

Well Name: NV NAVAJO 36	Well Location: T29N / R14W / SEC 36 / SWNW /	County or Parish/State: SAN JUAN / NM
Well Number: 2	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name: SHIPROCK
Lease Number: 14206032172	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004531191	Well Status: Gas Well Shut In	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2688251

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 08/19/2022

Time Sundry Submitted: 12:11

Date proposed operation will begin: 09/02/2022

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 2/23/22 with Bertha Spencer/BIA and Steve Prince/Navajo Nation and with Emmanuel Adelay/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_NOI_NV_Navajo_36_2_Optimized_20220819121006.pdf

PA_reclamation__NV_Navajo_36_2_04_27_2022__Optimized_20220819120809.pdf

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Operator: HILCORP ENERGY COMPANY

Conditions of Approval

Specialist Review

29N14W36_NV_NAVAJO_36_2_GEO_KGR_20220822102432.pdf

General_Requirement_PxA_20220822102419.pdf

2688251_NOIA_36_2_3004531191_KR_08222022_20220822102338.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: AUG 19, 2022 12:11 PM

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: 08/22/2022

Signature: Kenneth Rennick



HILCORP ENERGY COMPANY
NV NAVAJO 36 #002
NOTICE OF INTENT TO PERMANENTLY ABANDON

API #: 3004531191

JOB PROCEDURES

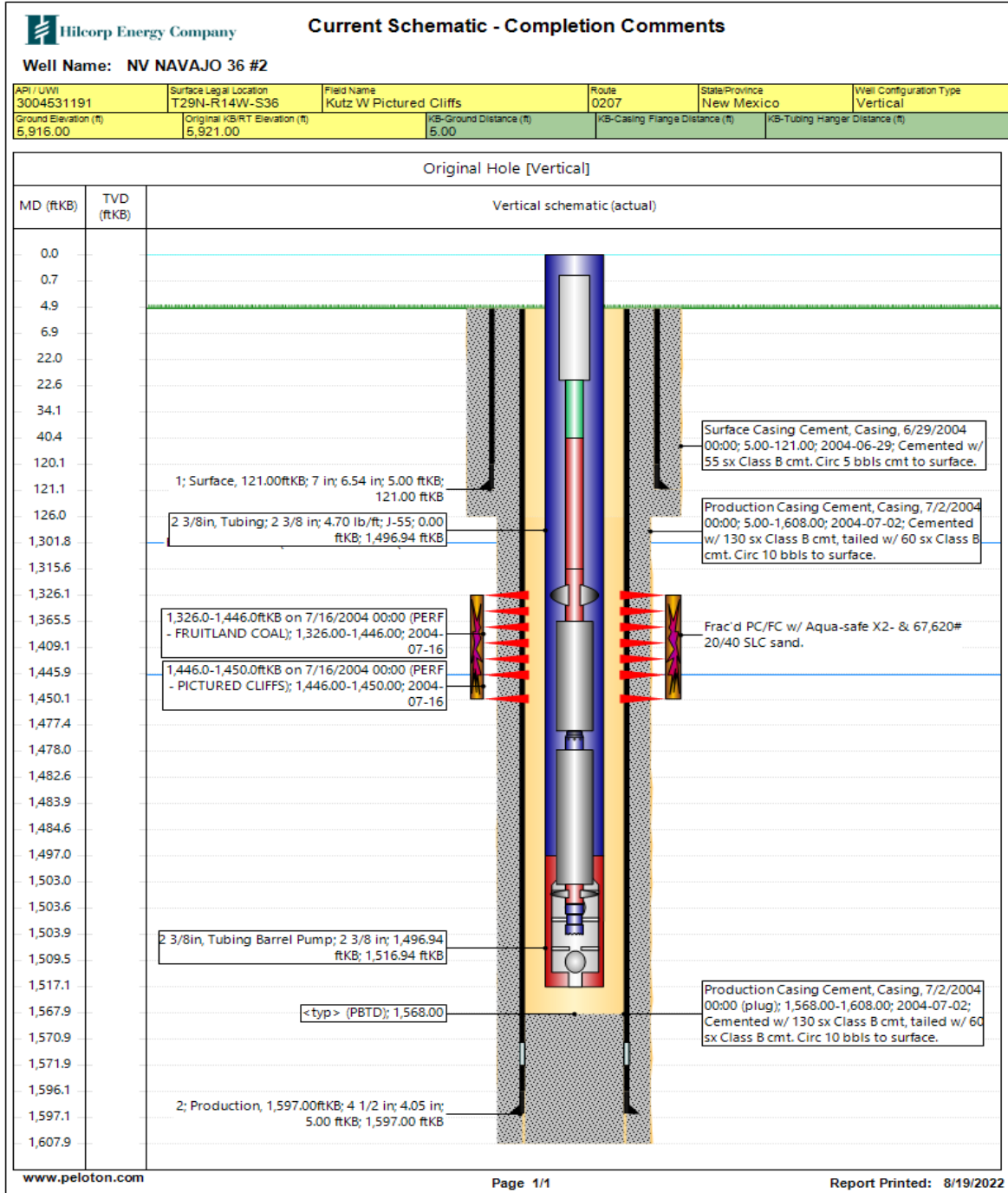
NMOCD **Contact OCD and BLM (where applicable) 24 hrs prior to MIRU. Comply with all NMOCD, BLM (where applicable), and HEC**
 BLM **safety and environmental regulations.**

1. MIRU service rig and associated equipment, LOTO pumping unit and remove HH and bridle.
2. Release On/Off tool and TOO H w/ rods, lay down rods.
3. Load well, ND tree, NU BOPs and test.
4. TOO H w/ 2-3/8" 4.7# EUE J55 tbg and tubing pump set at 1,517'.
5. PU 4-1/2" csg mill or scraper and TIH to 1,300'. TOO H and LD mill/scraper.
6. MU 4-1/2" mechanical plug (CIBP or CICR) and RIH. Set at +/- 1,275' to isolate the Fruitland Coal & Pictured Cliffs perforations.
7. Pressure test the csg and mechanical plug to 600 psi. Monitor pressures for 30 minutes.
8. **Plug #1, 1,125'- 1,275' (Fruitland Coal Perforations: 1,326' - 1,446' & Pictured Cliffs Perforations: 1,446' - 1,450')** Mix and pump 12 SX of Class G cement and spot balanced plug to cover Plug @ 1,275' & Fruitland Coal top @ 1,302'. PU and reverse circulate tubing clean.
9. **Plug #2, Surface - 171' (Surface shoe: 121')** Mix and pump 13 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 NAVAJO 36 #002
NOTICE OF INTENT TO PERMANENTLY ABANDON

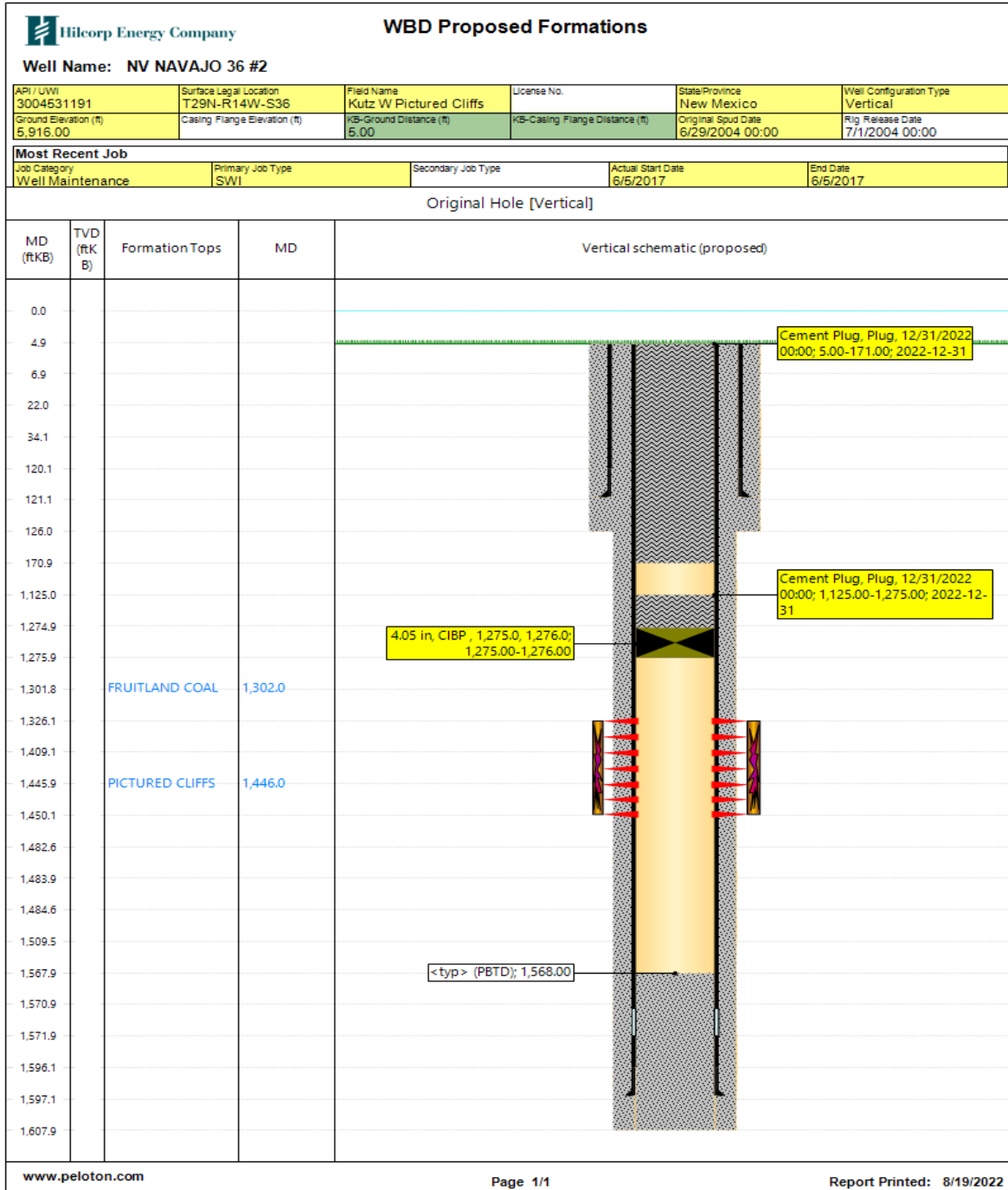
NV NAVAJO 36 #002 - CURRENT WELLBORE SCHEMATIC





HILCORP ENERGY COMPANY
NV NAVAJO 36 #002
NOTICE OF INTENT TO PERMANENTLY ABANDON

NV NAVAJO 36 #002 - PROPOSED P&A SCHEMATIC



Hilcorp Energy
P&A Final Reclamation Plan
NV Navajo 36 #2
API: 30-045- 31191
E- Sec.36-T029N-R014W
Lat: 36.68483, Long: -108.267518
Footage: 1980' FNL & 665' 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 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 striped and removed.
- 2.3) The produced water pipeline piping runs approximately ~2 tenths of mile from the well pad to the mainline will be abandoned in place and capped ~4' below grade on both ends. The mainline pipeline will be blind flanged or capped off from the abandoned pipeline.
- 2.4) The gas pipeline piping runs approximately ~2 tenths of mile from the well pad to the mainline will be abandoned in place and capped ~4 below grade on both ends. The mainline pipeline will be blind flanged or capped off from the abandoned pipeline.
- 2.5) The water and gas pipelines will not be cut and capped if the NV Navajo 36 #1 is not plugged and abandoned.
- 2.6) All nonnative aggregate will be scraped up and buried in toe of the cut prior to re-contouring.
- 2.7) 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.
- 2.8) Rip compacted soil and walk down disturbed portion of well pad.
- 2.9) All trash and debris will be removed within 50' buffer outside of the location disturbance during reclamation.

3. ACCESS ROAD RECLAMATION PROCEDURE:

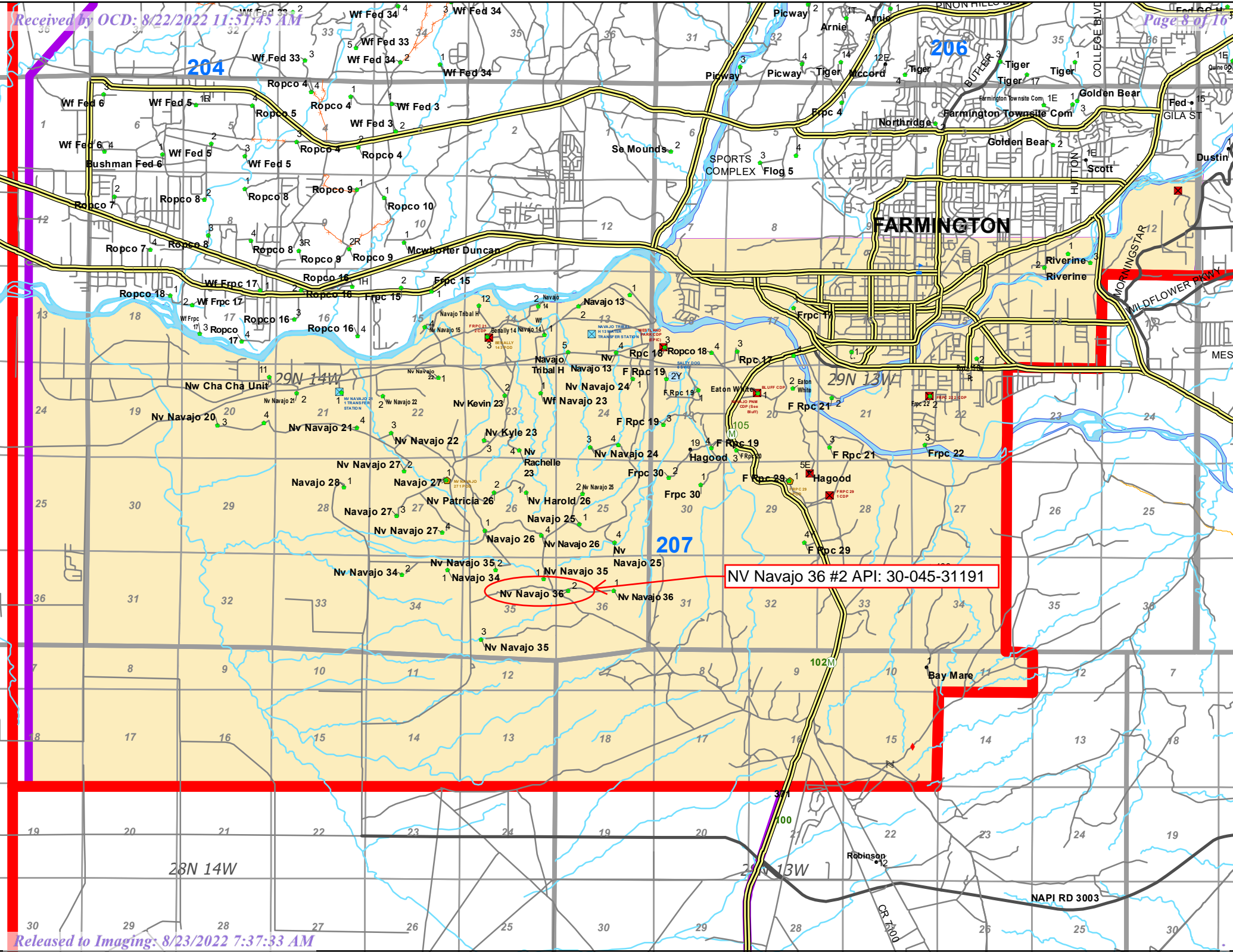
- 3.1) The main lease access road is approximately ~2 tenths mile long.
- 3.2) Lease access road will not be closed if the NV Navajo 36 #1 is not plugged and abandoned.
- 3.3) All culverts along the lease access road will be removed prior to re-contouring.
- 3.4) Rip and re-contour lease road with shallow swales and or silt traps for major drainage to create a rolling terrain that matches natural topography drainage features to limit erosion.
- 3.5) A berm will be built at the entrance of the lease access road to prevent traffic on reclamation and signs will be posted (Keep Off Seeded Area).
- 3.6) All trash and debris will be removed within 50' buffer outside of the road disturbance during reclamation.

4. SEEDING PROCEDURE

- 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.



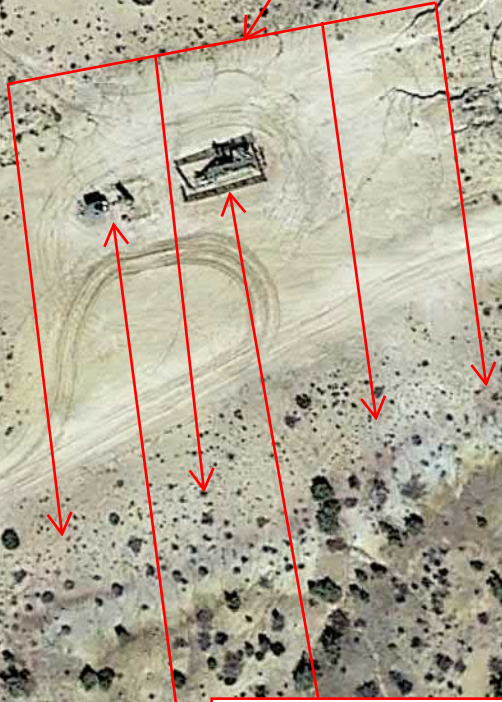
NV Navajo 36 #2 API: 30-045-31191

NV Navajo 36 #2


Legend

 36.67724, -108.283941

Push fill into cut slope 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.

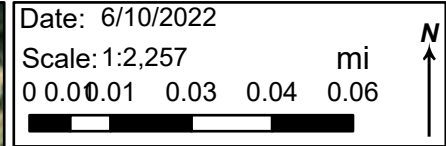


All nonnative aggregate will be scraped up and buried in toe of the cut prior to re-contouring.

 36.68483, -108.267518



Date: 6/10/2022
Scale: 1:2,257 mi
0 0.01 0.03 0.04 0.06



- Pipelines**
 - Hilcorp Operated Pipeline
- Hilcorp Boundaries**
 - Asset Teams
 - Supervisor Areas, outline
- Roads and Highways**
 - Road
- SJB Roads**
 - Road

Water and Gas pipelines will be blind flanged or capped off from pipeline mainline.

Water and Gas pipelines will be capped at edge of well pad @ ~4'.



NV Navajo 36 #2

Legend
📍 36.67724, -108.283941

A berm will be built at the entrance of the lease access road to prevent traffic on reclamation and signs will be posted (Keep Off Seeded Area).

Rip and re-contour approximately ~2 tenths of mile lease road with shallow swells, berms, and or silt traps as needed to match natural topography drainage features to limit erosion.



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

Date Completed: 08/22/2022

Well No. NV Navajo 36 2 (API# 30-045-31191)	Location:	SWNW			
Lease No. 14206032172	Sec. 36	T29N			R14W
Operator Hilcorp Energy Company	County	San Juan	State		New Mexico
Total Depth 1608'	PBTD 1568'	Formation	Pictured Cliffs, Fruitland Coal		
Elevation (GR) 5916'		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			1302		Coal/Gas/Possible water
Pictured Cliffs Ss			1446		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

- Pictured Cliffs perforations 1446 – 1450'.
- Fruitland Coal perforations 1326 – 1446'.

Reference Well:

Prepared by: Kenneth Rennick

**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 2688251

Attachment to notice of Intention to Abandon

Well: NV Navajo 36 2

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 8/22/2022

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

Action 136294

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171 <hr/> Action Number: 136294 <hr/> Action Type: [C-103] NOI Plug & Abandon (C-103F)
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CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	8/23/2022
kpickford	Adhere to BLM approved COAs and plugs. See GEO report.	8/23/2022