

Well Name: OWENS	Well Location: T31N / R12W / SEC 7 / SWSW / 36.909348 / -108.141602	County or Parish/State: SAN JUAN / NM
Well Number: 1	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078243	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004510866	Well Status: Gas Well Shut In	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2697389

Type of Submission: Notice of Intent	Type of Action: Plug and Abandonment
Date Sundry Submitted: 10/11/2022	Time Sundry Submitted: 07:34
Date proposed operation will begin: 11/01/2022	

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 9/29/2022 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

P_A_NOI_Owens_1_20221011073343.pdf

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Conditions of Approval

Additional
31N12W07MKmv_Owens_001_20221013120208.pdf

Authorized
General_Requirement_PxA_20221018091613.pdf
2697389_NOIA_1_3004510866_KR_10182022_20221018091551.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: OCT 11, 2022 07:33 AM
Name: HILCORP ENERGY COMPANY	
Title: Operations/Regulatory Technician	
Street Address: 1111 TRAVIS ST.	
City: HOUSTON	State: 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: 10/18/2022
Signature: Kenneth Rennick	



HILCORP ENERGY COMPANY
OWENS #1
NOTICE OF INTENT TO PERMANENTLY ABANDON

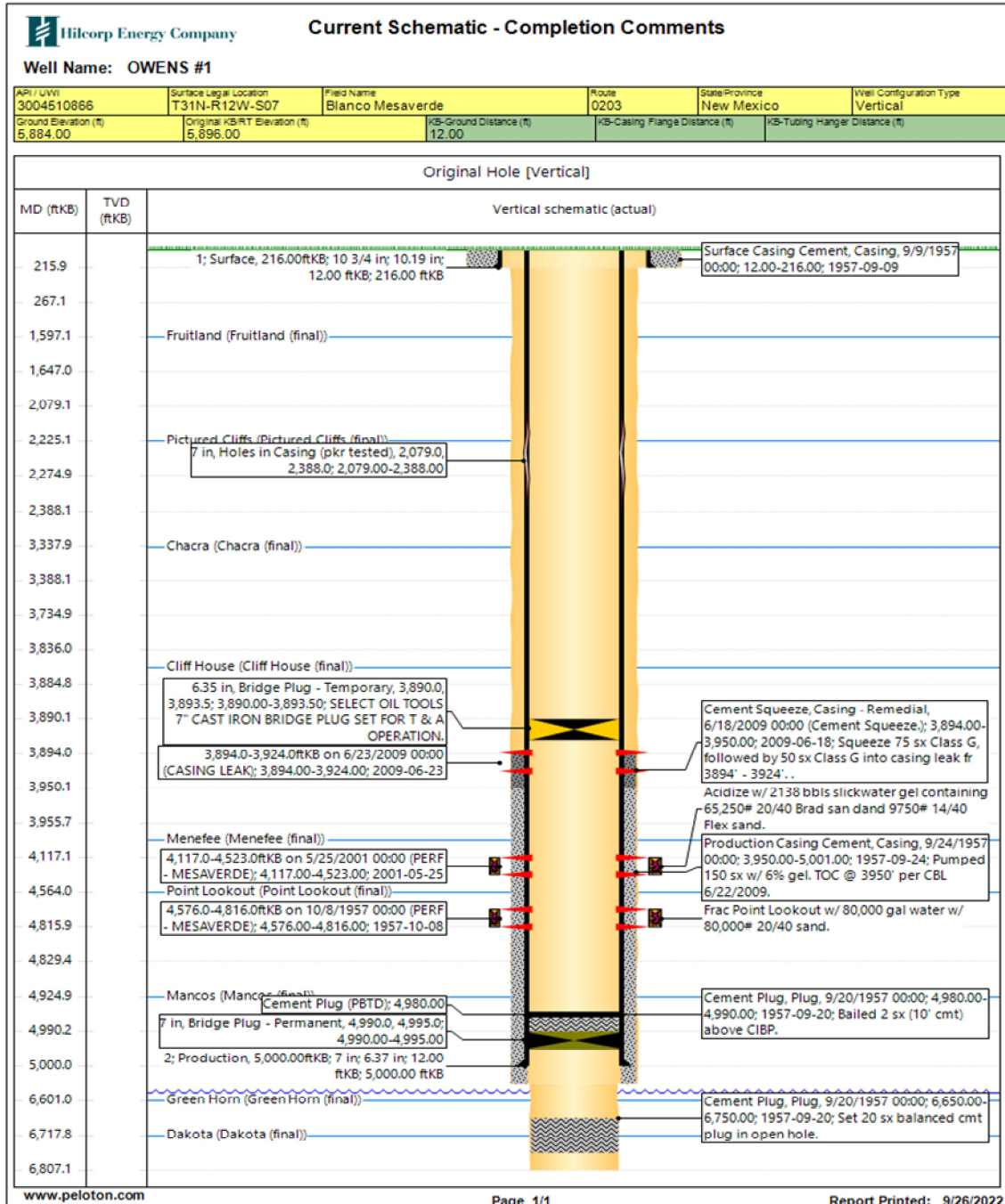
API #:	3004510866
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JOB PROCEDURES		
<input checked="" type="checkbox"/>	NMOCD	Contact OCD and BLM (where applicable) 24 hrs prior to MIRU. Comply with all NMOCD, BLM (where applicable), and HEC safety and environmental regulations.
<input checked="" type="checkbox"/>	BLM	
<div>1. MIRU service rig and associated equipment, record all pressures on wellbore.</div> <div>2. Load well, ND tree, NU BOPs and test. Keep well loaded throughout when possible.</div> <div>3. RU ELU, perf circ holes in 7" @ 3,885'.</div> <div>4. RIH w/ CICR on 2-3/8" work string, set @ 3,835'. Establish injection into holes @ 3,885'.</div> <div>5. Plug #1 3,735' - 3,885' (Cliff House top 3,840', CIBP @ 3,890') Pump 200' Class III (22sx, 1.37 yield) cmt into annulus, spot 50' (8sx) below CICR in 7". Sting out, spot 100' (17sx) cement plug on top of CICR from 3,735' - 3,835'. Full inside/outside plug from 3,735' - 3,885'. WOC.</div> <div>6. RU ELU, Tag previous plug top above 3,735'. RIH perf circ holes in 7" @ 3388'.</div> <div>7. RIH w/ CICR on 2-3/8" work string, set @ 3,338'. Establish injection into holes @ 3,388'.</div> <div>8. Plug #2 3,238' - 3,388' (Charca top 3,338') Pump 200' Class III (22sx, 1.37 yield) cmt into annulus, spot 50' (8sx) below CICR in 7". Sting out, spot 100' (17sx) cement plug on top of CICR from 3,735' - 3,835'. Full inside/outside plug from 3,238' - 3,388'. WOC.</div> <div>9. RU ELU, Tag previous plug top above 3,238'. RIH perf circ holes in 7" @ 2,275'.</div> <div>10. RIH w/ CICR on 2-3/8" work string, set @ 2,225'. Establish injection into holes @ 2,275'.</div> <div>11. Plug #3 2,075' - 2,275' (Pictured Cliffs top 2,225') Pump 200' Class III (22sx, 1.37 yield) cmt into annulus, spot 50' (8sx) below CICR in 7". Sting out, spot 150' (25sx) cement plug on top of CICR from 2,075' - 2,225'. Place excess cmt in 7" in attempt to cover known HIC. WOC.</div> <div>12. Fill hole w/ inhibited brine, pressure test csg to 560psi for 15min.</div> <div>13. RU ELU, Tag previous plug top above 2,125'. RIH perf circ holes in 7" @ 1,647'.</div> <div>14. RIH w/ CICR on 2-3/8" work string, set @ 1,597'. Establish injection into holes @ 1,647'.</div> <div>15. Plug #4 1,497' - 1,647' (Fruitland top 1,597') Pump 200' Class III (22sx, 1.37 yield) cmt into annulus, spot 50' (8sx) below CICR in 7". Sting out, spot 100' (17sx) cement plug on top of CICR from 1,497' - 1,597'. Full inside/outside plug from 1,497' - 1,647'.</div> <div>16. RU ELU, perf circ holes in 7" @ 266'. Attempt to establish circulation up 10-3/4" x 7" annulus.</div> <div>17. Plug #5 10' - 266' (Surface Shoe 216') Pump 256' Class III (56sx, 1.37 yield) balanced cmt plug in 10-3/4"x7" & 7" from surface - 266'.</div> <div>18. Cut all strings at surface, tag TOC & top off as needed. Weld P&A marker. RDMO.</div>		



HILCORP ENERGY COMPANY
OWENS #1
NOTICE OF INTENT TO PERMANENTLY ABANDON

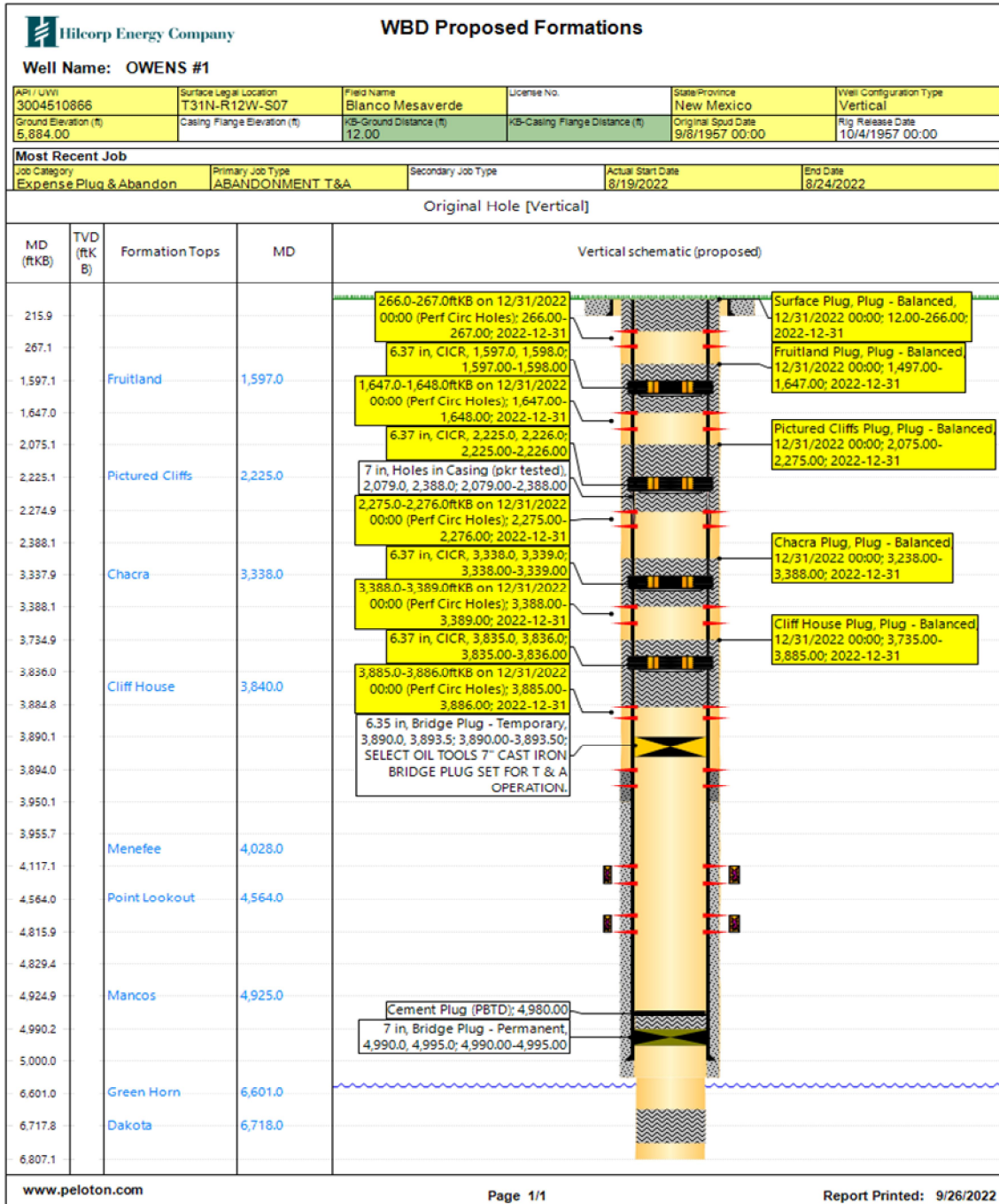
OWENS #1 - CURRENT WELLBORE SCHEMATIC





HILCORP ENERGY COMPANY
OWENS #1
NOTICE OF INTENT TO PERMANENTLY ABANDON

OWENS #1 - PROPOSED P&A SCHEMATIC



Hilcorp Energy
P&A Final Reclamation Plan
Owens #1
API: 30-045-10866
M - Sec.07-T031N-R012W
Lat: 36.909426, Long: -108.142048
Footage: 990' FSL & 990' FWL
San Juan County, NM

1. PRE-RECLAMATION SITE INSPECTION

- 1.1) A pre-reclamation on-site inspection was completed by Roger Herrera with the BLM and Chad Perkins construction Foreman for Hilcorp Energy on September 29, 2022.

2. LOCATION RECLAMATION PROCEDURE

- 2.1) The Owens #1 well site is twined with the Owens #1 CDP, Asset Code: 30FAC00620.
2.2) Final reclamation will not be conducted until the Owens #1 CDP is abandoned.
2.3) All production equipment, anchors, and flowlines, associated with the Owens #1 will be removed.
2.4) The Below grade tank will be left in service for the Owens #1 CDP compressor.

3. ACCESS ROAD RECLAMATION PROCEDURE:

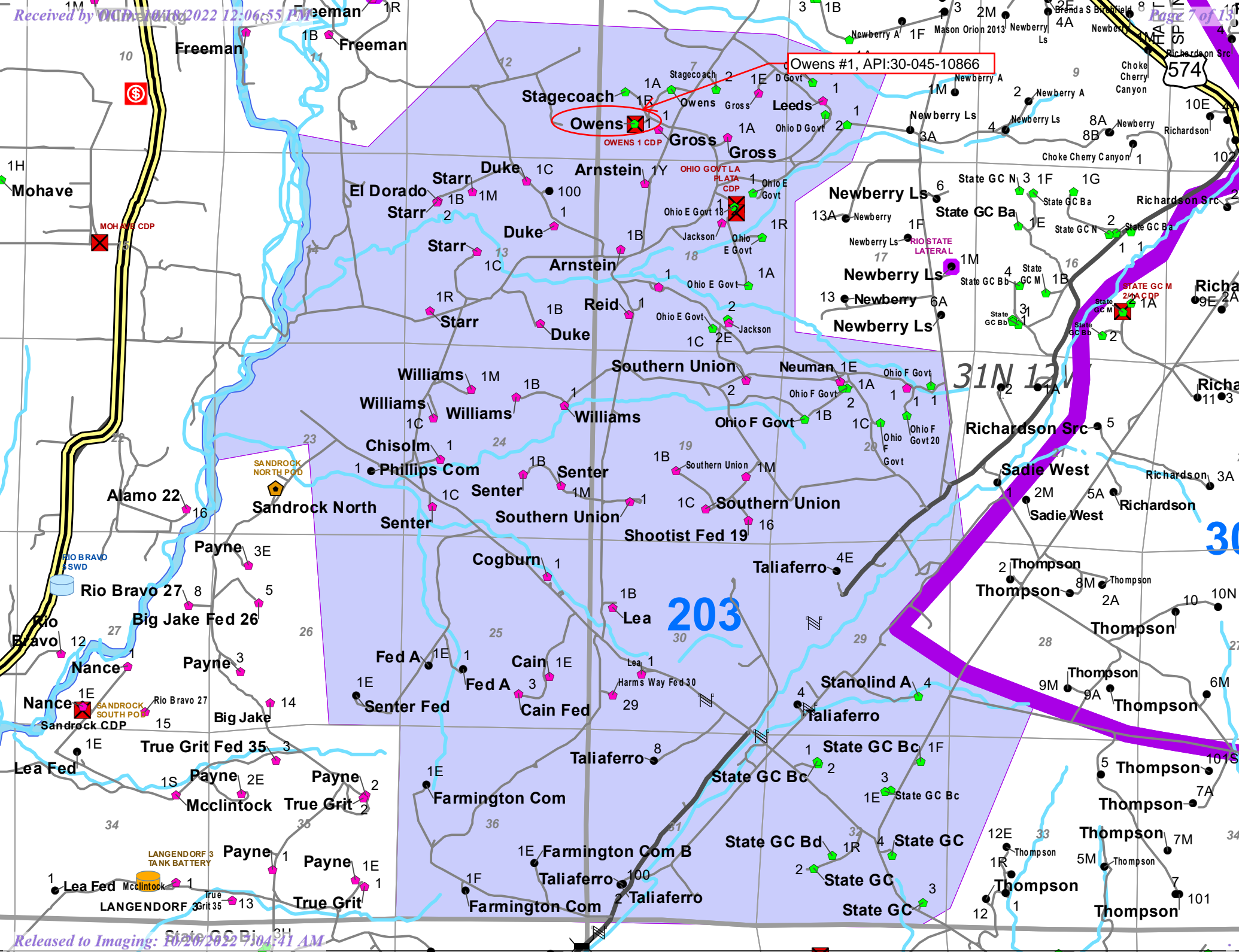
- 3.1) The lease access road will not be closed and reclaimed; it is lease access for the Owens #1 CDP.

4. SEEDING PROCDURE

- 4.1) N/A.

5. WEED MANAGEMENT


- 5.1) No action is required at this time for weed management, no noxious weeds were identified during the onsite.



Owens #1

Write a description for your map.

Legend

 36.90933, -108.14197

The Below Grade tank will be left in service for the Owens #1 CDP compressor.

Owens #1 CDP Compressor.

36.90933, -108.14197

Owens #1 CDP Meter



**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 2697389

Attachment to notice of Intention to Abandon

Well: Owens 1

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:
 - b. Add an inside/outside plug to cover the Kirtland formation top and entire Ojo Alamo formation from 1121' – 1367'.
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 10/18/2022

BLM FLUID MINERALS P&A Geologic Report

Date Completed: 10/13/2022

Well No. Owens #001 (API# 30-045-10866)	Location	990	FSL	&	990	FWL
Lease No. NMSF078243	Sec. 07	T31N			R12W	
Operator Hilcorp Energy Company	County	San Juan		State	New Mexico	
Total Depth 6807'	PBTD 3890'	Formation Mesaverde				
Elevation (GL) 5884'		Elevation (KB) 5896'				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose					
Nacimiento			Surface	1221	Surface/freshwater sands
Ojo Alamo Ss			1221	1317	Aquifer (possible freshwater)
Kirtland Shale			1317	1597	Possible gas
Fruitland			1597	2225	Coal/Gas/Water
Pictured Cliffs Ss			2225	2306	Gas
Lewis Shale			2306	3338	
Chacra			3338	3840	Probable gas
Cliff House Ss			3840	PBTD	Gas
Menefee					Gas
Point Lookout Ss					Gas
Mancos Shale					
Gallup					
Greenhorn					
Graneros Shale					
Dakota Ss					
Morrison					

Remarks:

P & A

- Add an inside/outside plug to cover the Kirtland formation top and entire Ojo Alamo formation from 1121' – 1367'.
- CIBP set at 3890' when well was TA'd. Open perms below CIBP are isolated from open hole below by another CIBP and cement at 4980'.
- Mesaverde perms 4117' – 4816'.

Reference Well:

1) **Formation Tops**
Hilcorp Energy Company
Stagecoach #001R
1875' FSL, 720' FWL
Sec. 07, T31N, R12W
5856' KB elev.

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 151654

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 151654
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required	10/20/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	10/20/2022
kpickford	Adhere to BLM approved COAs and plugs. See BLM COAs and GEO report.	10/20/2022