

Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116  Online Phone Directory Visit: <a href="https://www.emnrd.nm.gov/ocd/contact-us/">https://www.emnrd.nm.gov/ocd/contact-us/</a>	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	<b>C-104</b> Revised July 9, 2024  Submit Electronically Via OCD Permitting
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## REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

## Section 1 - Operator and Well Information

Submittal Type: <input checked="" type="checkbox"/> Test Allowable (C-104RT) <input type="checkbox"/> New Well (C-104NW) <input type="checkbox"/> Recomplete (C-104RC) <input type="checkbox"/> Pay Add (C-104RC) <input type="checkbox"/> Amended	
Operator Name: Hilcorp Energy Company	OGRID: 372171
Property Name and Well Number: State Com SRC 1A	Property Code: 319650
Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal	API Number: 30-045-22559
Pool Name: BASIN FRUITLAND COAL	Pool Code: 71629

## Section 2 – Surface Location

UL E	Section 2	Township 029N	Range 08W	Lot	Ft. from N/S 1670' North	Ft. from E/W 970' West	Latitude 36.756404	Longitude -107.650512	County SAN JUAN
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## Section 3 – Completion Information

Producing Method	Ready Date ~6/13/2025	Perforations MD ~2,494' – 2,788'	Perforations TVD ~2,494' – 2,788'
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## Section 4 – Action IDs for Submissions and Order Numbers

List Action IDs for Drilling Sundries	Was an Order required / needed (Y/N), if yes list Order number:
C-104 RT Action ID (if C-104NW): N/A	Communitization Agreement <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No, Order No.
Surface Casing Action ID: Previous to system	Unit: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No, Order No.
Intermediate 1 Casing Action ID: Previous to system	Compulsory Pooling: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No, Order No.
Intermediate 2 Casing Action ID: N/A	Down Hole Commingling: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No, Order No. Pending
Production Casing Action ID: Previous to system	Surface Commingling: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No, Order No.
All casing was pressure tested in accordance with NMAC <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Non-standard Location: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Common ownership Order No.
Liner 1 Action ID: Previous to system	Non-standard Proration: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No, Order No.
Casing was installed prior to OCD's Action ID system (Y/N): Y	Simultaneous Dedication: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No, Order No.

## Section 5 - Operator Signature and Certification

<input checked="" type="checkbox"/> I hereby certify that the required Water Use Report has been, or will be, submitted for this well's completion.	
<input checked="" type="checkbox"/> I hereby certify that the required Fracfocus disclosure has been, or will be, submitted for this well's completion.	
<input checked="" type="checkbox"/> I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.	
Name <b>Cherylene Weston</b>	
Title: Operations Regulatory Tech Sr.	Date: 5/30/2025

Cheryl Weston

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From: Cameron Skelton  
Sent: Friday, May 30, 2025 2:21 PM  
To: Cheryl Weston  
Subject: FW: [EXTERNAL] Request Permission to Perforate: State Com SRC 1A (API: 3004522559)

**Cameron Skelton**

Operations Engineer | San Juan North  
Hilcorp Energy Company  
M: 662.822.2727  
[Cameron.Skelton@hilcorp.com](mailto:Cameron.Skelton@hilcorp.com)

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From: Kuehling, Monica, EMNRD <[monica.kuehling@emnrd.nm.gov](mailto:monica.kuehling@emnrd.nm.gov)>  
Sent: Tuesday, May 27, 2025 4:24 PM  
To: Cameron Skelton <[Cameron.Skelton@hilcorp.com](mailto:Cameron.Skelton@hilcorp.com)>  
Cc: Rikala, Ward, EMNRD <[Ward.Rikala@emnrd.nm.gov](mailto:Ward.Rikala@emnrd.nm.gov)>; Jacob Sanchez <[Jacob.Sanchez@hilcorp.com](mailto:Jacob.Sanchez@hilcorp.com)>; Jackson Lancaster <[Jackson.Lancaster@hilcorp.com](mailto:Jackson.Lancaster@hilcorp.com)>; Tyler Portwood <[Tyler.Portwood@hilcorp.com](mailto:Tyler.Portwood@hilcorp.com)>; Jose Morales <[jomorales@hilcorp.com](mailto:jomorales@hilcorp.com)>; Griffin Selby <[Griffin.Selby@hilcorp.com](mailto:Griffin.Selby@hilcorp.com)>  
Subject: RE: [EXTERNAL] Request Permission to Perforate: State Com SRC 1A (API: 3004522559)

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NMOCD approves to continue with recomplete in Fruitland Coal formation through perforations from 2494 – 2788.

Thank you

Monica Kuehling  
Compliance Officer Supervisor  
Deputy Oil and Gas Inspector  
New Mexico Oil Conservation Division  
North District  
Cell Phone: 505-320-0243  
Email - [monica.kuehling@emnrd.nm.gov](mailto:monica.kuehling@emnrd.nm.gov)

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From: Cameron Skelton <[Cameron.Skelton@hilcorp.com](mailto:Cameron.Skelton@hilcorp.com)>  
Sent: Tuesday, May 27, 2025 2:50 PM  
To: Kuehling, Monica, EMNRD <[monica.kuehling@emnrd.nm.gov](mailto:monica.kuehling@emnrd.nm.gov)>  
Cc: Rikala, Ward, EMNRD <[Ward.Rikala@emnrd.nm.gov](mailto:Ward.Rikala@emnrd.nm.gov)>; Jacob Sanchez <[Jacob.Sanchez@hilcorp.com](mailto:Jacob.Sanchez@hilcorp.com)>; Jackson Lancaster <[Jackson.Lancaster@hilcorp.com](mailto:Jackson.Lancaster@hilcorp.com)>; Tyler Portwood <[Tyler.Portwood@hilcorp.com](mailto:Tyler.Portwood@hilcorp.com)>; Jose Morales

<jomorales@hilcorp.com>; Griffin Selby <Griffin.Selby@hilcorp.com>

Subject: [EXTERNAL] Request Permission to Perforate: State Com SRC 1A (API: 3004522559)

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Good Afternoon Monica/Ward,

Please see attached RBL for the State Com SRC 1A. We have passed our state witnessed MIT after remediating a leak in the 7" casing and would like to now request permission to perforate the Fruitland Coal interval from 2494' – 2788'. Please let us know if you approve moving forward with these operations.

Thank you and have a great day,

**Cameron Skelton**

Operations Engineer | San Juan North

Hilcorp Energy Company

M: 662.822.2727

[Cameron.Skelton@hilcorp.com](mailto:Cameron.Skelton@hilcorp.com)

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From: Rikala, Ward, EMNRD <[Ward.Rikala@emnrd.nm.gov](mailto:Ward.Rikala@emnrd.nm.gov)>

Sent: Wednesday, May 21, 2025 9:44 AM

To: Cameron Skelton <[Cameron.Skelton@hilcorp.com](mailto:Cameron.Skelton@hilcorp.com)>; Kuehling, Monica, EMNRD  
<[monica.kuehling@emnrd.nm.gov](mailto:monica.kuehling@emnrd.nm.gov)>

Cc: Jacob Sanchez <[Jacob.Sanchez@hilcorp.com](mailto:Jacob.Sanchez@hilcorp.com)>; Jackson Lancaster <[Jackson.Lancaster@hilcorp.com](mailto:Jackson.Lancaster@hilcorp.com)>;  
Tyler Portwood <[Tyler.Portwood@hilcorp.com](mailto:Tyler.Portwood@hilcorp.com)>; Jose Morales <[jomorales@hilcorp.com](mailto:jomorales@hilcorp.com)>; Griffin Selby  
<[Griffin.Selby@hilcorp.com](mailto:Griffin.Selby@hilcorp.com)>

Subject: RE: [EXTERNAL] Remediation Approval: State Com SRC 1A (API: 3004522559)

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Cameron-

Approved.

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From: Cameron Skelton <[Cameron.Skelton@hilcorp.com](mailto:Cameron.Skelton@hilcorp.com)>

Sent: Wednesday, May 21, 2025 8:10 AM

To: Rikala, Ward, EMNRD <[Ward.Rikala@emnrd.nm.gov](mailto:Ward.Rikala@emnrd.nm.gov)>

Cc: Jacob Sanchez <[Jacob.Sanchez@hilcorp.com](mailto:Jacob.Sanchez@hilcorp.com)>; Jackson Lancaster <[Jackson.Lancaster@hilcorp.com](mailto:Jackson.Lancaster@hilcorp.com)>;  
Tyler Portwood <[Tyler.Portwood@hilcorp.com](mailto:Tyler.Portwood@hilcorp.com)>; Jose Morales <[jomorales@hilcorp.com](mailto:jomorales@hilcorp.com)>; Griffin Selby  
<[Griffin.Selby@hilcorp.com](mailto:Griffin.Selby@hilcorp.com)>

Subject: [EXTERNAL] Remediation Approval: State Com SRC 1A (API: 3004522559)

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Good Morning Ward,

I am following up on our phone conversation about the State Com SRC 1A (API: 3004522559). We are currently rigged up on the well to prep for a Fruitland Coal recompleat, and after setting our cast iron

bridge plug above the current Cliff House perforations we identified a small leakoff when attempting to pressure test the casing. We isolated the leak to our 7" casing between 1662' and 1725'. Our plan is to remediate by running a 4-1/2" casing string down to the top of the current 4-1/2" liner hanger, then we will tie-back and circulate cement to surface. We feel that this will be the most effective remediation method to ensure lasting integrity of the wellbore. Once remediation is complete, we plan to resume with recompletion operations. Please let me know if you approve of this plan or would like any additional information.

Thank you,

**Cameron Skelton**

Operations Engineer | San Juan North

Hilcorp Energy Company

M: 662.822.2727

[Cameron.Skelton@hilcorp.com](mailto:Cameron.Skelton@hilcorp.com)

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Sante Fe Main Office  
Phone: (505) 476-3441

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/ocd/contact-us>

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

ACKNOWLEDGMENTS

Action 469415

ACKNOWLEDGMENTS

Operator:  HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID:  372171
	Action Number:  469415
	Action Type: [C-104] Completion Packet - Test Allowable (C-104RT)

ACKNOWLEDGMENTS

<input checked="" type="checkbox"/>	I hereby certify that the required Water Use Report has been, or will be, submitted for this wells completion.
<input checked="" type="checkbox"/>	I hereby certify that the required FracFocus disclosure has been, or will be, submitted for this wells completion.
<input checked="" type="checkbox"/>	I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

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CONDITIONS

Action 469415

CONDITIONS

Operator:  HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID:  372171
	Action Number:  469415
	Action Type: [C-104] Completion Packet - Test Allowable (C-104RT)

CONDITIONS

Created By	Condition	Condition Date
plmartinez	RT approved for the Basin Fruitland Coal [71629], DHC may not take place until DHC approved. RT Expires 7/13/2025.	6/5/2025