

Well Name: NV KYLE 23	Well Location: T29N / R14W / SEC 23 / SWSW / 36.70779 / -108.284108	County or Parish/State: SAN JUAN / NM
Well Number: 3	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name: SHIPROCK
Lease Number: 14206032198A	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004533433	Well Status: Gas Well Shut In	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2683434

Type of Submission: Notice of Intent	Type of Action: Plug and Abandonment
Date Sundry Submitted: 07/22/2022	Time Sundry Submitted: 09:12
Date proposed operation will begin: 09/01/2022	

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 2/23/2022 with Bertha Spencer/BIA and Steve Prince/Navajo Nation and 4/27/2022 with Emmanuel Adeloye/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

NV_Kyle_23_3_P_A_NOI_Packet_20220722091229.pdf

Received by OCD: 8/9/2022 6:35:24 AM

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Conditions of Approval

Additional

29N14W23_NV_KYLE_23_3_GEO_KGR_20220808170901.pdf
General_Requirement_PxA_20220808170828.pdf
2683434_NOIA_23_3_3004533433_KR_08082022_20220808170817.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: AMANDA WALKER

Signed on: JUL 22, 2022 09:12 AM

Name: HILCORP ENERGY COMPANY

Title: Operations/Regulatory Technician

Street Address: 1111 TRAVIS ST.

City: HOUSTONState: TX

Phone: (346) 237-2177

Email address: mwalker@hilcorp.com

Field

Representative Name:

Street Address:

City:State:Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742

BLM POC Email Address: krennick@blm.gov

Disposition: Approved

Disposition Date: 08/08/2022

Signature: Kenneth Rennick



HILCORP ENERGY COMPANY
NV KYLE 23 #003
NOTICE OF INTENT TO PERMANENTLY ABANDON

API #:	3004533433
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JOB PROCEDURES

- | | | |
|-------------------------------------|-------|--|
| <input checked="" type="checkbox"/> | NMOCD | Contact OCD and BLM (where applicable) 24 hrs prior to MIRU. Comply with all NMOCD, BLM (where applicable), and HEC safety and environmental regulations. |
| <input checked="" type="checkbox"/> | BLM | |

1. MIRU service rig and associated equipment, LOTO pumping unit and remove HH and bridle.
2. Release On/Off tool and TOOH w/ rods, lay down rods.
3. Load well, ND tree, NU BOPs and test.
4. TOOH w/ 2-3/8" 4.7# EUE J55 tbg and tubing pump set at 1,138'.
5. PU 5-1/2" csg mill or scraper and TIH to 1,035'. TOOH and LD mill/scraper.
6. MU 5-1/2" mechanical plug (CIBP or CICR) and RIH. Set at +/- 1,020' to isolate the Pictured Cliffs perforations.
7. Pressure test the csg and mechanical plug to 600 psi. Monitor pressures for 30 minutes.
8. **Plug #1, 836'- 1,020' (Pictured Cliffs Perforations: 1,070' - 1,086' | Fruitland Coal Top: 936')** Mix and pump 22 SX of Class G cement and spot balanced plug to cover Mechanical Plug @ 1,020' & Fruitland Coal top @ 936'. PU and reverse circulate tubing clean.
9. **Plug #2, Surface - 233' (Surface shoe: 183')** Mix and pump 26 SX of Class G cement and spot a balanced plug to cover the casing shoe. Pump until good cement returns to surface.
10. LD tubing. ND BOP and cut off wellhead below surface casing flange as per NMOCD. Top off cement at surface as needed. Weld new P&A maker.



HILCORP ENERGY COMPANY
NV KYLE 23 #003
NOTICE OF INTENT TO PERMANENTLY ABANDON

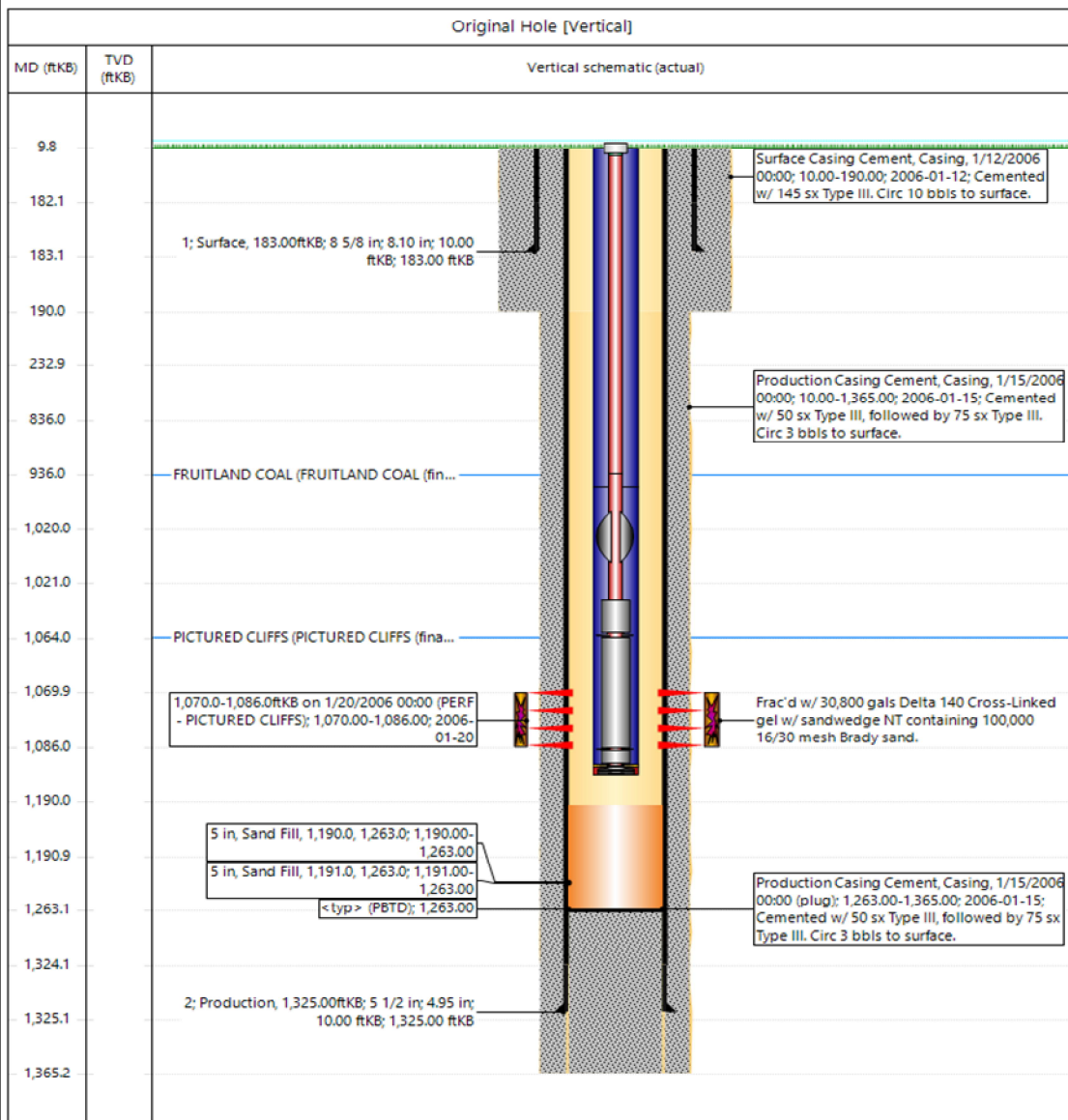
NV KYLE 23 #003 - CURRENT WELLBORE SCHEMATIC



Current Schematic - Completion Comments

Well Name: NV KYLE 23 #3

API / UWI 3004533433	Surface Legal Location T29N-R14W-S23	Field Name Kutz W Pictured Cliffs	Route 0207	State/Province New Mexico	Well Configuration Type Vertical
Ground Elevation (ft) 5,540.00	Original KB/RT Elevation (ft) 5,550.00	KB-Ground Distance (ft) 10.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	



www.peloton.com

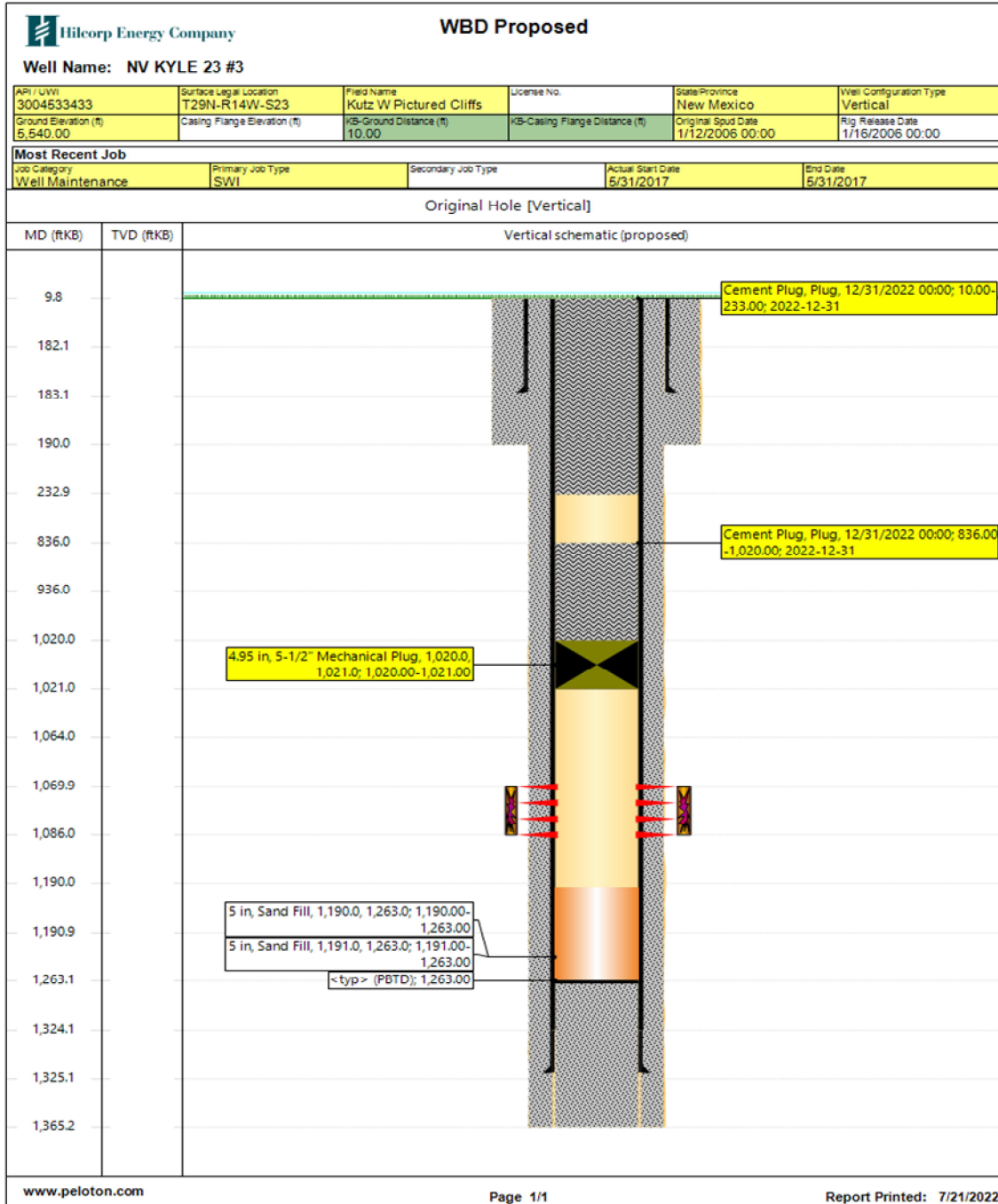
Page 1/1

Report Printed: 7/21/2022



HILCORP ENERGY COMPANY
NV KYLE 23 #003
NOTICE OF INTENT TO PERMANENTLY ABANDON

NV KYLE 23 #003 - PROPOSED P&A SCHEMATIC



Hilcorp Energy
P&A Final Reclamation Plan
NV Kyle 23 #3
API: 30-045-33433
M– Sec.23-T029N-R014W
Lat: 36.70779, Long: -108.283499
Footage: 956' FSL & 1025' FWL
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 Adeboye 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 100' 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 pipeline mainline.
- 2.4) Location has very minimal nonnative aggregate, all nonnative aggregate will be scraped up and buried in the toe of the cut prior to re-contouring.
- 2.5) Push fill slope up and re-contour with shallow swales and or silt traps for major drainage to create a rolling terrain that matches natural topography drainage features to limit erosion.
- 2.6) Rip compacted soil and walk down disturbed portion of well pad.
- 2.7) All trash and debris will be removed within 50' buffer outside of the location disturbance during reclamation.

3. ACCESS ROAD RECLAMATION PROCEDURE:

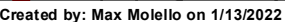
- 3.1) The access gate at entrance to lease access road will be permanently removed.
- 3.2) The main lease access road is approximately 100' long will not be reclaimed at this time as it is access to an active pipeline ROW and pipeline riser.
- 3.3) All trash and debris will be removed within 50' buffer outside of the road disturbance during reclamation.

4. SEEDING PROCEDURE

- 4.1) A Pinon/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.



NV Kyle 23 #3

Legend

 36.728463, -108.273376

Push fill slope up and re-contour with shallow swales and or silt traps for major drainage to create a rolling terrain that matches natural topography drainage features to limit erosion.

The access gate at entrance to lease access road will be permanently removed.

 36.70779, -108.283499

The main lease access road is approximately 100' long will not be reclaimed at this time as it is access to an active pipeline ROW and pipeline riser.

Active pipeline ROW and pipeline riser.





Date: 6/13/2022
Scale: 1:1,128
0 0 0.01 0.02 0.02 0.03 mi
N

- Wells**
Hilcorp Wells Surface Location
- Gas Well
- Pipelines**
Hilcorp Operated Pipeline
- Hilcorp Boundaries**
Asset Teams
Supervisor Areas, outline
- Roads and Highways**
SJB Roads
Road

**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 H₂S.

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)

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

AFMSS 2 Sundry ID 2683434

Attachment to notice of Intention to Abandon

Well: NV Navajo 23 3

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 8/8/2022

BLM FLUID MINERALS P&A Geologic Report

Date Completed: 08/08/2022

Well No. NV Kyle 23 3 (API# 30-045-33433)	Location:	SWSW				
Lease No. 14206032198A	Sec. 23	T29N			R14W	
Operator Hilcorp Energy Company	County	San Juan		State	New Mexico	
Total Depth 1365'	PBTD 1263'	Formation Pictured Cliffs				
Elevation (GL) 5540'		Elevation (KB) NA				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/freshwater sands
Nacimiento Fm					Possible freshwater sands
Ojo Alamo Ss					Aquifer (possible freshwater)
Kirtland Shale					
Fruitland Fm			936		Coal/Gas/Possible water
Pictured Cliffs Ss			1064		Gas
Lewis Shale					
Chacra					Gas
Cliff House					Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos					Water/Possible gas
Gallup					O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss					O&G/Water

Remarks:

P & A

Reference Well:

- Pictured Cliffs perforations 1070 – 1086'.

Prepared by: Kenneth Rennick

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 132283

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 132283
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	8/12/2022
kpickford	Adhere to BLM approved plugs and COAs. See GEO Report	8/12/2022