

| | | |
|------------------------------------|--|--|
| Well Name: SAN JUAN 29-7 NP | Well Location: T29N / R7W / SEC 19 / SWNE / 36.714996 / -107.611038 | County or Parish/State: RIO ARRIBA / NM |
| Well Number: 512 | Type of Well: OTHER | Allottee or Tribe Name: |
| Lease Number: NMSF078503A | Unit or CA Name: | Unit or CA Number: |
| US Well Number: 3003924342 | Operator: HILCORP ENERGY COMPANY | |

Subsequent Report

Sundry ID: 2811873

Type of Submission: Subsequent Report

Type of Action: Cement Remediation

Date Sundry Submitted: 09/13/2024

Time Sundry Submitted: 12:57

Date Operation Actually Began: 09/06/2024

Actual Procedure: Hilcorp Energy completed cement remediation on the intermediate casing string. Shot perf hole @ 3730'. Pumped 60 sx squeeze cement, pressure tested with NMOCD witness (passed). Please see attached reports.

SR Attachments

Actual Procedure

SJ_29_7_Unit_NP_512_Cmt_Remediation_Sundry_20240913125654.pdf

Well Name: SAN JUAN 29-7 NP

Well Location: T29N / R7W / SEC 19 / SWNE / 36.714996 / -107.611038

County or Parish/State: RIO ARRIBA / NM

Well Number: 512

Type of Well: OTHER

Allottee or Tribe Name:

Lease Number: NMSF078503A

Unit or CA Name:

Unit or CA Number:

US Well Number: 3003924342

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: CHERYLENE WESTON

Signed on: SEP 13, 2024 12:56 PM

Name: HILCORP ENERGY COMPANY

Title: Operations/Regulatory Tech - Sr

Street Address: 1111 TRAVIS STREET

City: HOUSTON

State: TX

Phone: (713) 289-2615

Email address: CWESTON@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: Accepted

Disposition Date: 09/13/2024

Signature: Kenneth Rennick



Well Operations Summary L48

Well Name: SAN JUAN 29-7 UNIT NP #512 ST1

| | | |
|---------------------------------|--------------------------------------|-----------------------------|
| API: 3003924342 | Field: BASIN (FRUITLAND COAL) | State: NEW MEXICO |
| Permit to Drill (PTD) #: | Sundry #: | Rig/Service: HEC 101 |

Jobs

Actual Start Date: 8/26/2024 **End Date:**

| | | |
|--------------------|-------------------------------|-----------------------------|
| Report Number 7 | Report Start Date 9/6/2024 | Report End Date 9/6/2024 |
|--------------------|-------------------------------|-----------------------------|

Operation

CREW TRAVEL TO LOCATION
 HELD PJSM, CREW CHECK PRESSURE CSG (180 PSI), TBG (0 PSI) BDW 5 MIN.
 RU WIRELINE IN **SET CIBP @ 3750'**, RU PRESSURE TEST TO (500PSI), CIBP HOLDING, MU **RUN IN PERF HOLE @ 3730'**, PUMP INTO WELL MAKE SURE TO GET WATER RETURNS, CIRCULATE, RIGDOWN WIRELINE,
 PUMU CICR, PU TALLY OFF FLOAT, SET CICR @3720' RU MAKE SURE WELL CIRCULATED OUT INTERMEDIATE WITH NO PROBLEM,
 SHUTDOWN, SECURE WELL, DEBRIEF CREW
 CREW TRAVEL TO YARD

| | | |
|--------------------|-------------------------------|-----------------------------|
| Report Number 8 | Report Start Date 9/9/2024 | Report End Date 9/9/2024 |
|--------------------|-------------------------------|-----------------------------|

Operation

CREW TRAVEL TO LOCATION
 HELD PJSM, CREW CHECK PRESSURE CSG (0PSI), TBG (0 PSI) BDW 0 MIN.
 RU DRAKE ENERGY CEMENTERS, PUMPED INJECTION RATE, 4BBL/ MIN @600 PSI, **PUMP CEMENT, 60 SXS TYPE III LEAD, 23 BBL, 2.15 YLD, 12.5#, .5 GAL/SX. 14 BBL DISP, @ 750PSI, LD 10' PUP,**
 TOO, LD SETTING TOOL.
 SHUTDOWN SECURE WELL

| | | |
|--------------------|--------------------------------|------------------------------|
| Report Number 9 | Report Start Date 9/10/2024 | Report End Date 9/10/2024 |
|--------------------|--------------------------------|------------------------------|

Operation

ATTEND BAYWATER SAFETY MEETING, CREW TRAVEL TO LOCATION
 HELD PJSM, CREW CHECK PRESSURE CSG (0PSI), TBG (0 PSI) BDW 0 MIN.
 PU 3 7/8 JUNK MILL, PU 6 DRILL COLLARS, TIH **TAG CEMENT 3717'**, PU POWER SWVL, START DRILLING CICR, **DRILL 20' CMNT, PT TO (600PSI) GOOD TEST, DRILL OUT CIBP,** TALLY TBG PICKUP OFF FLOAT TO 7675' TAG ISOLATION PLUG, CIRCULATE CLEAN, **PRESSURE TEST (600PSI) GOOD TEST,**
 SHUTDOWN SECURE WELL
 CREW DROVE TO YARD

| | | |
|---------------------|--------------------------------|------------------------------|
| Report Number 10 | Report Start Date 9/11/2024 | Report End Date 9/11/2024 |
|---------------------|--------------------------------|------------------------------|

Operation

ATTEND HILCORP SAFETY MEETING, CREW TRAVEL TO LOCATION
 PJSM. SICP- 340 PSI, SITP- 0 PSI, SIBHP- 0 PSI. BDW IN 5 MIN.
 TOO, W/TBG, LOAD HOLE WHILE TOO, RACK BACK DRILL COLLARS, LD JUNK MILL
 RU WELLCHECK, **PRESSURE TO 560 PSI, PERFORM MIT WITH NMOCD REP JOHN DURHAM WITNESS, MIT GOOD,** PERFORM BRADENHEAD TEST WHILE PERFORMING MIT, BRADENHEAD TEST PASSED, **PERFORM INTERMEDIATE TEST WHILE PERFORMING MIT, INTERMEDIATE TEST PASSED,**
 RU BASIN WIRELINE, **RUN CBL,** RD WIRELINE,
 TIH, LD DRILL DOLLARS, TIH W/TBG, LD TBG,
 SHUTDOWN SECURE WELL DEBRIEF CREW
 TRAVEL TO HILCORP YARD



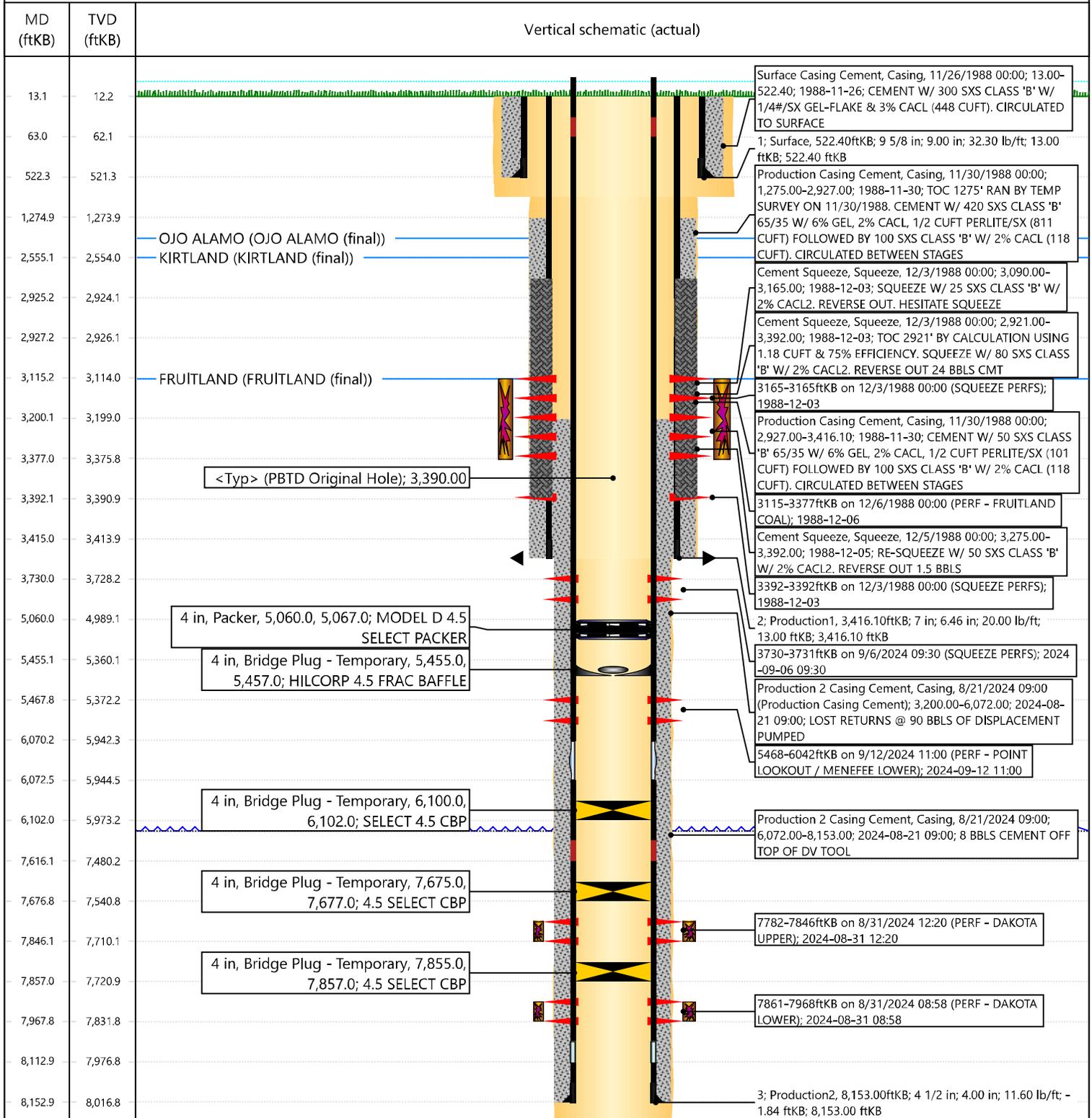
Current Schematic - Version 3

Well Name: **SAN JUAN 29-7 UNIT NP #512 ST1**

| | | | | | |
|-----------------------------------|---|--------------------------------------|-------------------------|--------------------------------|-------------------------------------|
| API / UWI 3003924342 | Surface Legal Location 019-029N-007W-G | Field Name BASIN (FRUITLAND COAL) | Route 1001 | State/Province NEW MEXICO | Well Configuration Type VERTICAL |
| Ground Elevation (ft) 6,673.00 | Original KB/RT Elevation (ft) 6,686.00 | Tubing Hanger Elevation (ft) | RKB to GL (ft) 13.00 | KB-Casing Flange Distance (ft) | KB-Tubing Hanger Distance (ft) |

| Tubing Strings | | | | | |
|-----------------------------|------------------------------|-------------------------------------|------------------------------------|-------------------------------|--|
| Run Date 12/8/1988 00:00 | Set Depth (ftKB) 3,371.66 | String Max Nominal OD (in) 2 3/8 | String Min Nominal ID (in) 2.00 | Weight/Length (lb/ft) 4.70 | Original Spud Date 11/26/1988 22:00 |

Sidetrack 1 [VERTICAL]



Cheryl Weston

From: Rennick, Kenneth G <krennick@blm.gov>
Sent: Wednesday, September 11, 2024 3:32 PM
To: Rikala, Ward, EMNRD; Matthew Esz; Kuehling, Monica, EMNRD
Cc: Farmington Regulatory Techs
Subject: Re: [EXTERNAL] San Juan 29-7 Unit NP 512, API # 3003924342

CAUTION: External sender. DO NOT open links or attachments from UNKNOWN senders.

The BLM finds the proposed MV perforations appropriate.

Kenneth (Kenny) Rennick

Petroleum Engineer

Bureau of Land Management
Farmington Field Office
6251 College Blvd
Farmington, NM 87402

Email: krennick@blm.gov
Mobile & Text: 505.497.0019

From: Rikala, Ward, EMNRD <Ward.Rikala@emnrd.nm.gov>
Sent: Wednesday, September 11, 2024 2:09 PM
To: Matthew Esz <Matthew.Esz@hilcorp.com>; Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Cc: Rennick, Kenneth G <krennick@blm.gov>; Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>
Subject: RE: [EXTERNAL] San Juan 29-7 Unit NP 512, API # 3003924342

CBL looks good. Good to proceed with MV completion.

Ward

From: Matthew Esz <Matthew.Esz@hilcorp.com>
Sent: Wednesday, September 11, 2024 1:54 PM
To: Rikala, Ward, EMNRD <Ward.Rikala@emnrd.nm.gov>; Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Cc: Rennick, Kenneth G <krennick@blm.gov>; Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>
Subject: RE: [EXTERNAL] San Juan 29-7 Unit NP 512, API # 3003924342

Good afternoon,

Attached is the CBL pulled today, 9/11 on the San Juan 29-7 Unit NP 512 after completing the required cement remediation work to satisfy the following COA:

TOC is required to be 100' above the top perforation in the Fruitland formation.

The MIT was witnessed and passed today. We would like approval to continue with the MV completion prep within the following interval: **5,080'- 6,066'**. Let me know if you have any questions or concerns, thank you.

Matthew Esz

From: Rikala, Ward, EMNRD <Ward.Rikala@emnrd.nm.gov>
Sent: Thursday, September 5, 2024 1:55 PM
To: Matthew Esz <Matthew.Esz@hilcorp.com>; Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Cc: Rennick, Kenneth G <krennick@blm.gov>; Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>
Subject: RE: [EXTERNAL] San Juan 29-7 Unit NP 512, API # 3003924342

CAUTION: External sender. DO NOT open links or attachments from UNKNOWN senders.

Matthew-

I approve of this procedure.

Ward

From: Matthew Esz <Matthew.Esz@hilcorp.com>
Sent: Thursday, September 5, 2024 12:52 PM
To: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>; Rikala, Ward, EMNRD <Ward.Rikala@emnrd.nm.gov>
Cc: Rennick, Kenneth G <krennick@blm.gov>; Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>
Subject: RE: [EXTERNAL] San Juan 29-7 Unit NP 512, API # 3003924342

Monica & Ward,

Attached is the updated cmt remediation procedure after previous conversations. Please verify this satisfies all the requirements and respond with written verification/approval. The rig is moving there this afternoon and will begin the work shortly.

Thanks!

From: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Sent: Thursday, September 5, 2024 12:29 PM
To: Matthew Esz <Matthew.Esz@hilcorp.com>; Rikala, Ward, EMNRD <Ward.Rikala@emnrd.nm.gov>
Cc: Rennick, Kenneth G <krennick@blm.gov>
Subject: RE: [EXTERNAL] San Juan 29-7 Unit NP 512, API # 3003924342

CAUTION: External sender. DO NOT open links or attachments from UNKNOWN senders.

Matthew

In answer to below

NMOCD requires cement from top of cement on 4 ½ by log ran 8/27/2024 – (toc looks to be around 3700 feet). Through shoe of intermediate at 3416 to 100 feet above fruitland coal perforations which is the top of fruitland coal formation (stated on Hilcorp schematic at 3115) -

The COA dated 7/23/2024 on NOI for deepening the well stated
TOC is required to be 100' above the top perforation in the Fruitland formation.

There were two documents submitted first was approved on 7/16/2024 second with the above highlighted statement was dated 7/23/2024.

The email dated 8/30/2024 states

Notice

Depth of your 7" is 3416 – tieback was not achieved between 4 1/2 and 7" – remediation is required within 30 days after frac.

It was not stated how high to go with tieback which would refer back to COA on NOI dated 7/23/2024.

In other words after all of that – cement needs to be ran from top of cement on 4 1/2 to 100 feet above fruitland coal perforations.

Thank you

Monica Kuehling
Compliance Officer Supervisor
Deputy Oil and Gas Inspector
New Mexico Oil Conservation Division
North District
Office Phone: 505-334-6178 ext. 123
Cell Phone: 505-320-0243
Email - monica.kuehling@emnrd.nm.gov

From: Matthew Esz <Matthew.Esz@hilcorp.com>
Sent: Thursday, September 5, 2024 7:24 AM
To: Rikala, Ward, EMNRD <Ward.Rikala@emnrd.nm.gov>
Cc: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Subject: RE: [EXTERNAL] San Juan 29-7 Unit NP 512, API # 3003924342

Ward,

I think there is some confusion on what we have done so far. Could you please give me a call to discuss this further: 770-843-9226. We intend to have a rig on location today and need to agree on a procedure asap.

Thank you!

From: Rikala, Ward, EMNRD <Ward.Rikala@emnrd.nm.gov>
Sent: Thursday, September 5, 2024 8:17 AM
To: Matthew Esz <Matthew.Esz@hilcorp.com>
Cc: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Subject: RE: [EXTERNAL] San Juan 29-7 Unit NP 512, API # 3003924342

CAUTION: External sender. DO NOT open links or attachments from UNKNOWN senders.

Matthew-

On the COA, it stated that is cement was not circulated to surface, then a CBL is required. Another COA stated that the TOC was to be 100' minimum over the Fruitland. It appears from you procedure that you want to perforate squeeze hole just above the shoe of the 7" and then pump a squeeze to cover the 7" shoe. The purpose for wanting cement behind your production string is for zonal isolation. I don't recall where the TOC is behind the production casing; however, where ever the TOC is, OCD wants you to perforate just above the TOC(< 50' above) and then circulate cement up to a minimum of 100' above the top of the Fruitland.

Ward

From: Matthew Esz <Matthew.Esz@hilcorp.com>
Sent: Wednesday, September 4, 2024 3:15 PM
To: Rikala, Ward, EMNRD <Ward.Rikala@emnrd.nm.gov>
Subject: FW: [EXTERNAL] San Juan 29-7 Unit NP 512, API # 3003924342

You don't often get email from matthew.esz@hilcorp.com. [Learn why this is important](#)

Ward,

Please see the attached cmt remediation procedure and give me a call when you have time. 770-843-9226. Thanks!

From: Rennick, Kenneth G <krennick@blm.gov>
Sent: Wednesday, September 4, 2024 11:46 AM
To: Matthew Esz <Matthew.Esz@hilcorp.com>; Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Cc: Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>; Kade, Matthew H <mkade@blm.gov>
Subject: Re: [EXTERNAL] San Juan 29-7 Unit NP 512, API # 3003924342

CAUTION: External sender. DO NOT open links or attachments from UNKNOWN senders.

The BLM finds the proposal appropriate.

Please include this email conversation in the subsequent report of work completed.

Kenneth (Kenny) Rennick

Petroleum Engineer

Bureau of Land Management
Farmington Field Office
6251 College Blvd
Farmington, NM 87402

Email: krennick@blm.gov
Mobile & Text: 505.497.0019

From: Matthew Esz <Matthew.Esz@hilcorp.com>
Sent: Wednesday, September 4, 2024 10:12 AM
To: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>; Rennick, Kenneth G <krennick@blm.gov>
Cc: Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>
Subject: RE: [EXTERNAL] San Juan 29-7 Unit NP 512, API # 3003924342

Kenny & Monica,

Attached is the proposed cmt remediation procedure for the San Juan 29-7 Unit NP 512 sidetrack. The DK was completed on 8/31. Our plan is to remediate cmt according to this procedure **prior** to the MV completion. Let me know if you have any questions or need anything else.

Thanks,
Matthew

From: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Sent: Friday, August 30, 2024 10:55 AM
To: Matthew Esz <Matthew.Esz@hilcorp.com>; Rennick, Kenneth G <krennick@blm.gov>
Cc: Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>
Subject: RE: [EXTERNAL] San Juan 29-7 Unit NP 512, API # 3003924342

CAUTION: External sender. DO NOT open links or attachments from UNKNOWN senders.

Matthew

NMOCD approval is given to continue with recomplete through MV formation in perforations from 5080 to 6066 and Dakota formation in perforations from 7782 to 7968.

Notice

Depth of your 7" is 3416 – tieback was not achieved between 41/2 and 7" – remediation is required within 30 days after frac.

Thank you

Monica Kuehling
Compliance Officer Supervisor
Deputy Oil and Gas Inspector
New Mexico Oil Conservation Division
North District
Office Phone: 505-334-6178 ext. 123
Cell Phone: 505-320-0243
Email - monica.kuehling@emnrd.nm.gov

From: Matthew Esz <Matthew.Esz@hilcorp.com>
Sent: Thursday, August 29, 2024 3:24 PM

To: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>; Rennick, Kenneth G <krennick@blm.gov>
Subject: [EXTERNAL] San Juan 29-7 Unit NP 512, API # 3003924342

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Kenny & Monica,

Attached is the CBL pulled on the San Juan 29-7 Unit NP 512 deepening. The witnessed MIT was passed yesterday, 8/28. We would like approval to continue with the completion process and the perforation intervals shown below:

Mesa Verde: 5,080' - 6,066'

Dakota: 7,782' - 7,968'

Please reach out to me if you have any questions. Thank you!

Matthew Esz

Operations Engineer

San Juan South Asset Team

Hilcorp Energy Company

c: (770) 843-9226

The information contained in this email message is confidential and may be legally privileged and is intended only for the use of the individual or entity named above. If you are not an intended recipient or if you have received this message in error, you are hereby notified that any dissemination, distribution, or copy of this email is strictly prohibited. If you have received this email in error, please immediately notify us by return email or telephone if the sender's phone number is listed above, then promptly and permanently delete this message.

While all reasonable care has been taken to avoid the transmission of viruses, it is the responsibility of the recipient to ensure that the onward transmission, opening, or use of this message and any attachments will not adversely affect its systems or data. No responsibility is accepted by the company in this regard and the recipient should carry out such virus and other checks as it considers appropriate.

The information contained in this email message is confidential and may be legally privileged and is intended only for the use of the individual or entity named above. If you are not an intended recipient or if you have received this message in error, you are hereby notified that any dissemination, distribution, or copy of this email is strictly prohibited. If you have received this email in error, please immediately notify us by return email or telephone if the sender's phone number is listed above, then promptly and permanently delete this message.

While all reasonable care has been taken to avoid the transmission of viruses, it is the responsibility of the recipient to ensure that the onward transmission, opening, or use of this message and any attachments will not adversely affect its systems or data. No responsibility is accepted by the company in this regard and the recipient should carry out such virus and other checks as it considers appropriate.

The information contained in this email message is confidential and may be legally privileged and is intended only for the use of the individual or entity named above. If you are not an intended recipient or if you have received this message in error, you are hereby notified that any dissemination, distribution, or copy of this email is strictly prohibited. If you have received this email in error, please immediately notify us by return email or telephone if the sender's phone number is listed above, then promptly and permanently delete this message.

While all reasonable care has been taken to avoid the transmission of viruses, it is the responsibility of the recipient to ensure that the onward transmission, opening, or use of this message and any attachments will not adversely affect its systems or data. No responsibility is accepted by the company in this regard and the recipient should carry out such virus and other checks as it considers appropriate.

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 383466

CONDITIONS

| | |
|--|--|
| Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002 | OGRID: 372171 |
| | Action Number: 383466 |
| | Action Type: [C-103] Sub. Drilling (C-103N) |

CONDITIONS

| Created By | Condition | Condition Date |
|-------------|-----------|----------------|
| ward.rikala | None | 9/16/2024 |