

Well Name: VALANCE FEDERAL 33	Well Location: T31N / R13W / SEC 33 / SESE / 36.852349 / -108.2026295	County or Parish/State: SAN JUAN / NM
Well Number: 16	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078463A	Unit or CA Name: BASIN FRUITLAND COAL	Unit or CA Number: NMNM112669, NMNM73637
US Well Number: 3004533571	Operator: HILCORP ENERGY COMPANY	

Subsequent Report

Sundry ID: 2808959

Type of Submission: Subsequent Report	Type of Action: Workover Operations
Date Sundry Submitted: 08/28/2024	Time Sundry Submitted: 10:55
Date Operation Actually Began: 07/29/2024	

Actual Procedure: Hilcorp Energy has repaired the bradenhead on the subject well per the attached daily report.

SR Attachments

Actual Procedure

Valance_33_16_SR_BH_Repair_BLM_Submitted_20240828105513.pdf

Well Number: 16

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMSF078463A

Unit or CA Name: BASIN FRUITLAND COAL

Unit or CA Number: NMNM112669, NMNM73637

US Well Number: 3004533571

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: PRISCILLA SHORTY

Signed on: AUG 28, 2024 10:55 AM

Name: HILCORP ENERGY COMPANY

Title: Regulatory Technician

Street Address: 382 ROAD 3100

City: AZTEC

State: NM

Phone: (505) 324-5188

Email address: PSHORTY@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: 08/29/2024

Signature: Kenneth Rennick

VALANCE 33 16

30.045.33571

BRADENHEAD REPAIR

7/29/2024 – CK PRESSURES. FTP: 60 PSI, FCP: 20 PSI, SIBHP: 65 PSI. BDW 10 MIN. SPOT RIG AND EQUIP. RIG UP. X/O TO ROD HANDLING TOOLS. R/D HORSE HEAD. UNSEAT PUMP @ 20K. L/D PR AND SB. TOO H W/ AND LD SINKER BARS. X/O TO 2-3/8" HANDLING TOOLS. R/U EXPERT DOWNHOLE. CLEAR TUBING OF TOOLS. R/D EXPERT DOWNHOLE SERVICES. SDFN.

7/30/2024 - CK PRESSURES. FTP: 0 PSI, FCP: 65 PSI, SIBHP: 15 PSI. BDW 10 MIN. X/O TO 2-3/8" HANDLING TOOLS. N/D WH. N/U BOP. N/U OFFSET SPOOL AND RAMS. R/U FLOOR. FT AND PT BOP (GOOD). PULL. R/U PREMIER NDT SCANNERS. TOO H SCANNING TBG. DOWNGRADE DUE TO PITTING AND ROD WEAR. NO SCALE ON TBG. R/D PREMIER NDT SCANNERS. N/D OFFSET SPOOL AND CHANGE RAMS. ATTEMPT TO PULL LONG STRING. WORK TUBING WITH TONGS AND POWER SWIVEL. REPORT TO ENGINEER. SDFN.

7/31/2024 - CK PRESSURES. FTP: 0 PSI, FCP: 90 PSI, SIBHP: 20 PSI. BDW 10 MIN. R /D FLOOR AND TONGS. KILL WELL. N/D BOP. SWAP OUT TUBING HANGERS. N/U BOP. R/U FLOOR. FT AND PT BOP (GOOD). R/U POWER SWIVEL. ATTEMPT TO WORK PIPE FREE. CHAIN BROKE ON DRAWWORKS CAUSING DAMAGE TO GUARD. SISW. SDFN.

8/1/2024 - CK PRESSURES. SITP: 0 PSI, SICP: 90 PSI, SIBHP: 10 PSI. BDW 10 MIN. R/U TWG WIRELINE. RIH W/ FREEPOINT TOOL. FREEPOINT TUBING. RIH W/ CHEMICAL CUTTER. CUT TUBING @ 2485'. R/D TWG WIRELINE. R/U PREMIER NDT SCANNER. TOH SCANNING TUBING Y-21, B-33, G-14, R-11. P/U OVERSHOT, JARS, BUMPER SUB AND INTENSIFIER. TIH W/ TUBING OUT OF DERRICK. SWAP OUT TUBING FLOATS. TALLY AND P/U 2-3/8 TUBING. LATCH ONTO FISH. JAR ON FISH (UNSUCCESSFUL). RELEASE OVERSHOT. TOH ABOVE TOP PERF EOT 1541'. SDFN.

8/2/2024 - CK PRESSURES. SITP: 0 PSI, SICP: 90 PSI, SIBHP: 20 PSI. BDW 10 MIN. TOH W/ 2-3/8 TUBING. L/D DRILL COLLARS AND FISHING TOOLS. P/U 7" CASING SCRAPER. TIH TO 1580'. TOH AND L/D CASING SCRAPER. P/U 7" RBP. TIH AND SET RBP @ 1540'. LOAD HOLE W/ FRESH WATER W/ BIOCID. PSI TEST CASING (FAILED). TOH AND P/U AS1-X PACKER. ISOLATE LEAK AT WELLHEAD. R/D FLOOR AND TONGS. N/D BOP. N/D TUBING HEAD. FIX LEAK IN CASING HEAD. N/U TUBING HEAD AND B1 ADAPTER. PSI TEST CASING TO 600 PSI FOR 30 MINS (GOOD TEST). SDFWE.

8/5/2024 - CK PRESSURES. SITP: 0 PSI, SICP: 0 PSI, SIBHP: 10 PSI. BDW 0 MIN. R/U WELLCHECK TEST UNIT. **PERFORM MIT AND BRADENHEAD TEST. GOOD TEST (NMOCD REP CLARENCE SMITH ON LOCATION). HEC ENGINEER SENT MONICA KUEHLING, NMOCD, AN EMAIL DOCUMENTING THE CONVERSATION OF THE SIGNIFICANTLY REDUCED BH PRESSURE AFTER IDENTIFYING SURFACE ISSUE AND REMEDIATION. THE BH WILL BE PRODUCED TO THE PIT AND PRESSURES WILL BE REPORTED TO NMOCD.** N/D B1 ADAPTER. N/U BOP. FUNCTION TEST AND PSI TEST BOP (GOOD). P/U RETRIEVING HEAD. TIH W/ 2-3/8 TUBING FROM DERRICK. P/U OVERSHOT AND TIH W/ TUBING FROM DERRICK. UNLOAD HOLE W/ AIR UNIT. LATCH ONTO RBP. EQUALIZE WELL. RELEASE RBP. TOH AND L/D RBP AND RETRIEVING HEAD. TIH W/ PRODUCTION TUBING (DRIFTING). LATCH ONTO TUBING W/ OVERSHOT AND SPACE OUT. INSTALL HANGER AND LAND LONG STRING @ 6371' AS FOLLOWS: 1- 2-3/8 J-55 (30.90'); 2- 2-3/8 J-55 PUP JOINTS (18.13 - 6' AND 8'); 75- 2-3/8 J-55 (2386.96'); 1- 2-3/8 J-55 PUP JOINT (2.05'); 1- 2-3/8 J-55 (31.47'); 1- 2-3/8 X 2-7/8 X-OVER (.56'); 1-4-3/4 OVERSHOT WITH PACK-OFF (2.92'); 1-15' 2-3/8 CHEMICAL CUT JOINT (15'); 1- SEAL ASSEMBLY'; 123 - 2-3/8 J-55 TUBING 3869.4; 1- 1.78 SEAT NIPPLE; N/D STRIPPING

VALANCE 33 16

30.045.33571

BRADENHEAD REPAIR

HEAD. N/U OFFSET SPOOL. CHANGE OUT CENTER BORE RAMS FOR OFFSET. FUNCTION TEST AND PSI TEST BOP (GOOD). SFDN.

8/6/2024 – HEC ENGINEER FORWARDED THE NMOCD 8/5/2024 EMAIL TO KENNY RENNICK, BLM. CK PRESSURES. SITP: 0 PSI, SICP: 105 PSI, SIBHP: 7 PSI. BDW 5 MIN. PU BULL PLUG, MUD ANCHOR, PERF SUB, AND SN. TALLY AND P/U 2-3/8 TUBING FROM TRAILER (SWAP OUT COUPLINGS TO SLIM HOLE COUPLINGS. TIH W/ TUBING FROM DERRICK. (1)- 2-3/8 BULL PLUG (.6'); (1)- 2-3/8 TUBING JOINT (32.22"); (1)- PERFORATED SUB (4.14'); (1) - 2 3/8" X 1.78 SEAT-NIPPLE (1.10'); (47)- 2 3/8" 4.7# J-55 TBG (1483.69'); (10)- 2 3/8" 4.7# J-55 TBG (311.32'); (1) - 7-1/16" TUBING HANGER. EOT @ 1845.67' SEAT NIPPLE @ 1807.61' PBTD @ 6419'. RD RIG FLOOR, NIPPLE DOWN BOP, NIPPLE UP WELLHEAD. R/U SLICKLINE. RETRIEVE 3 SLIP OUT OF LONG STRING. R/D EXPERT SLICKLINE. PICK UP PUMP, STROKE TEST AT SURFACE AND TRIP IN HOLE WITH RODS. SPACE OUT AND HANG OFF RODS. (1) - 1" X 8' SAND SCREEN. (1) - PUMP 2" X 1 1/2" X 8' X 16' RWBC-Z (SN; HIL 1006) (1) - 8' GUIDED PONY ROD. (1) - 22K SHEAR TOOL. (3) - 1 1/4" SINKER BARS. (67) - 3/4" SLICK RODS. (2)- 4' X 3/4" PONY. 22' X 1 1/4" POLISH ROD W/ 1 1/2 PR LINER. LOAD TUBING WITH 7 BBLs OF FW, PRESSURE TEST TO 800 PSI. GOOD TEST. BLEED DOWN PRESSURE TO 200 PSI, LONG STROKE PUMP TO 600 PSI, GOOD TEST. RU HORSE HEAD AND HANG OFF RODS. SISW. RD RR.

8/20/2024 – PACKER TEST ON WELL FAILED. WELL WAS SHUT-IN. A NOI PACKER REPAIR WILL BE SUBMITTED.

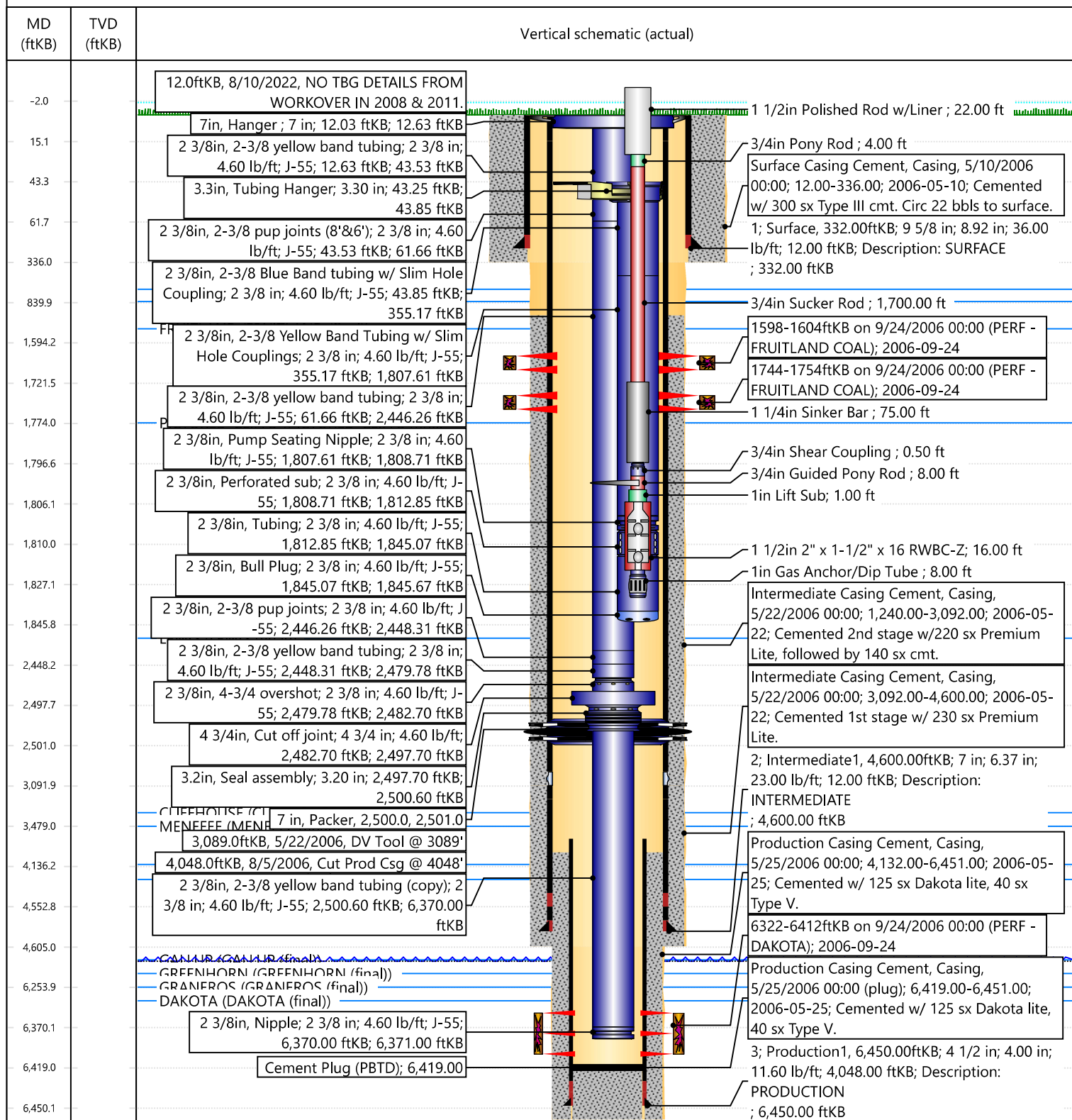


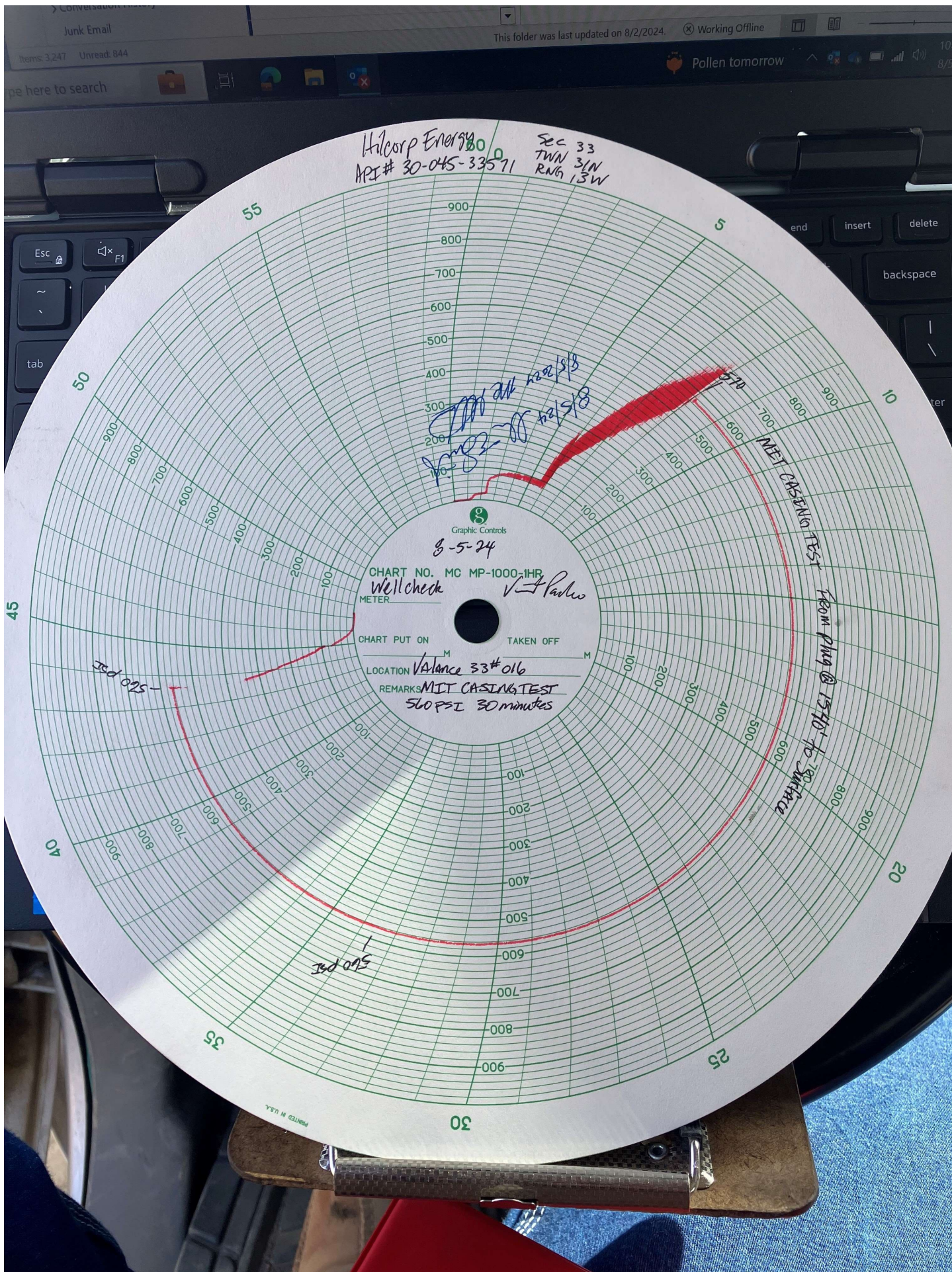
Current Schematic - Version 3

Well Name: VALANCE 33 16

API / UWI 3004533571	Surface Legal Location P-33-31N-13W	Field Name LA PLATA	Route 0205	State/Province NEW MEXICO	Well Configuration Type Vertical
Ground Elevation (ft) 5,718.00	Original KB/RT Elevation (ft) 5,730.00	Tubing Hanger Elevation (ft)	RKB to GL (ft) 12.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
Tubing Strings					
Run Date 8/6/2024 09:00	Set Depth (ftKB) 1,845.67	String Max Nominal OD (in) 2 3/8	String Min Nominal ID (in) 2.00	Weight/Length (lb/ft) 4.60	Original Spud Date 5/9/2006 00:00

Original Hole [Vertical]





NEW MEXICO ENERGY, MINERALS and
NATURAL RESOURCES DEPARTMENT

MECHANICAL INTEGRITY TEST REPORT

(TA OR UIC)

Date of Test 8/5/24 Operator Hilcorp API # 30-045-33571Property Name Valance 33 Well # 16 Location: Unit P Sec 33 Twn 31N Rge 13W

Land Type:

State _____
Federal ☒ _____
Private _____
Indian _____

Well Type:

Water Injection _____
Salt Water Disposal _____
Gas Injection _____
Producing Oil/Gas ☒ _____
Pressure observation _____Temporarily Abandoned Well (Y/N) N TA Expires: _____Casing Pres. _____
Bradenhead Pres. _____
Tubing Pres. _____
Int. Casing Pres. _____Tbg. SI Pres. _____
Tbg. Inj. Pres. _____

Max. Inj. Pres. _____

Pressured annulus up to 570 psi. for 35 mins. Test passed/failedREMARKS: 1540' ZBP set @ 1540'By [Signature]
(Operator Representative)Witness [Signature]
(NMOCD)Wellsite Supervisor
(Position)

Revised 02-11-02

Oil Conservation Division * 1000 Rio Brazos Road * Aztec, New Mexico 87410
Phone: (505) 334-6178 * Fax (505) 334-6170 * <http://www.emnrd.state.nm.us>



NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
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AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
[http://emnr.state.nm.us/ocd/District III/3district.htm](http://emnr.state.nm.us/ocd/District%20III/3district.htm)

BRADENHEAD TEST REPORT

(submit 1 copy to above address)

Date of Test 8/5/24 Operator H.I. corp API #30-0 45-33571

Property Name VA/ANX 33 Well No. 16 Location: Unit P Section 33 Township 31N Range 13W

Well Status(Shut-In or Producing) Initial PSI: Tubing 0 Intermediate N/A Casing 0 Bradenhead 10

OPEN BRADENHEAD AND INTERMEDIATE TO ATMOSPHERE INDIVIDUALLY FOR 15 MINUTES EACH

Testing	PRESSURE			FLOW CHARACTERISTICS		
	Bradenhead	INTERM		BRADENHEAD	INTERMEDIATE	
	BH	Int	Csg	Int	Csg	
TIME						
5 min	0		0			Steady Flow <input checked="" type="checkbox"/>
10 min	0		0			Surges <input checked="" type="checkbox"/> <u>Some</u>
15 min	0		0			Down to Nothing
20 min	0		0			Nothing
25 min	0		0			Gas <input checked="" type="checkbox"/>
30 min	0		0			Gas & Water
						Water

If bradenhead flowed water, check all of the descriptions that apply below:

CLEAR ☐ FRESH ☐ SALTY ☐ SULFUR ☐ BLACK ☐

5 MINUTE SHUT-IN PRESSURE BRADENHEAD 1 INTERMEDIATE N/A

REMARKS:

10 psi on gauge Blew down in 10 sec. Life Blow throughout test. 5 min shut in = 1 psi when opened Blew down in 5 sec.

By [Signature]
Wellsite Supervisor
(Position)

Witness [Signature]

E-mail address _____

Priscilla Shorty

From: Rennick, Kenneth G <krennick@blm.gov>
Sent: Tuesday, August 6, 2024 8:18 AM
To: Jackson Lancaster; Tammy Jones; Kuehling, Monica, EMNRD; Farmington Regulatory Techs
Subject: Re: [EXTERNAL] Valance 33 #16 30-045-33571

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Thank you for the information, Jackson. The BLM finds producing to the bradenhead 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: Jackson Lancaster <Jackson.Lancaster@hilcorp.com>
Sent: Tuesday, August 6, 2024 6:04 AM
To: Tammy Jones <tajones@hilcorp.com>; Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>; Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>; Rennick, Kenneth G <krennick@blm.gov>
Subject: RE: [EXTERNAL] Valance 33 #16 30-045-33571

Kenny,

I forgot to add you to this email. Please see the attached Bradenhead test and MIT associated with the work at the Valance 33-16 (API: 3004533571).

We have significantly reduced the bradenhead pressure after diagnosing the surface issue causing the bradenhead to pressure up. We will be producing the bradenhead to the pit to get regular measurements as requested by the NMOCD.

Please let me know your thoughts on this.

Thanks,

Jackson Lancaster
SJN Ops Engineer
Hilcorp Energy Company

Office: 713-289-2629
Cell: 432-413-4109

From: Jackson Lancaster
Sent: Monday, August 5, 2024 1:38 PM
To: Tammy Jones <tajones@hilcorp.com>; Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>; Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>
Subject: RE: [EXTERNAL] Valance 33 #16 30-045-33571

Monica,

Please see the attached MIT and Braden head pressure reports for the Valance 33 16 API:3004533571.

As per our conversation. The Bradenhead pressure here is significantly reduced after we were able to identify the surface issue and get it remediated. We will be producing the bradenhead to the pit to get regular measurements that will be sent in to the NMOCD for review.

Thanks,

Jackson Lancaster
SJN Ops Engineer
Hilcorp Energy Company
Office: 713-289-2629
Cell: 432-413-4109

From: Tammy Jones <tajones@hilcorp.com>
Sent: Tuesday, April 30, 2024 9:49 AM
To: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>; Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>
Subject: RE: [EXTERNAL] Valance 33 #16 30-045-33571

Monica – this has been sent to engineering.

From: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Sent: Tuesday, April 30, 2024 8:21 AM
To: Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>
Subject: [EXTERNAL] Valance 33 #16 30-045-33571

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

Greetings

A bradenhead test was witnessed by Inspector Eileen Medrano 4/25/2024.

Direct communication was not observed. Bradenhead showed 110 psi casing showed 18 psi. Bradenhead did not blow down during 30 minute test. Five minute shut in showed 46.

Test history

BH Production Casing

2014 90 30
2017 0 8
2019 0 17
2024 110 18

Please submit gas analysis all strings and wellbore schematic as soon as possible.

In order to comply with Rule 19.15.16.11, prevent waste and protect fresh water Hilcorp Energy Company is directed to find source of gas and fix or plug within 90 days of the date of this email.

If you have any questions, please let me know.

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

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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 379556

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 379556
	Action Type: [C-103] Sub. Workover (C-103R)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	30 bht performed 9/10/24 - 6-month bht due after rig move and bht due 1 year after rig move	10/15/2024