ceived by UCD: 3/9/2022 11:05:14 AM U.S. Department of the Interior BUREAU OF LAND MANAGEMENT		Sundry Print Report 08/09/2022
Well Name: NV NAVAJO 27	Well Location: T29N / R14W / SEC 27 / SESE /	County or Parish/State: SAN JUAN / NM
Well Number: 4	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name: SHIPROCK
Lease Number: 14206032168A	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004530520	Well Status: Gas Well Shut In	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2683674

Type of Submission: Notice of Intent

Date Sundry Submitted: 07/25/2022

Date proposed operation will begin: 09/08/2022

Type of Action: Plug and Abandonment

Time Sundry Submitted: 05:43

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 2/23/22 with Bertha Spencer/BIA, Steve Price/Navajo Nation & Emmanuel Adeloye/BLM on 4/27/22. 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

PA_reclamation___NV_Navajo_27_4_04_27_2022_Optimized_20220725054026.pdf

P_A_NOI_NV_Navajo_27_4_20220725054026.pdf

Received by OCD: 8/9/2022 11:05:14 AM Well Name: NV NAVAJO 27	Well Location: T29N / R14W / SEC 27 / SESE /	County or Parish/State: SAN JUAN / NM
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Conditions of Approval

Additional

29N14W27PKpc_NV_Navajo_27_4_20220808134118.pdf

Authorized

General_Requirement_PxA_20220808135752.pdf

2683674_NOIA_27_4_3004530520_KR_08082022_20220808135735.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

Name: HILCORP ENERGY COMPANY

Title: Operation Regulatory Tech

Street Address: 382 Road 3100

State: NM

Phone: (505) 599-3400

City: Farmington

Email address: kroland@hilcorp.com

Field

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

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK BLM POC Phone: 5055647742

Disposition: Approved

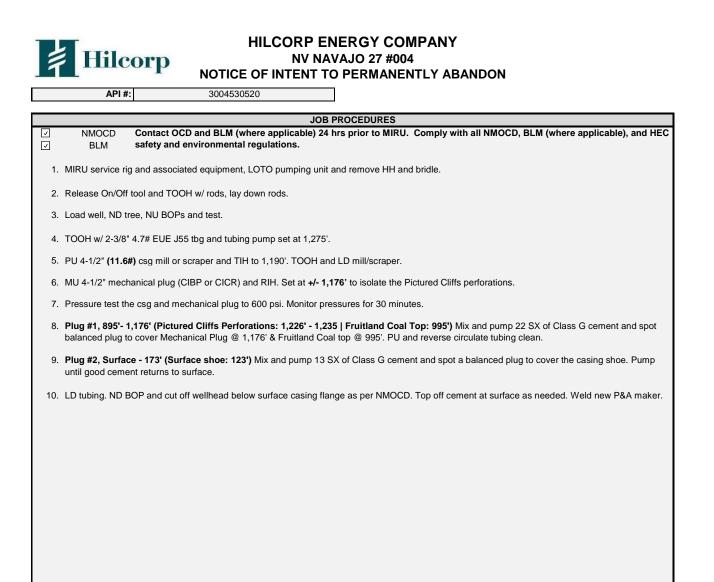
Signature: Kenneth Rennick

Signed on: JUL 25, 2022 05:42 AM

BLM POC Title: Petroleum Engineer

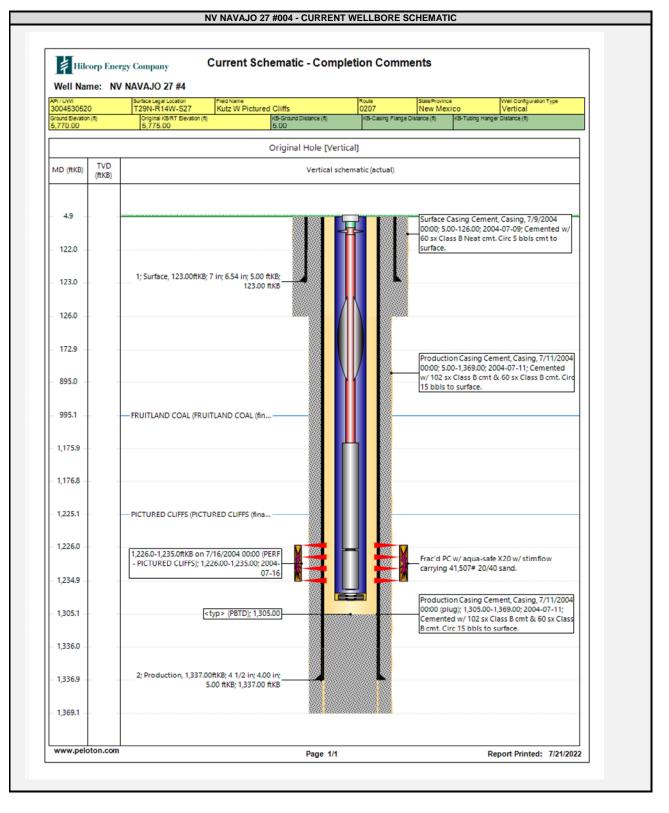
Zip:

BLM POC Email Address: krennick@blm.gov Disposition Date: 08/08/2022





HILCORP ENERGY COMPANY NV NAVAJO 27 #004 NOTICE OF INTENT TO PERMANENTLY ABANDON



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HILCORP ENERGY COMPANY NV NAVAJO 27 #004 NOTICE OF INTENT TO PERMANENTLY ABANDON

Hilcor			WBD F	roposed			
Well Name API/UWI 3004530520	e: NV NA	VAJO 27 #4 Surface Legal Location T29N-R14W-S27	Field Name Kutz W Pictured Cliffs	License No.	State/Province New Mexico	Well Configuration Type Vertical	
Ground Elevation (ft))	Casing Flange Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	Original Spud Date	Rig Release Date 7/11/2004 00:00	
5,770.00 Most Recent	Job	I	5.00		7/9/2004 00:00	1111/2004 00.00	=1
Job Category Well Maintena	ance	Primary Job Type REPLACE TUBIN	Secondary Job Type	Actual Start 8/26/201	t Date 13	End Date 8/28/2013	
				ole [Vertical]		0/20/2010	
MD (ftKB)	TVD (ftKB)			Vertical schematic (prop	osed)		-
							-
4.9 122.0					Cement Plu 173.00; 202	ig, Plug, 12/31/2022 00:00; 5.00 2-12-31]
123.0							
126.0							
172.9 —				-			
895.0				-	Cement Plu -1,176.00; 2	ıg, Plug, 12/31/2022 00:00; 895. 022-12-31	<mark>2</mark>
995.1							
1,175.9 —		4 in 4-1/2" Mechani	cal Plug, 1,176.0, 1,177.0;				
1,176.8			1,176.00-1,177.00				
1,225.1 —							
1,226.0							
1,234.9							
1,305.1			<typ> (PBTD); 1,305.00</typ>				
1,336.0							
1,336.9					•		
1,369.1					93 <u>9</u>		

Hilcorp Energy P&A Final Reclamation Plan **NV Navajo 27 #4** API: 30-045-30520 P – Sec.27-T029N-R014W Lat: 36.693575, Long: -108.291463 Footage: 1278' FSL & 1211' FEL San Juan County, NM

1. PRE-RECLAMATION SITE INSPECTION

- 1.1) A pre-reclamation site inspection was completed by Bertha Spencer with BIA, Steve Prince with the Navajo Nation, and Chad Perkins construction Foreman for Hilcorp Energy on Wednesday February 23, 2022.
- 1.2) A pre-reclamation site inspection was completed by Emmanuel Adeloye with the BLM and Chad Perkins construction Foreman for Hilcorp Energy on Wednesday April 27, 2022.

2. LOCATION RECLAMATION PROCEDURE

- 2.1) Final reclamation work will be completed after the well is Plugged.
- 2.2) All production equipment, rig anchors, and flowlines will be stripped and removed.
- 2.3) Strip approximately 40' of water and gas pipeline piping between the wellsite and the mainline. The water and gas pipelines will be blinded or capped off at the mainline.
- 2.4) Location had very minimal nonnative aggregate, all nonnative aggregate will be scraped up and buried prior to re-contouring.
- 2.5) Rip entire well pad before seeding, no re-contouring required.
- 2.6) All trash and debris will be removed within 50' buffer outside of the location disturbance during reclamation.

3. ACCESS ROAD RECLAMATION PROCEDURE:

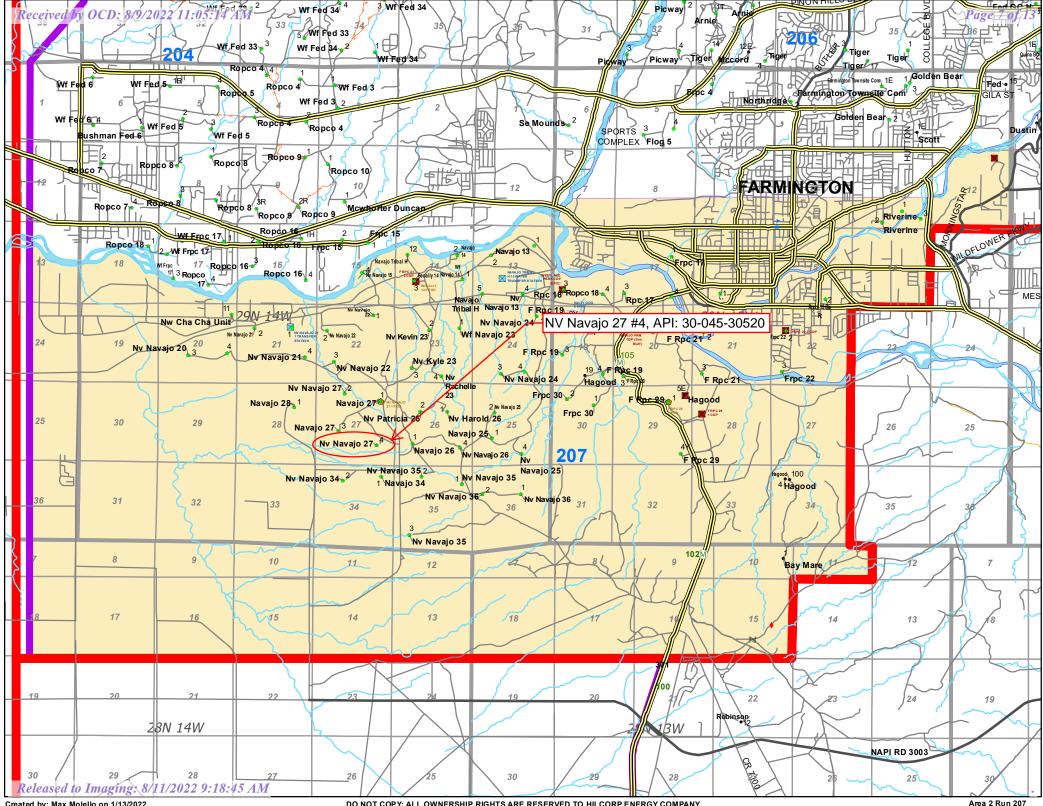
- 3.1) Rip approximately ~240' of lease road access with shallow swales to create a rolling terrain that matches natural topography drainage features to limit erosion.
- 3.2) Install seeded area signs (Keep Off Seeded Area) to prevent traffic on reclamation at lease access road entrance.
- 3.3) All trash and debris will be removed within 50' buffer outside of the road disturbance during reclamation.

4. SEEDING PROCDURE

- 4.1) A Pinion/Juniper seed mix will be used for all reclaimed and disturbed areas of the location and lease road.
- 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.



Created by: Max Molello on 1/13/2022

DO NOT COPY: ALL OWNERSHIP RIGHTS ARE RESERVED TO HILCORP ENERGY COMPANY

Area 2 Run 207

NV Navajo 27 #4

Google/Eart

Received by OCD: 8/9/2022 11:05:14

Rip entire well pad before seeding, no re-contouring required.

Rip approximately ~240' of lease road access with shallow swales to create a rolling terrain that matches natural topography drainage features to limit erosion. Install seeded area signs (Keep Off Seeded Area) to prevent traffic on reclamation at lease access road entrance.

200

Legend

Page 8 of 13

36.693575, -108.291463

Strip approximately 40' of water and gas pipeline piping between the wellsite and the mainline. The water and gas pipelines will be blinded or capped off at the mainline.

Location had very minimal nonnative aggregate, all nonnative aggregate will be scraped up and buried prior to re-contouring.

36.693575, -108.291463

BLM FLUID MINERALS P&A Geologic Report

Date Completed: 08/08/2022

Well No. NV Navajo 27 #4 (API# 30	Location	1278	FSL	&	1211	FEL	
Lease No. 14206032168A	Sec. 27	T29N			R14W		
Operator Hilcorp Energy Company		County	San Juan		State	New Mexico	
Total Depth 1369'	PBTD 1305'	Formation	Pictured (Cliffs			
Elevation (GL) 5770'	Elevation (KE	B) 5775'					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					
Nacimiento Fm					
Ojo Alamo Ss					
Kirtland Shale			Surface	995	Surface/Potential water/gas
Fruitland Fm			995	1225	Coal/Gas/Water
Pictured Cliffs Ss			1225	PBTD	Gas
Lewis Shale					
Chacra					
Cliff House Ss					
Menefee Fm					
Point Lookout Ss					
Mancos Shale					
Gallup					
Greenhorn					
Graneros Shale					
Dakota Ss					
Morrison Formation					

<u>Remarks:</u> P & A

Reference Well: 1) Formation Tops Same

- The plugs proposed in the P&A procedure will adequately protect any freshwater sands in this well bore.

- Pictured Cliffs perfs 1226' – 1235'.

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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 <u>minimum general</u> 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.

Page 1

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 <u>date</u> 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

AFMSS 2 Sundry ID 2683674

Attachment to notice of Intention to Abandon

Well: NV Navajo 27 4

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 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 08/08/2022

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

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	132395
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

CONDITIONS					
Created By		Condition Date			
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	8/11/2022			
kpickford	Adhere to BLM approved COAs and plugs. See GEO report.	8/11/2022			

CONDITIONS

Action 132395