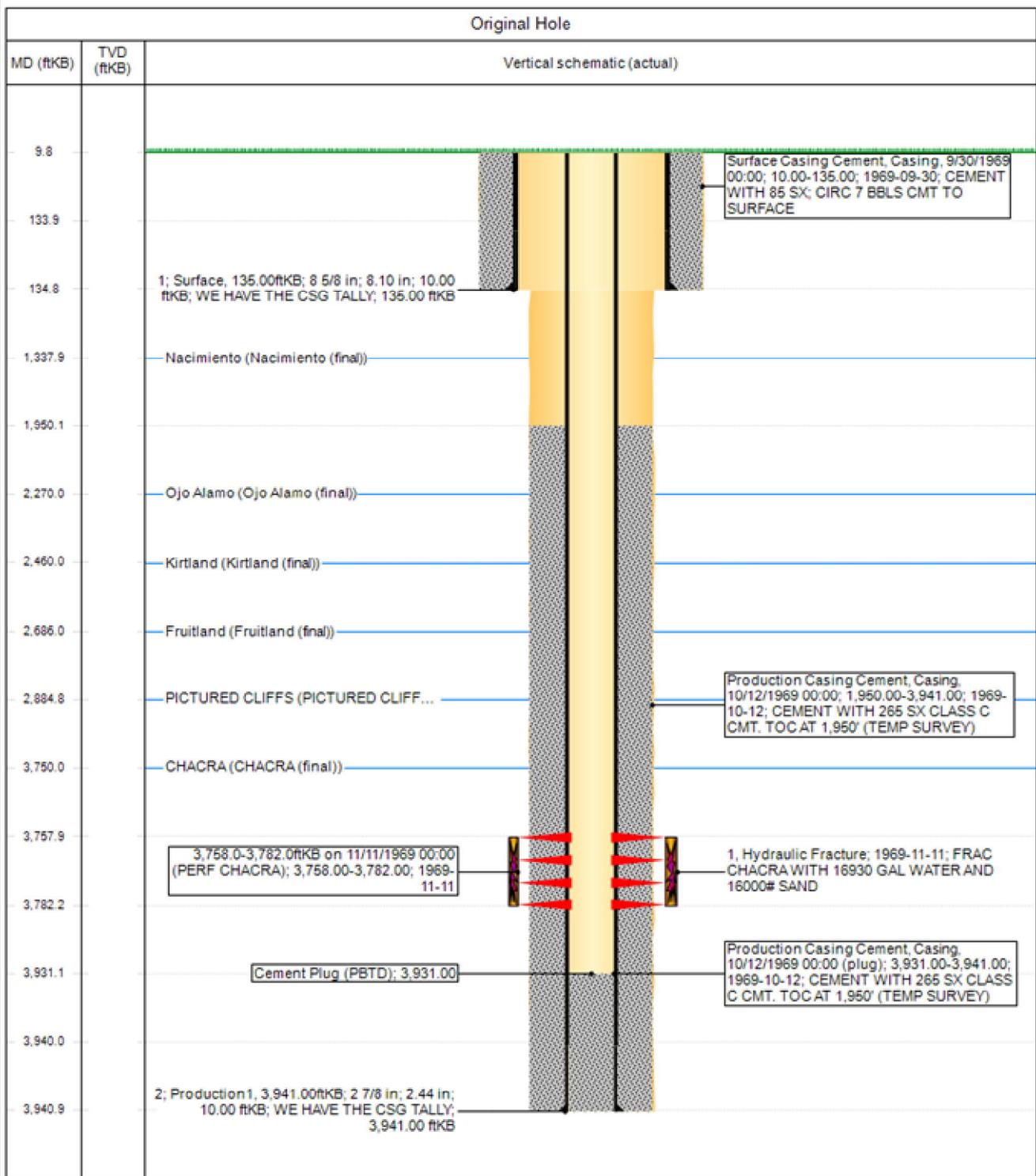
17. RU E-line and MU DP perf gun. RIH and perforate 2-7/8" csg at 185'. Establish circulation with 8-5/8" x 2-7/8" casing annulus to surface.
  - a. Casing shoe at 135'
18. **Plug #4 (Surface casing at 135')**: RU cementers and circulate a 185' cmt plug from Surface – 185' inside the 2-7/8" & 2-7/8" x 8-5/8" csg annulus using 14.5 bbls (71 sx) of 15.8 ppg Class G cmt.
19. Verify all pressures on all strings are at 0 psi.
20. ND BOP. Cutoff wellhead at surface and weld on labeled P&A marker. Top off wellbore with cmt as needed.
21. RDMO P&A rig.



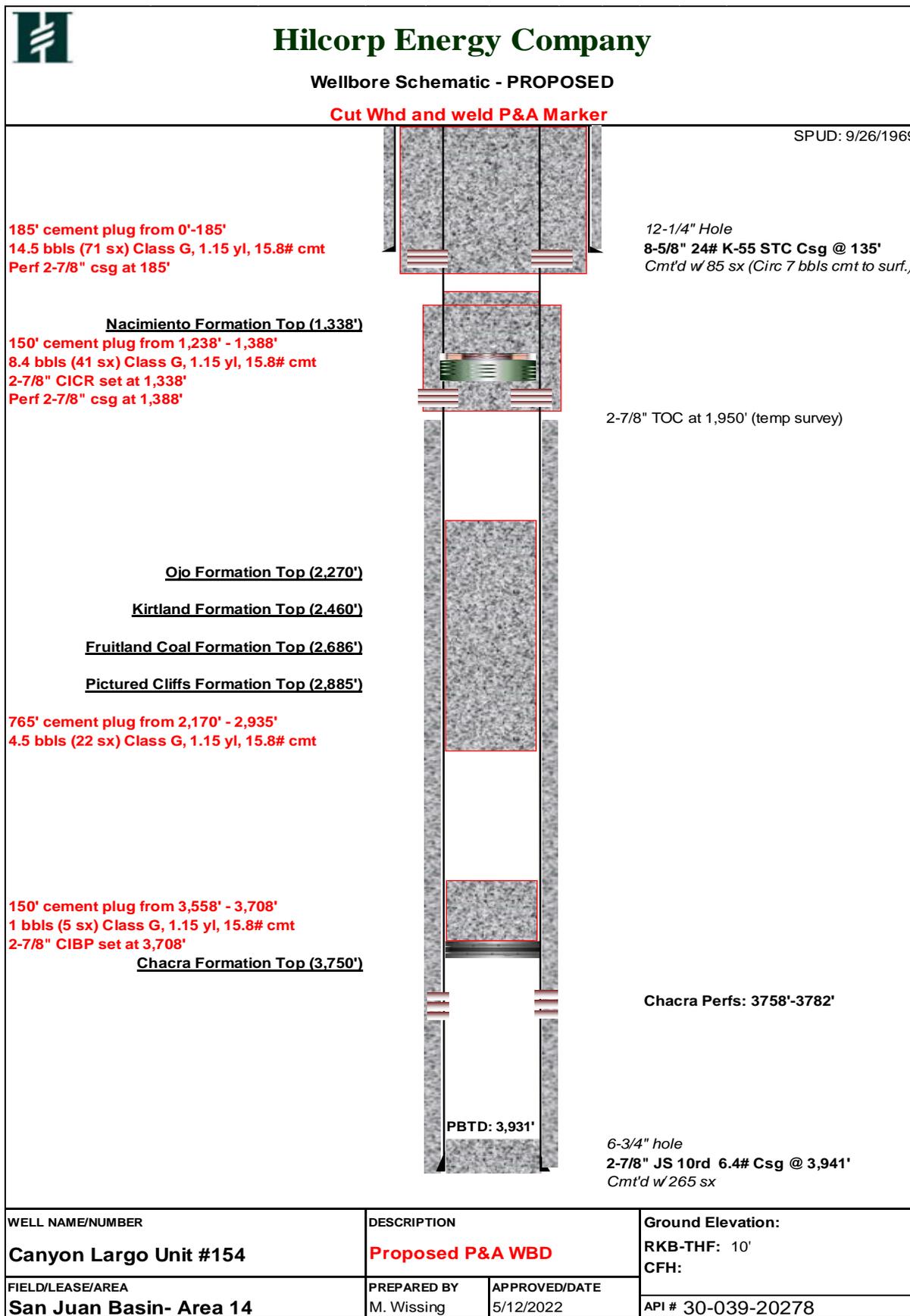
### Current Schematic - Completion Comments

Well Name: CANYON LARGO UNIT #154

API / UWI 3003920278	Surface Legal Location 012-025N-006W-E	Field Name OTERO (CHACRA) GAS	Route 1405	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 6,785.00	Original KB/RT Elevation (ft) 6,795.00	KB-Ground Distance (ft) 10.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	



## PROPOSED P&A WELLBORE SCHEMATIC



## Hilcorp Energy

Canyon Largo Unit 154

36.4171, -107.42394

API-30-039-20278

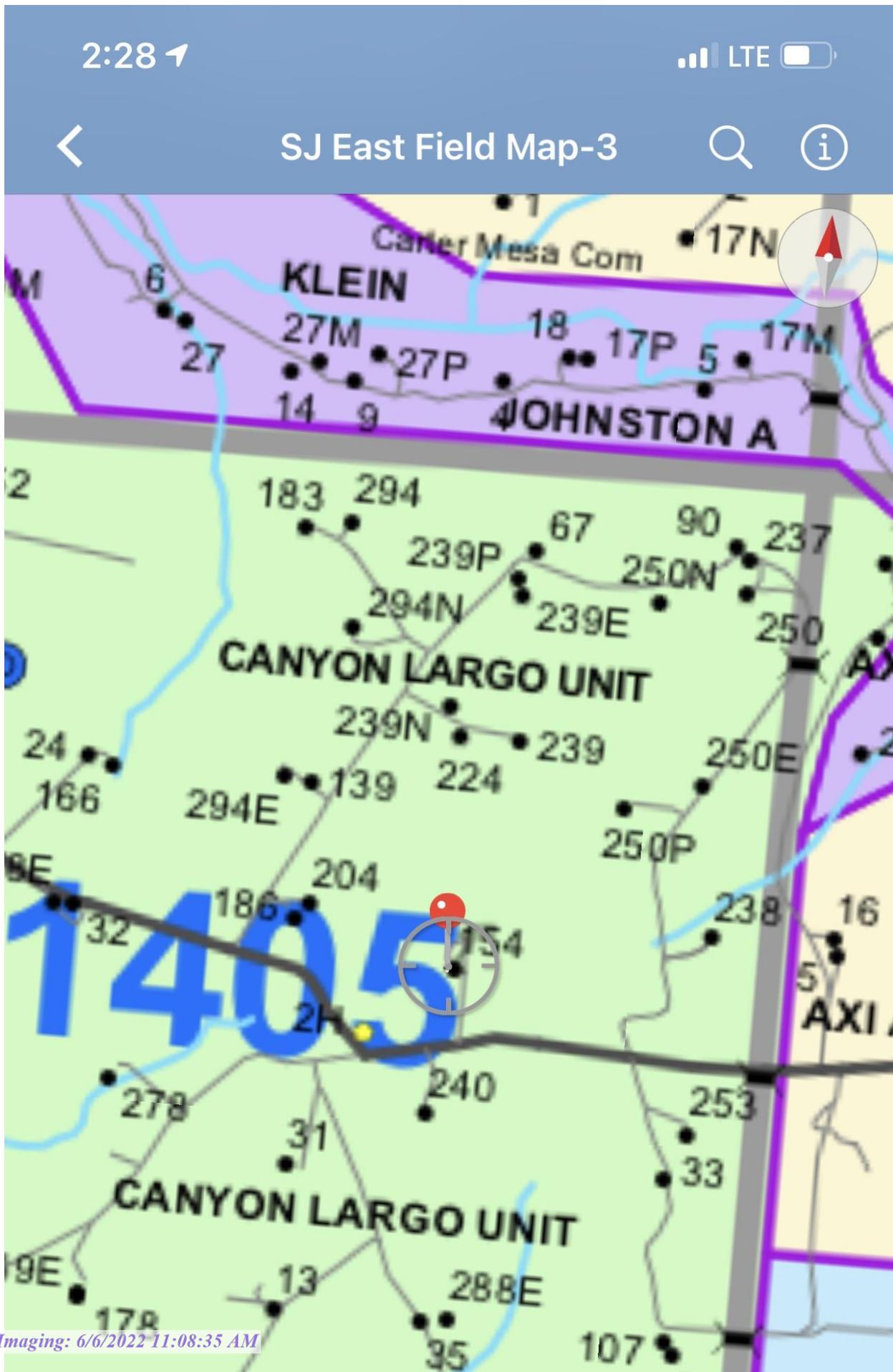
25N-06W SEC 12

### Final Reclamation Plan

1. Pick up and remove all trash, metal, cable, and any foreign debris within 100' of location.
2. Remove anchors.
3. Strip equipment off of facility.
4. Remove piping and cables.
5. Enterprise to remove meter run and piping back to dog leg.
6. Reclaim access road (approximately 950 feet). Fence access road at the main road using T-Post and woven wire, 3 strand fence with braces on each end. T-Post shall be a maximum of 10' apart.
7. Rip compacted soil, leaving rough terrain.
8. Re-seed all disturbed areas. Drill where applicable at rate per acre defined by seed mix, and broadcast seed and harrow, at double the rate, all other disturbed areas. Sagebrush-Grass seed mix will be used.







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

AFMSS 2 Sundry ID 2672451

Attachment to notice of Intention to Abandon

Well: Canyon Largo Unit 154

**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. The following modifications to your plugging program are to be made:
  - a) Adjust Plug #3 (Nacimiento) to cover BLM formation top pick at 1418'.
3. Farmington Office is to be notified at least 24 hours before the plugging operations commence at (505) 564-7750.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.

K. Rennick 06/02/2022

**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<sub>2</sub>S.

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.

(October 2012 Revision)

**BLM FLUID MINERALS  
P&A Geologic Report**

**Date Completed:** 06/02/2022

Well No. Canyon Largo Unit #154 (API# 30-039-20278)	Location	1550	FNL	&	990	FWL
Lease No. NMSF078884	Sec. 12	T25N			R06W	
Operator Hilcorp Energy Company	County	Rio Arriba		State	New Mexico	
Total Depth 3941'	PBTD 3931'	Formation Chacra				
Elevation (GL) 6785'		Elevation (KB) 6795'				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose			Surface	1418	Surface/possible freshwater sands
Nacimiento			1418	2270	Possible freshwater sands
Ojo Alamo Ss			2270	2466	Aquifer (possible freshwater)
Kirtland Shale			2466	2686	Possible gas
Fruitland			2686	2885	Coal/Gas/Water
Pictured Cliffs Ss			2885	2995	Probable Gas
Lewis Shale			2995	3750	
Chacra			3750	PBTD	Gas
Cliff House Ss					
Menefee					
Point Lookout Ss					
Mancos Shale					
Gallup					
Greenhorn					
Graneros Shale					
Dakota Ss					
Morrison					

Remarks:

P &amp; A

- BLM pick for the Nacimiento formation top varies from Operator.
- Adjust Plug #3 (Nacimiento) to cover BLM formation top pick at 1418'.
- The plugs proposed in the P&A procedure, with recommended changes, will adequately protect any freshwater sands in this well bore.
- Chacra perms 3758' – 3782'.

Reference Well:

1) **Formation Tops**  
Same

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**

CONDITIONS

Action 113306

**CONDITIONS**

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 113306
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

**CONDITIONS**

Created By	Condition	Condition Date
kpickford	CBL required	6/6/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	6/6/2022
kpickford	Adhere to BLM approved COAs and plugs. See GEO report	6/6/2022