Received by WCD: 5/16/2024 9:30:04 AM U.S. Department of the Interior BUREAU OF LAND MANAGEMENT		Sundry Print Report 01/16/2024
Well Name: HUBBELL	Well Location: T29N / R10W / SEC 18 / NESE / 36.724845 / -107.918952	County or Parish/State: SAN JUAN / NM
Well Number: 3P	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078716A	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004534196	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2769750

-

Type of Submission: Notice of Intent

Date Sundry Submitted: 01/15/2024

Date proposed operation will begin: 04/01/2024

Type of Action: Workover Operations Time Sundry Submitted: 09:25

Procedure Description: Hilcorp Energy Company requests permission to add pay to the existing Mesaverde formation in the subject well. Please see the attached procedure, current and proposed wellbore diagram, plat and natural gas management plan. A closed loop system will be used. There will not be any additional surface disturbance to this location.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Hubbell_3P_Mesaverde_Pay_Add_NOI_20240115092506.pdf

k	eceived by OCD: 1/16/2024 9:30:04 AM Well Name: HUBBELL	Well Location: T29N / R10W / SEC 18 / NESE / 36.724845 / -107.918952	County or Parish/State: SAN
	Well Number: 3P	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
	Lease Number: NMSF078716A	Unit or CA Name:	Unit or CA Number:
	US Well Number: 3004534196	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

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

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: Phone: Email address:

BLM Point of Contact

BLM POC Name: MATTHEW H KADE BLM POC Phone: 5055647736 Disposition: Approved Signature: Matthew Kade BLM POC Title: Petroleum Engineer

Signed on: JAN 15, 2024 09:25 AM

BLM POC Email Address: MKADE@BLM.GOV

Zip:

Disposition Date: 01/16/2024



HILCORP ENERGY COMPANY Hubbell 3P MESAVERDE PAY ADD SUNDRY API 3004534196

	JOB PROCEDURES
1.	Note: Current Condition of wellbore: CIBP currently set at 4,438' covering existing Mesaverde and Dakota perforations. Squeeze holes perf'd at 4,050-4,051'. 55sx 14.7# Type 3 cmt ciculated into 4.5"x7" annulus. No tbg in hole. CBL run on 12/18/2023. Well has been MIT'd from 4000ft to surface 12/18/2023.
2.	MIRU WOR and associated equipment; NU and Test BOP.
3.	Set a plug within 50' of the new proposed Mesaverde NOI Top perforation (3,775').
4.	Load hole with fluid. If fracing down casing: pressure test casing to frac pressure. TOOH w/ plug.
5.	RU WL. Perforate the Mesaverde. Top perforation @ 3,775', bottom perforation @ 4,438'.
6.	ND BOP, NU frac stack. Pressure test frac stack to frac pressure. Pressure test frac string (if applicable) to frac pressure. RDMO.
7.	RU stimulation crew. Frac the Mesaverde in one or more stages. Set plugs in between stages, if necessary.
8.	MIRU workover rig and associated equipment; NU and test BOP.
9.	If frac was performed down frac string: POOH w/ frac string and packer.
10.	TIH with mill and clean out to isolation plug(s).
11.	Mill out isolation plug. Cleanout to PBTD. TOOH with cleanout assembly.
12.	RIH w/ test packer and RBP. Set RBP within 50' of the top Dakota Peforations (6,583'). Set test packer within 50' of bottom Mesaverde Perforation (4,731').
13.	<u>Within 30 days of recompletion</u> , perform MIT to 500psi between bottom Mesaverde Perforation and top Dakota Perforation down tubing with NMOCD witness (notify NMOCD 24+ hours before test) and submit to regulatory group.

14. Unset packer, realease RBP. TOOH w/ test assembly.

15. TIH and land production tubing. Flowback the well. Return well to production as a Dakota/Mesaverde.

•

Hilcorp

HILCORP ENERGY COMPANY Hubbell 3P MESAVERDE PAY ADD SUNDRY

	Energy Company	Sch	ematic -	Current		
PI/UWI 004534196	Surface Legal Location 018-029N-010W-	Field Name MV/DK COM	Licens	e No.	State/Province NEW MEXICO	Well Configuration Type VERTICAL
riginal KB/RT Elevati	ion (ft) RKB to GL (ft)	Original Spud Date 11/21/2007 11:00	Rig Ru	lease Date	PBTD (AI)	Total Depth All (TVD)
832.00	16.00	11/21/2007 11:00	11/2	3/2007 11:00		
ost Recent Jo b Category	Primary Job Typ	e Secondar	y Job Type	Actual Sta		End Date
xpense Workov	ver BRADENHE	AD REPAIR		12/8/20	23	
D: 6,751.0		Orig	inal Hole [VE	RTICAL]		
MD (ftKB)			Vertical sch	ematic (actual)		
17.1					6.37	x 15.97-16.99; 1.02; 2-1; 7;
25.9					CSG HEAD, 9 5/8in	; 16.04-19.33; 3.29; 1-2; 9
36.1					CSG PUP JT, 7in; 1	6.99-25.99; 9.00; 2-2; 7; 6.37
					5/8; 9.00	n; 19.33-28.33; 9.00; 1-3; 9
289.0					CUT OFF JT, 4 1/2i	n; 16.03-36.24; 20.21; 3-2; 4
296.9	010 41 4140 (010 41 4140	(feed)			V28 MA	.33-245.41; 217.08; 1-4; 9
1,128.0	 OJO ALAMO (OJO ALAMO KIRTLAND (KIRTLAND (final) 				5/8; 9.00	
_	FRUITLAND (FRUITLAND (inal))			SHOE JT, 9 5/8in; 2	45.41-289.00; 43.59; 1-6; 9
2,144.0	- PICTURED CLIFFS (PICTURE - LEWIS (LEWIS (final))	ED CLIFFS (final))			GUIDE SHOE, 9 5/8	8in; 289.00-290.00; 1.00; 1-7;
2,735.2					9 5/8; 9.00	.24-2,735.12; 2,698.88; 3-3; 4
2,750.0	HUERFANITO BENTONITE	(HUERFANITO			1/2; 4.05	.24-2,733.12, 2,050.00, 3-3, 4
2,730.0	-CHACRA (CHACRA (final))					25.99-3,945.07; 3,919.08; 2-3
3,487.9				100 M	7; 6.46	
3,828.1	 MESA VERDE (MESA VERD MENEFEE (MENEFEE (final) 				-4; 4 1/2; 4.05	n; 2,735.12-2,750.05; 14.93; 3
3,020.1	- MEINEFEE (MEINEFEE (final))				n; 3,945.07-3,945.92; 0.85; 2-
3,945.9					4; 7; 6.46	
3,987.9					Casing Joints, 7in;	3,945.92-3,986.60; 40.68; 2-5
3,307.5						3,986.60-3,988.00; 1.40; 2-6;
4,000.0					7; 6.46	
4.050.9			000	000		B on 12/11/2023 15:00
4,050.9			242	242	 (SQUEEZE PERFS); 11 15:00 	4,050.00-4,051.00; 2023-12-
4,438.0				×	CSG JT, 4 1/2in: 2.7	750.05-6,330.35; 3,580.30; 3-
4,450.1	-MASSIVE POINT LOOKOU				5; 4 1/2; 4.05	
4,430.1	-MAGSIVE FORMT LOOKOO	I (WASSIVE FOI	88			B on 12/17/2007 12:15 (PERF
4,731.0			808	22	— POINT LOOKOUT); 17 12:15	4,488.00-4,731.00; 2007-12-
5,689.0	-MANCOS (MANCOS (final)					
3,003.0	on and an			() ()	6; 4 1/2; 4.05	n; 6,330.35-6,335.33; 4.98; 3-
6,335.3						35.33-6,747.45; 412.12; 3-7;
-	GREENHORN (GREENHOR				4 1/2; 4.05	
6,514.1	-GRANEROS (GRANEROS (f -DAKOTA (DAKOTA (final))	inal))				8 on 12/17/2007 08:30 (PERF
6,583.0			200 200	200 A	DAKOTA A); 6,583.0 08:30	00-6,677.00; 2007-12-17
6.696.9			1998	183	6,697.0-6,722.0ftK	8 on 12/17/2007 08:30 (PERF
0,050.9			1 SSS	333	DAKOTA B); 6,697.0 08:30	00-6,722.00; 2007-12-17
6,735.9						
6,747.4					FLOAT COLLAR, 4	1/2in; 6,747.45-6,748.08; 0.63
				1		2in; 6,748.08-6,750.00; 1.92; 3
6,750.0					-9; 4 1/2; 4.05	

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HILCORP ENERGY COMPANY Hubbell 3P MESAVERDE PAY ADD SUNDRY

	• Energy Company • HUBBELL #3P	PROPOS	ED SCHEMATIC		
1/UWI 004534196	Surface Legal Location 018-029N-010W-I	Field Name MV/DK COM	License No.	State/Province NEW MEXICO	Well Configuration Type VERTICAL
ginal KB/RT Elev 832.00		Original Spud Date 11/21/2007 11:00	Rig Release Date 11/28/2007 11:00	PBTD (AI)	Total Depth All (TVD)
		11/21/2007 11:00	11/28/2007 11:00		
ost Recent J Category	OD Primery Job Type	Secondary Job Ty	pe Actual St	art Date	End Date
			12/8/20	023	
D: 6,751.0		Original H	lole [VERTICAL]		
MD (ftKB)		Ve	rtical schematic (actual)		
17.1	na sindan di saamaa da da ayaa dadaan da dinaa na dasal da sina ay			Casing Hanger, 7in	x 15.97-16.99; 1.02; 2-1; 7;
25.9 -		1			; 16.04-19.33; 3.29; 1-2; 9
				5/8; 9.00 CSG PUP JT, 7in; 10	6.99-25.99; 9.00; 2-2; 7; 6.37
36.1				5/8; 9.00	n; 19.33-28.33; 9.00; 1-3; 9
289.0				CUT OFF JT, 4 1/2ir	n; 16.03-36.24; 20.21; 3-2; 4
296.9 -	OJO ALAMO (OJO ALAMO (final))	0000000		CSG JT, 9 5/8in; 28	.33-245.41; 217.08; 1-4; 9
1,128.0 -	- KIRTLAND (KIRTLAND (final))			5/8; 9.00	45 41 200 00 42 50 1 6 0
	FRUITLAND (FRUITLAND (final))			5/8; 9.00	45.41-289.00; 43.59; 1-6; 9
2,144.0 -	PICTURED CLIFFS (PICTURED CLIFF LEWIS (LEWIS (final))	S (final))		GUIDE SHOE, 9 5/8	8in; 289.00-290.00; 1.00; 1-7;
2,735.2 -				9 5/8; 9.00	.24-2,735.12; 2,698.88; 3-3; 4
2,750.0 -	-HUERFANITO BENTONITE (HUERF	ANITO		1/2; 4.05	
	CHACRA (CHACRA (final))			Casing Joints, 7in; 2 7: 6.46	25.99-3,945.07; 3,919.08; 2-3
3,487.9 -	MESA VERDE (MESA VERDE (final))				n; 2,735.12-2,750.05; 14.93; 3
3,828.1	- MENEFEE (MENEFEE (final))			-4; 4 1/2; 4.05	
3.945.9 -				FLOAT COLLAR, 7ir 4: 7: 6.46	n; 3,945.07-3,945.92; 0.85; 2-
3,543.5					3,945.92-3,986.60; 40.68; 2-5
3,987.9 -	PROPOSED MESAVERDE PAY			7; 6.46	3,986.60-3,988.00; 1.40; 2-6;
4,000.0	ADD: 3,775' - 4,438'			7; 6.46	3,300.00-3,300.00, 1.40, 2-0,
	10010,770 4,400				8 on 12/11/2023 15:00
4,050.9 -				(SQUEEZE PERFS); 11 15:00	4,050.00-4,051.00; 2023-12-
4,438.0 -					750.05-6,330.35; 3,580.30; 3-
4,450.1 -	-MASSIVE POINT LOOKOUT (MASS	IVE POI		5; 4 1/2; 4.05	
					8 on 12/17/2007 12:15 (PERF 4,488.00-4,731.00; 2007-12-
4,731.0 -				17 12:15	
5,689.0 -	URRER GALLIR (URRER GALLIR (·····		MARKER JT, 4 1/2ir	n; 6,330.35-6,335.33; 4.98; 3-
6,335.3 -				6; 4 1/2; 4.05	
3,553.5	GREENHORN (GREENHORN (final))			CSG JT, 4 1/2in; 6,3	35.33-6,747.45; 412.12; 3-7;
6,514.1 -	GRANEROS (GRANEROS (final))			6,583.0-6,677.0ftK	8 on 12/17/2007 08:30 (PERF
6,583.0 -	DAKOTA (DAKOTA (final))			DAKOTA A); 6,583.0	00-6,677.00; 2007-12-17
		_/ 🛛 🛔			8 on 12/17/2007 08:30 (PERF
6,696.9	CASING BETWEEN			DAKOTA B); 6,697.0	00-6,722.00; 2007-12-17
6,735.9 -	UPPER DK AND			08:30	
6.747.4 -	LOWER MV PERFS			FLOAT COLLAR, 4 1	1/2in; 6,747.45-6,748.08; 0.63
0,147,4 -	MIT TO 500PSI				2in; 6,748.08-6,750.00; 1.92; 3
6,750.0 -				-9; 4 1/2; 4.05	

Received by 96D: 1/16/2024 9:30:04 AM

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 Page 6 of 14

Form C-102 August 1, 2011 Permit 358126

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3. Pool Name			
30-045-34196	72319	BLANCO-MESAVERDE (PRORATED GAS)			
4. Property Code	5. Property Name	6. Well No.			
318572	HUBBELL	003P			
7. OGRID No.	8. Operator Name	9. Elevation			
372171	HILCORP ENERGY COMPANY	5812			
10, Surface Location					

ſ	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	l	18	29N	10W	8	2175	S	660	E	SAN JUAN

	11. Bottom Hole Location If Different From Surface									
UL - Lot	Section	Township	Range	Lot dn	Feet From	N/S Line	Feet From	E/W Line	County	
02 200	000000	lounomp	rtango	Lot fail	1 0001 10111				County	
12. Dedicated Acres 320.85		13. Joint or Infill		14. Consolidation Code		-	15. Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. E-Signed Br Title: Operations Regulatory Tech Sr. Date: 1/19/2024 Date: 1/19/2024				
SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Surveyed By: Jason EDWARDS Date of Survey: 11/22/2006				
Date of Survey: 11/22/2006 Certificate Number: 15269				

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-102 Revised October 12, 2005 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

Certificate Number

15269

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 'Pool Name 'Pool Code 72319/71599 BLANCO MESAVERDE / BASIN DAKOTA 30-045-241410 Property Code Property Name Well Number 7133 HUBBELL ЗP Elevation 'OGRID NO. Operator Name 14538 BURLINGTON RESOURCES OIL & GAS COMPANY. LP 5812 ¹⁰ Surface Location UL or lot no Sect 100 Township Feet from the North/South line County Range Lot Ida East/West line Feet from the 29N 18 10W 2175 SOUTH 660 EAST SAN JUAN Ι ¹¹Bottom Hole Location If Different From Surface UL or lot no. North/South line Sect 10 Townsh1p Range Lot Idn Feet from the Feat from the County East/West line τ 12 Dedicated Acres 13 Joint or Infill ¹⁴ Consolidation Code ¹⁵ Order No. 320.850 acres (MV/DK) E/2 NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION 1294.26 1203.84 2589.18 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division LOT LOT 5 6 R LEASE USA 2610. 68 SF-078716-A 2572. acey U Munice 12/12 Signature Date LOT Tracey N. Monroe LOT Printed Name 2 "SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or und my supervision, and that the same is true and correct to the best of my belief 18-2001 under 1935 660' Survey Date: NOVEMBER 22, 2006 LAT: 36.72485 N LONG: 107.91894 W DATUM: NAD83 Signature and Seal of Professional Surveyor LOT LOT SON C. EDWARDS 3 LAT: 36 43.4904 N LONG: 107 55.0991 W DATUM: NAD27 8 MEXICO JEW 8 62 BB RESISTENT TO THE STORE 2611. 5 Ê States. Б ñ LOT LOT LOT q 10 Δ ARDS ON

2602.38

1214.40

1271.16

Received l	y OCD:	1/16/2024	9:30:04 AM
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State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description Effective May 25, 2021

I. Operator: Hilcorp Energy Company

OGRID: <u>372171</u> Date: 1/15/2024

II. Type: \square Original \square Amendment due to \square 19.15.27.9.D(6)(a) NMAC \square 19.15.27.9.D(6)(b) NMAC \square Other.

If Other, please describe:

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Hubbell 3P	30-045-34196	I-18-29N-10W Lot: 8	2175'FSL & 660' FEL	2	250	1

IV. Central Delivery Point Name: Chaco Processing Plant [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Hubbell 3P	<u>3004534196</u>					

VI. Separation Equipment: Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: 🖂 Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

 \boxtimes Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. \Box Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system \Box will \Box will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator \Box does \Box does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

 \Box Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: \Box Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

 \square Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

 \Box Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. *If Operator checks this box, Operator will select one of the following:*

Well Shut-In. \Box Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. \Box Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:
Printed Name: Amanda Walker
Title: Operations Regulatory Tech Sr.
E-mail Address: <u>mwalker@hilcorp.com</u>
Date: 1/15/2024
Phone: 346.237.2177
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Title: Approval Date:
Approval Date:
Approval Date:
Approval Date:

VI. Separation Equipment:

Hilcorp Energy Company (HEC or Operator) production facilities include separation equipment designed to efficiently separate gas from liquid phases to optimize gas capture based on projected and estimated volumes from the targeted pool of our recomplete project. HEC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the recomplete to optimize gas capture and send gas to sales or flare based on analytical composition. HEC operates facilities that are typically one-well facilities. Production separation equipment is upgraded prior to well being completed, if determined to be undersized or inadequate. This equipment is already on-site and tied into our sales gas lines prior to the recomplete operations.

VII. Operational Practices:

- 1. Subsection (A) Venting and Flaring of Natural Gas
 - HEC understands the requirements of NMAC 19.15.27.8 which outlines that the venting and flaring of natural gas during drilling, completion or production operations that constitutes waste as defined in 19.15.2 are prohibited.
- 2. Subsection (B) Venting and Flaring during drilling operations
 - This gas capture plan isn't for a well being drilled.
- 3. Subsection (C) Venting and flaring during completion or recompletion
 - Flowlines will be routed for flowback fluids into a completion or storage tank and if feasible under well conditions, flare rather than vent and commence operation of a separator as soon as it is technically feasible for a separator to function.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
- 4. Subsection (D) Venting and flaring during production operations
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
 - Monitor manual liquid unloading for wells on-site or in close proximity (<30 minutes' drive time), take reasonable actions to achieve a stabilized rate and pressure at the earliest practical time, and take reasonable actions to minimize venting to the maximum extent practicable.
 - HEC will not vent or flare except during the approved activities listed in NMAC 19.15.27.8 (D) 1 4.
- 5. Subsection (E) Performance standards
 - All tanks and separation equipment are designed for maximum throughput and pressure to minimize waste.
 - If a flare is utilized during production operations it will have a continuous pilot and is located more than 100 feet from any known well or storage tanks.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.

- 6. Subsection (F) Measurement or estimation of vented and flared natural gas
 - Measurement equipment is installed to measure the volume of natural gas flared from process piping.
 - When measurement isn't practicable, estimation of vented and flared natural gas will be completed as noted in 19.15.27.8 (F) 5-6.

VIII. Best Management Practices:

- 1. Operator has adequate storage and takeaway capacity for wells it chooses to recomplete as the flowlines at the sites are already in place and tied into a gathering system.
- 2. Operator will flare rather than vent vessel blowdown gas when technically feasible during active and/or planned maintenance to equipment on-site.
- 3. Operator combusts natural gas that would otherwise be vented or flared, when technically feasible.
- 4. Operator will shut in wells in the event of a takeaway disruption, emergency situation, or other operations where venting or flaring may occur due to equipment failures.

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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	303863
	Action Type:
	[C-103] NOI Recompletion (C-103E)

CONDITIONS

Created By	Condition	Condition Date		
dmcclure	Notify NMOCD 24 Hours Prior to beginning operations.	1/19/2024		
dmcclure	All conducted logs shall be submitted to the Division.	1/19/2024		
dmcclure	Once work is conducted, submit a C-104 Packet with the C-103T and amended C-104 and C-105 with the updated perf range. On the C-104 code the "Reason for Filing" as OAP.	1/19/2024		
dmcclure	The appropriate compliance officer supervisor shall be consulted and remedial action conducted as directed if the cement sheath around the casing is not adequate to protect the casing and isolate strata from: (a) the uppermost perforation in each added pool to at least 150 feet above that perforation; and (b) the lowermost perforation in each added pool to at least 100 feet below that perforation.	1/19/2024		

Action 303863