

Well Name: PAYNE COM	Well Location: T30N / R11W / SEC 26 / NWSW / 36.78047 / -107.96545	County or Parish/State: SAN JUAN / NM
Well Number: 1	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF079962	Unit or CA Name: PAYNE	Unit or CA Number: NMNM73184
US Well Number: 3004509149	Operator: HILCORP ENERGY COMPANY	

Subsequent Report

Sundry ID: 2896983

Type of Submission: Subsequent Report

Type of Action: Workover Operations

Date Sundry Submitted: 02/23/2026

Time Sundry Submitted: 10:12

Date Operation Actually Began: 01/29/2026

Actual Procedure: Hilcorp Energy completed a rig operation to lower production tubing. See attached reports.

SR Attachments

Actual Procedure

Payne_Com_1_Lower_Tbg_SR_20260223101223.pdf

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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: FEB 23, 2026 10:12 AM

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: 02/25/2026

Signature: Kenneth Rennick

Form 3160-5
(October 2024)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0220
Expires: October 31, 2027

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.	NMSF079962
6. If Indian, Allottee or Tribe Name	

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator HILCORP ENERGY COMPANY	
3a. Address 1111 TRAVIS STREET, HOUSTON, TX 77002	3b. Phone No. (include area code) (713) 209-2400
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) SEC 26/T30N/R11W/NMP	

7. If Unit of CA/Agreement, Name and/or No. PAYNE/NMNM73184
8. Well Name and No. PAYNE COM/1
9. API Well No. 3004509149
10. Field and Pool or Exploratory Area BASIN/BLANCO MESAVERDE
11. Country or Parish, State SAN JUAN/NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Hilcorp Energy completed a rig operation to lower production tubing. See attached reports.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) CHERYLENE WESTON / Ph: (713) 289-2615	Title Operations/Regulatory Tech - Sr
Signature (Electronic Submission)	Date 02/23/2026

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by KENNETH G RENNICK / Ph: (505) 564-7742 / Accepted	Title Petroleum Engineer	Date 02/25/2026
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office FARMINGTON	

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.

(Instructions on page 2)



Well Operations Summary L48

Well Name: PAYNE COM #1

API: 3004509149	Field: San Juan Area 07	State: NEW MEXICO
Permit to Drill (PTD) #:	Sundry #:	Rig/Service: BHES 37

Jobs

Actual Start Date: 1/29/2026 **End Date:** 2/2/2026

Report Number 1	Report Start Date 1/29/2026	Report End Date 1/29/2026
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Operation

MOVE RIG AND EQUIPMENT TO THE PAYNE COM #1 FROM THE FOGELSON 8#1. RIG MOVE SLOWER DUE TO ROUGH ROADS AND EQUIPMENT STAGING.

SAFETY MEETING WITH CREW. CHECK PRESSURES ON THE WELL. NO BLOW DOWN TODAY. WHILE HAVING OUR SAFETY MEETING, THE ENGINE ON THE RIG QUIT RUNNING. DETERMINED IT WAS A FUEL SYSTEM ISSUE. MECHANIC CALLED OUT.

WORK ON RIG FUEL SYTEM. LEFT WELL FLOWING OVER NIGHT.

TRAVEL HOME.

Report Number 2	Report Start Date 1/30/2026	Report End Date 1/30/2026
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Operation

RIG CREW TRAVEL TO LOCATION.

SAFETY MEETING. CHECK WH PRESSURES. BDW. INSTALL NEW FUEL PUMP ON RIG. START RIG AND EQUIPMENT.

RIG UP RIG.

ND WH. NU BOP. PULL HANGER TO THE RIG FLOOR AND REMOVE IT. PICK UP TAG JOINTS. TIH AND TAG FILL AT 5132'. LAY DOWN TAG JOINTS. NOTE: PBTD AT 5143'. WE HAVE 11' OF FILL. NO CLEAN OUT NEEDED. WE HAVE 87' OF RAT HOLE BELOW THE BOTTOM PERF OF 5045'.

TOOH FROM 4931' **LAYING DOWN ALL TUBING 158 JNTS.** THE TUBING HAD NO SCALE OR CORROSION ISSUES.

LEFT WELL ON SALES. SECURE LOCATION. SHUT DOWN FOR THE DAY.

TRAVEL HOME

Report Number 3	Report Start Date 2/2/2026	Report End Date 2/2/2026
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Operation

RIG CREW TRVL TO LOCATION.

SAFETY MEETING WITH CREW. CHECK PRESSURES ON WELL. BDW 7 MINUTES. SWAP OUT TUBING TRAILERS.

TALLY. PICK UP AND TRIP/DRIFT IN THE HOLE WITH THE 2-3/8" **PRODUCTION STRING WITH THE SEATING NIPPLE AND X/CK ON BOTTOM. TUBING LANDED AT 5044'. SEATING NIPPLE AT 5043' (NEW TBG DEPTH 113' DEEPER THAN PREVIOUS SET DEPTH).** REPLACE 3 LOCK PINS ON WH.

ND BOP. NU WH. PUMP A 2 BBL WATER PAD DN TBG. BRING ON AIR UNIT. PRESSURE TEST TUBING TO 500 PSI. GOOD. PUMP OFF DISC AT 950 PSI. PRESSURE DOWN TO 650 PSI. SHUT DOWN AIR UNIT. SHUT THE WELL IN.

RIG DOWN RIG AND SUPPORT EQUIPMENT. SECURE LOCATION. RIG OPS COMPLETE.

TRAVEL HOME



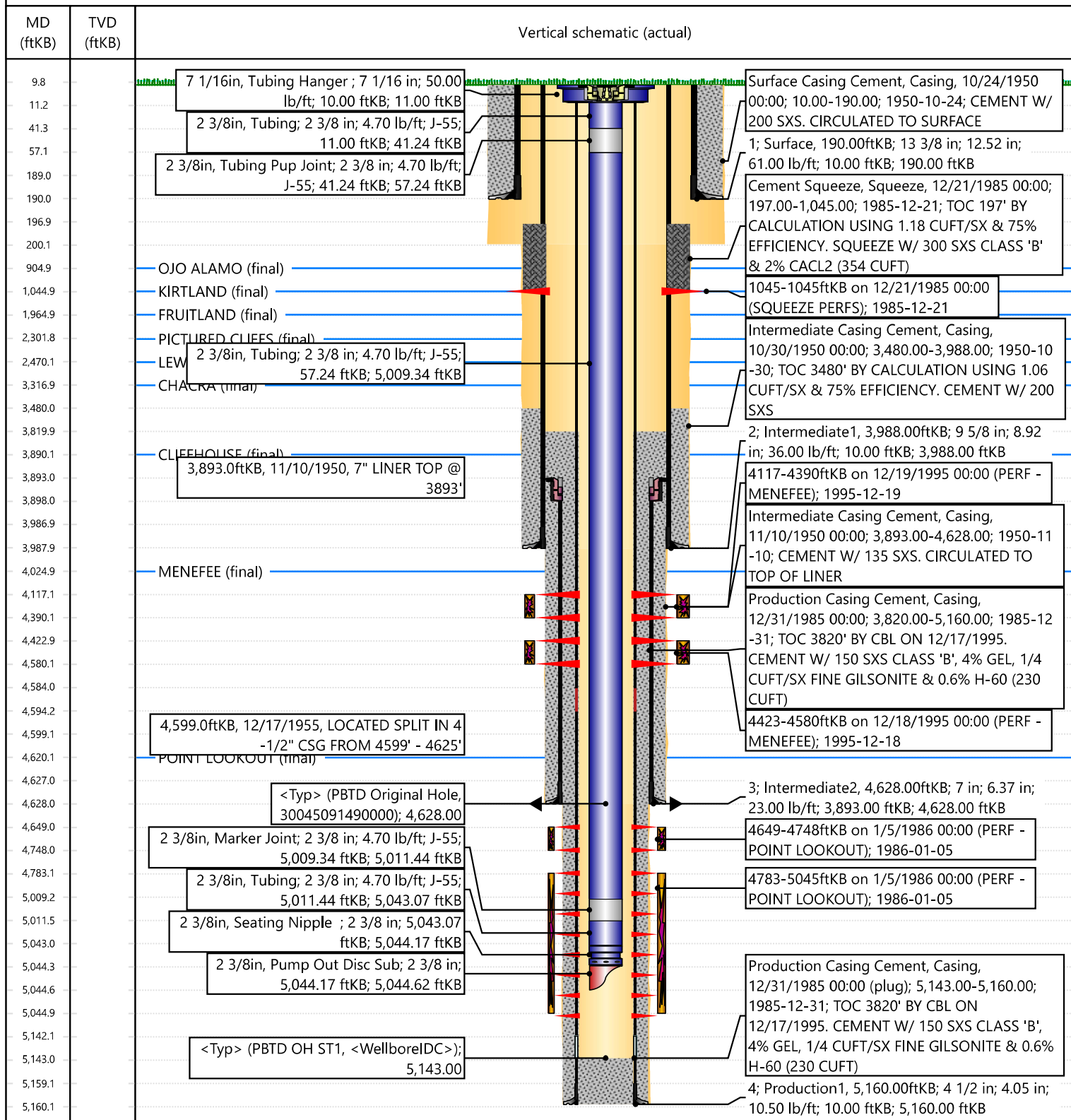
Current Schematic - Version 3

Well Name: **PAYNE COM #1**

API / UWI 3004509149	Surface Legal Location 026-030N-011W-L	Field Name San Juan Area 07	Route 0701	State/Province NEW MEXICO	Well Configuration Type Vertical
Ground Elevation (ft) 5,928.00	Original KB/RT Elevation (ft) 5,938.00	Tubing Hanger Elevation (ft)	RKB to GL (ft) 10.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)

Tubing Strings					
Run Date 2/2/2026 14:00	Set Depth (ftKB) 5,044.62	String Max Nominal OD (in) 2 3/8	String Min Nominal ID (in) 2.00	Weight/Length (lb/ft) 4.70	Original Spud Date 10/25/1950 00:00

OH ST1, <WellboreIDC> [Vertical]



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

CONDITIONS

Action 558100

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 558100
	Action Type: [C-103] Sub. Workover (C-103R)

CONDITIONS

Created By	Condition	Condition Date
andrew.fordyce	None	2/26/2026