RECEIVED:	REVIEWER:	TYPE:	APP NO:
THIS CH	- Geolog 1220 South St. F ADMINIST ECKLIST IS MANDATORY FOR		VATION DIVISION ng Bureau – nta Fe, NM 87505 TION CHECKLIST CATIONS FOR EXCEPTIONS TO DIVISION RULES AND
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A. Location – NS B. Check one [1] Comm [I] Comm [II] Injecti 2) NOTIFICATION I A. Offset c B. Royalty C. Applica D. Notifica	e only for [I] or [II] ingling – Storage – N DHC □CTB □I	Itaneous Dedication PROJECT AREA)	OLS OLM DANCED OIL RECOVERY EOR PPR Notice Complete SLO
F. 📋 Surface G. 🔄 For all c	eowner		publication is attached, and/or,
administrative a understand tha	approval is accurate	and complete to taken on this applica	ubmitted with this application for the best of my knowledge. I also cation until the required information and
Note	e: Statement must be comp	leted by an individual with	ith managerial and/or supervisory capacity.
			Date

Print or Type Name

Cherylene Weston

Signature

e-mail Address

Phone Number

Received by OCD: 1/18/2024 9:17:45 AM

District I 1625 N. French Drive, Hobbs, NM 88240

District II 811 S. First St., Artesia, NM 88210

District III Road, Aztec, NM 87410

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department Form C-107A Revised August 1, 2011

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

APPLICATION TYPE Single Well Establish Pre-Approved Pools EXISTING WELLBORE <u>X</u>Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

382 Road 3100, Aztec, NM 87410

Hilcorp Energy Company

Address

Operator Atlantic C 4A E-31-T31N-R10W San Juan County, NM Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 372171 Property Code 318449 API No. 30-045-22390 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Basin Fruitland Coal		Blanco Mesaverde
Pool Code	71629		72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2188' - 2665'		4195' - 5230'
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	24 psi		120 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1095 BTU		1234 BTU
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates:	Date: Rates:	Date: 11/1/2024 Rates: Oil - 5 bbl Gas - 2,410 mcf Water - 40 bbl
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % %	Oil Gas % %	Oil Gas % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes <u>X</u> Yes	No No
Are all produced fluids from all commingled zones compatible with each other?	Yes_X	No
Will commingling decrease the value of production?	Yes	NoX
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes_X_	No

NMOCD Reference Case No. applicable to this well:

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication. Production curve for each zone for at least one year. (If not available, attach explanation.)

For zones with no production history, estimated production rates and supporting data.

Data to support allocation method or formula.

Notification list of working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools List of all operators within the proposed Pre-Approved Pools Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application. Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

	2024
TYPE OR PRINT NAME Cherylene Weston TELEPHONE NO. (713) 289-267	5

E-MAIL ADDRESS cweston@hilcorp.com Received by OCD: 1/18/2024 9:17:45 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

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

Form C-102 August 1, 2011

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Permit 355203

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code					
30-045-22390	71629	BASIN FRUITLAND COAL (GAS)				
4. Property Code	5. Property Name	6. Well No.				
318449	ATLANTIC C	004A				
7. OGRID No.	8. Operator Name	9. Elevation				
372171 HILCORP ENERGY COMPANY 6013						
10 Surface Logation						

10. Surface Location Range Lot Idn N/S Line E/W Line UL - Lot Section Feet From Township Feet From County SAN JUAN Е 31 31N 10W 1470 Ν 810 W

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			11. Bottom I	Hole Location	If Different Fi	rom Surface			
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
			Ŭ						1
									1
12. Dedicated A	cres		13. Joint or Infill		14. Consolidatio	n Code		15. Order No.	
l 317.	.30								

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 By: Cherylene Weston Title: Cherylene Weston Date: 12/05/2023
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:David KilvenDate of Survey:3/9/1977Certificate Number:1760

Received by OCD: 1/18/2024 9:17:45 AM NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Page 4 of 34 Form C-102 Supersedes C-128 Effective 1-1-65

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to work interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, intractions which have actually been consolidated. (Use reverse side this form if necessary.) No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. CERTIFICATION I hereby certify that the information commend hereis is two and completes to its two and the its plate was plated than the sumilities to its the owner its plate and below. NN-0607	EL PASO MATURAL GAS COMPANY ATLANTIC C (IM-0607) Idea Idea Internation Idea Internation Idea Internation Idea Internation Idea Internation Internatint Internation Internatint Internation Internatin			All distances must be	from the outer boundaries of	the Section.	Enective 1-1-
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The near wellbore shut-in bottom hole pressures of the above reservoirs are much lower than the calculated far-field stabilized reservoir pressured due to the low permeability of the reservoirs. Based on pressure transient analysis performed in the San Juan Basin, it would take 7-25 years for shut-in bottom hole pressures to build up to the calculated far-field reservoir pressure. Our observation is that even for areas of high static reservoir pressures, the low permeability of the reservoir rock results in rapid depletion of the near-fracture region, quickly enough that the wells are unable to produce without the aid of a plunger. Given low permeabilities and low wellbore flowing pressures in the above reservoirs, loss of reserves due to cross-flow is not an issue during producing or shut-in periods. Given low shut-in bottom hole pressures in excess of any commingled pool's fracture parting pressure. The pressures provided in the C-107A are based on shut-in bottom hole pressures of offset standalone wells which match expected near-wellbore shut-in bottom hole pressures of this proposed commingled completion.

Note: BTU Data taken from standalone completions in the zone of interest within a 2 mile radius of the well.

A farther radius is used if there is not enough data for a proper statistical analysis.

Atlantic C 4A Production Allocation

The forecasts for Fruitland Coal production have been generated using type curves of production in the surrounding trend.

These zones are proposed to be commingled because the application of dual completions impedes the ability to produce the shallow zone without artificial lift and the deeper zones with reduced artificial lift efficiency. All horizons will require artificial lift due to low bottomhole pressure (BHP) and permeability.

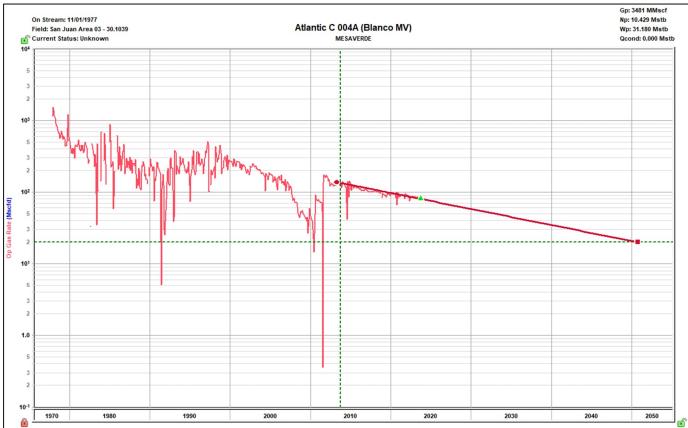
The BHPs of all zones, producing and non-producing, were estimated based upon basin wide Moving-Domain Material Balance models that have proven to approximate the pressure in the given reservoirs well in this portion of the basin, in conjunction with shut-in pressure build-ups. These models were constructed incorporating reservoir dynamics and physics, historic production, and observed pressure data. Historic commingling operations have proven reservoir fluids are compatible.

Production Allocation Method – Subtraction

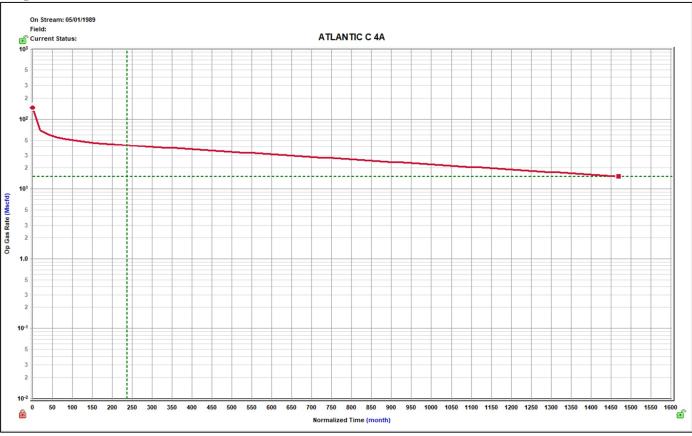
Gas Allocation:

Production for the downhole commingle will be allocated using the subtraction method in agreement with local agencies. The base formation is the Mesaverde and the added formation to be commingled is the Fruitland Coal. The subtraction method applies an average monthly production forecast to the base formations using historic production. All production from this well exceeding the base formation forecasts will be allocated to the new formation.

After 3 years production will stabilize. A production average will be gathered during the 4th year and will be utilized to create a fixed percentage-based allocation.



Current Zone 1 Forecast – Mesaverde



Proposed Zone Forecast – Fruitland Coal

Average initial production curve in geologic region.

Oil Allocation:

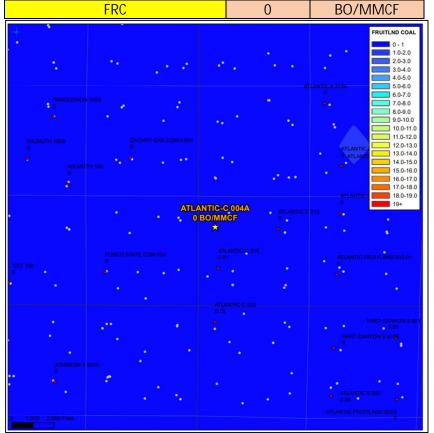
Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years. After 4 years oil will be reevaluated and adjusted as needed based on average formation yields and new fixed gas allocation.

Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Oil Allocation
MV	3.12	3916	100%
FRC	0	1363	0%
			100%

Current Zone 1 – Mesaverde Oil Yield Map

	MV		3.12	BO/MM	CF
+	TUDUED OOL			CAIN 001	MESAVERDE
	TURNER 001 2.75			4.31	0.0-0.3
NYE 001A TURI 3.08	3.62	CRAN	IDELL 002 CRANE	DELL 001A	0.3 - 0.5
3.08		RUPLE POOL UN 001 1.75	IDELL 002 CRANE 3.47		0.5 - 0.8
•	•.	2.05	CRANDELL 002B		0.8-1.0
			4.46		1.0-1.3
		2.4	PIERCE SPC 00		1.3-1.5
RANDLEMAN 00	01		1.35	1B ATLANTIC-A 008A A	1.5-1.8
0.87	BRUINGTON 001A			5.2.5	1.8-2.0
	3.22	BRUINGTON POOLED UN 0	01 PIERCE	001 •	2.0-2.3
		2.06	1.74	ATLANTIC A 008B	2.3-2.5
	•	•	PIERCE 002A •	2.39	2.5-2.8
			5.00	ATLANTIC	2.8-3.0
			ATL	ANTIC A 007B 5.0	3.0-3.3
	ZACHRY POOL UN 001	ZACHARY L S 001A	PIERCE 002	4.9 ATLANITIC & 001	3.3-3.5
	0.32	3.34	0.52	• 3.21	3.5-3.8
	· · · · · · · · · · · · · · · · · · ·		0.52 SRC 002C PIERCE 001/ 3.48	• 3.21 • ATLAN	
		3.1	3.48		4.0-4.3
			• • PI		4.3-4.5
1			5.	La construction de la constructi	4.5-4.8
BEAVERLODGE	COM 0024				4.8-5.0
		ER LODGE STATE 002			5.0-5.3
	05 0 U 00 m	0.32ATLANTIC=C	104A		5.3-5.5
0.77		 3.12 BO/MM 	ATLANTIC		5.5-5.8
BEAVER LOD	GE COM 004	ODGE STATE 002 O.32ATLANTICEC (O.32ATLANTICEC (O.32ATLANTICEC (O.3	1.93	• EPNG COM	
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		PUBCO STATE COM 0	~ ~ ~		6.8-7.0
	PUBCO STATE 001 0.77	1.78 ATLANTIC		EL PASO 003 2.01	7.0-7.3
ALSTON 001		2.19	ATLANTIC 004C ATLANTIC	2.01	7.3-7.5
1.68	PUE	BCO STATE COM 001C	1.37 1.55	•	7.5-7.8
	0.24				7.8-8.0
	•	PUBCO STATE COM 001B	3.47		8.0-8.3
	• 1	1.17	3.47 3.03		8.3-8.5
		SUNRAY 001C	3.03		8.5-8.8
		0.46	• ATI	LANTIC B LS 005A ATLANT 2.27 1	8.8-9.0
BLANCO STATE UN 1 001 2.07	SUNRAY C 001A		ATLANTIC 005		9.0-9.3
2.01	2.38	• •	1.12		9.3-9.5
•			4.1	2.73	9.5-9.8
			4.1 •		9.8-10
BLANCO STATE 001			ATLANTIC C 00	58	
BLANCO STATE 001 1.15		477.444	2.19 2.19		
		1.69	TTC C 006	ATLANTIC 004B 2.41	
•		1.00			
		•		ATLANTIC-B 004A 2.19	1.
				ATLANTIC B LS 004	2
				1.3	
0 1,000 2,000 Feet					

9-Section Area Map of Standalone Oil Yields. Sampled well to this map.



Proposed Zone – Fruitland Coal Oil Yield Map

9-Section Area Map of Standalone Oil Yields. Sampled well to this map.

Supplemental Information:

Shut in pressures were calculated for operated offset standalone wells in each of the zones being commingled in the well in question via the following process:

- 1) Wells were shut in for 24 hours
- 2) Echometer was used to obtain a fluid level
- 3) Shut in BHP was calculated for the proposed commingled completion

List of wells used to calculate BHPs for the Project:

3004530022	PIERCE SRC 1C	MV
3004534850	RANDLEMON 100S	FC

I believe each of the reservoirs to be continuous and in a similar state of depletion at this well and at each of the wells from which the pressures are being derived.

Water Compatibility in the San Juan Basin

- The San Juan basin has productive siliciclastic reservoirs (Pictured Cliffs, Blanco Mesaverde, Basin Dakota, etc.) and a productive coalbed methane reservoir (Basin Fruitland Coal).

- These siliciclastic and coalbed methane reservoirs are commingled extensively throughout the basin in many different

combinations with no observed damage from clay swelling due to differing formation waters.

- The samples below all show fresh water with low TDS.

Well Name	API
ATLANTIC C 4A	3004522390

	fset	MV Offset			
API	3004534706		3004522106		
Property	WILMUTH 100S	Property	TURNER SRC 1A		
CationBarium	0.2	CationBarium	0.88		
CationBoron		CationBoron			
CationCalcium	9.86	CationCalcium	13.1		
CationIron	31.8	CationIron	17.6		
CationMagnesium	0.65	CationMagnesium	1.8		
CationManganese	0.72	CationManganese	0.14		
CationPhosphorus		CationPhosphorus	0.36		
CationPotassium	20	CationPotassium	14		
CationStrontium	2	CationStrontium	1.31		
CationSodium	20	CationSodium	1090		
CationSilica	10.7	CationSilica	5.34		
CationZinc	1	CationZinc	0.5		
CationAluminum		CationAluminum			
CationCopper		CationCopper			
CationLead	2	CationLead	1		
CationLithium		CationLithium			
CationNickel		CationNickel			
CationCobalt		CationCobalt			
CationChromium		CationChromium			
CationSilicon	10	CationSilicon	5		
CationMolybdenum		CationMolybdenum			
AnionChloride		AnionChloride	1650		
AnionCarbonate		AnionCarbonate	10		
AnionBicarbonate	130	AnionBicarbonate	320		
AnionBromide		AnionBromide			
AnionFluoride		AnionFluoride	10		
AnionHydroxyl	10	AnionHydroxyl	10		
AnionNitrate		AnionNitrate	1.10		
AnionPhosphate		AnionPhosphate	1.12		
AnionSulfate		AnionSulfate	2		
phField		phField	6.98		
phCalculated		phCalculated	7.13		
TempField	87.6	TempField	50.7		
TempLab	75	TempLab	100		
OtherFieldAlkalinity		OtherFieldAlkalinity	120		
OtherSpecificGravity		OtherSpecificGravity	2200		
OtherTDS OtherCaCO3		OtherTDS OtherCaCO3	3200 40.2		
OtherConductivity		OtherConductivity	40.2 5710		
DissolvedCO2		DissolvedCO2	84		
DissolvedO2	32	DissolvedCO2 DissolvedO2	04		
DissolvedH2S		DissolvedH2S			
GasPressure GasCO2		GasPressure GasCO2			
GasCO2PP		GasCO2PP	+		
GasH2S	-	GasH2S	+		
GasH2SPP		GasH2SPP	+		
PitzerCaCO3 70		PitzerCaCO3 70			
PitzerBaSO4_70		PitzerBaSO4_70			
PitzerCaSO4_70		PitzerCaSO4_70			
PitzerSrSO4_70		PitzerSrSO4_70			
PitzerFeCO3_70		PitzerFeCO3_70			
PitzerCaCO3_70		PitzerCaCO3 220	+		
PitzerBaSO4_220		PitzerBaSO4_220	+		
11120100304_220		PitzerCaSO4_220			
PitzorCaSOA 220					
PitzerCaSO4_220 PitzerSrSO4_220		PitzerSrSO4_220			

Gas Compatibility in the San Juan Basin

- The San Juan basin has productive siliciclastic reservoirs (Pictured Cliffs, Blanco Mesaverde, Basin Dakota, etc.) and a productive coalbed methane reservoir (Basin Fruitland Coal).

- These siliciclastic and coalbed methane reservoirs are commingled extensively throughout the basin in many different combinations with no observed damage from clay swelling due to differing formation waters or gas composition.

- The samples below all show offset gas analysis varibality by formation is low.

Well Name	API
ATLANTIC C 4A	3004522390

FRC O	ffset	MV Offset			
AssetCode	3004534918	AssetCode	3004510171		
AssetName	WILMUTH 100	AssetName	SUNRAY K COM 1		
N2	0	N2	0		
CO2	0	CO2	0.01		
C1	0.93	C1	0.84		
C2	0.04	C2	0.08		
C3	0.02	C3	0.03		
ISOC4	0	ISOC4	0.01		
NC4	0	NC4	0.01		
ISOC5	0	ISOC5	0		
NC5	0	NC5	0		
C6_PLUS	0	C6_PLUS	0.01		
C7		C7			
С8		C8			
С9		С9			
C10		C10			
AR		AR			
CO		СО			
H2		H2			
02		02			
H20		H20			
H2S		H2S			
HE		HE			
C_O_S		C_O_S			
CH3SH		CH3SH			
C2H5SH		C2H5SH			
CH2S3_2CH3S		CH2S3_2CH3S			
CH2S		CH2S			
C6HV		C6HV			
CO2GPM	0	CO2GPM	0		
N2GPM	0	N2GPM	0		
C1GPM	0	C1GPM	0		
C2GPM	1.04	C2GPM	2.23		
C3GPM	0.42	C3GPM	0.92		
ISOC4GPM	0.1	ISOC4GPM	0.19		
NC4GPM	0.05	NC4GPM	0.29		
ISOC5GPM	0.03	ISOC5GPM	0.13		
NC5GPM		NC5GPM	0.1		
C6_PLUSGPM	0.04	C6_PLUSGPM	0.45		

WAFMSS U.S. Department of the Interior		Sundry Print Report
BUREAU OF LAND MANAGEMENT		State of States
Well Name: ATLANTIC C	Well Location: T31N / R10W / SEC 31 / SWNW / 36.858353 / -107.92984	County or Parish/State: SAN JUAN / NM
Well Number: 4A	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM0607	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004522390	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2765618

Type of Submission: Notice of Intent

Date Sundry Submitted: 12/12/2023

Date proposed operation will begin: 04/01/2024

Type of Action: Recompletion Time Sundry Submitted: 09:19

Procedure Description: Hilcorp Energy Company requests permission to recomplete the subject well in the Fruitland Coal formation and downhole commingle with the existing Mesaverde formation. Please see the attached procedure, current and proposed wellbore diagram, plat and natural gas management plan. A closed loop system will be used. A pre-reclamation site visit was held on 10/19/2023 with Roger Herrera/BLM. The reclamation plan is attached.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Atlantic_C_4A_UPE_Coal_RC_NOI_20231212091741.pdf

$\left(\right)$	Well Name: ATLANTIC C	Well Location: T31N / R10W / SEC 31 / SWNW / 36.858353 / -107.92984	County or Parish/State: SAN JUAN / NM
	Well Number: 4A	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
	Lease Number: NMNM0607	Unit or CA Name:	Unit or CA Number:
	US Well Number: 3004522390	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: CHERYLENE WESTON

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

tative Name:
dress:
ress:
ress:

BLM Point of Contact

BLM POC Name: MATTHEW H KADE BLM POC Phone: 5055647736 Disposition: Approved Signature: Matthew Kade BLM POC Title: Petroleum Engineer BLM POC Email Address: MKADE@BLM.GOV Disposition Date: 12/12/2023

Signed on: DEC 12, 2023 09:17 AM

Atlantic C #4A

API#: 3004522390

Fruitland Coal Recompletion Procedure

01/26/2023

Procedure:

- 1. MIRU PU and associated equipment. Kill well and NDWH.
- 2. NUBOP and unseat tubing, tag for fill and lay down 2 3/8" string
- 3. Set 7" CIBP at +/-2675' to isolate existing PC/MV completion
- 4. RU wellcheck and MIT wellbore to 500 PSI
- 5. Run CBL from CIBP to surface.
- 6. PU 7" frac packer and frac string, RIH and set packer at 2150'
- 7. Pressure test frac string to 5000 PSI
- 8. MIRU frac spread.
- 9. Perforate and frac the Fruitland Coal from 2188' to 2665'.
- 10. MI flow back and flow well to relieve pressure if needed.
- 11. MIRU service rig.
- 12. Test BOP's.
- 13. POOH with frac string and packer.
- 14. When water and sand rates are acceptable, flow test the intervals.
- 15. Make up 7" mill and clean out to top of liner
- 16. Make up 3.75" Mill and clean out to PBTD
- 17. TIH and land 2-3/8" production tubing.
- 18. ND BOP's, NU production tree.
- 19. RDMO service rig & turn well over to production.

Hilcorp Energ		Schen	natic - Current		
PI/UWI 6004522390	Surface Legal Location 031-031N-010W-E	Field Name BLANCO MESAVERDE (PRORAT	License No.	State/Province NEW MEXICO	Well Configuration Type
riginal KB/RT Elevation (ft)	RKB to GL (ft)	Original Spud Date	Rig Release Date	PBTD (All)	Total Depth All (TVD)
025.00 lost Recent Job	12.00	5/29/1977 00:00	2/11/1998 17:00	Original Hole - 5,256.0	
to Category ACILITIES	Primary Job Type	Secondary Job T TUBING RE	ype Actual		d Date
D: 5,274.0	TUBING REPAIR			1998 2/	12/1998
			iginal Hole		
MD (ftKB)		V	ertical schematic (actual))	
12.1 <u>autidoute</u>	fedrick de filled heire of heart die heart die heart af till Million (a. 1		tales in the line of some of a stand		n; 12.00-215.00; 203.00; 1-1
214.9				9 5/8; 9.00 Shoe, 9 5/8in; 215.00 9.00	-216.00; 1.00; 1-2; 9 5/8;
215.9				Casing Joints, 7in; 12	.00-2,994.00; 2,982.00; 2-1;
	TLAND COAL (FRUITLAND C	OAL (final))		6.46	
2,665.0 PICT	JRED CLIFFS (PICTURED CL	IFFS (final))		2 3/8in, Tubing; 12.00 3/8; 2.00	0-5,168.85; 5,156.85; 1-1; 2
2,805.1					
2,994.1				Shoe, 7in; 2,994.00-2,	995.00; 1.00; 2-2; 7; 6.46
2,995.1	A VERDE (MESA VERDE (fina			Casing Joints, 4 1/2ir 2,468.00; 3-1; 4 1/2; 4	
4,464.9					n 9/6/1977 00:00 (PERF 0-4,465.00; 1977-09-06
4,558.1				4,558.0-4,755.0ftKB o	n 9/6/1977 00:00 (PERF
4,754.9				MENEFEE); 4,558.00-4	4,755.00; 1977-09-06
	T LOOKOUT (POINT LOOKO	UT (final))			
4,878.0					n 9/6/1977 00:00 (PERF DUT); 4,878.00-5,017.00;
5,104.0					n 9/6/1977 00:00 (PERF
5,169.0				/ 1977-09-06 2 3/8in, Pump Seatin	g Nipple; 5,168.85-5,169.9
5,169.9			▤▤◾	1.10; 1-2; 2 3/8 2 3/8in, Tubing; 5,169 3/8; 2.00	9.95-5,201.15; 31.20; 1-3; 2
5,201.1					,201.15-5,202.00; 0.85; 1-4;
5,202.1					
5,255.9					
5,273.0					0-5,274.00; 1.00; 3-2; 4 1/2
5,274.0				4.05	

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3004522390 031-031N-010W-E BLANDS HEEALERDE (MOAT HEE	Hilcorp Ez	iergy Company	Propos	ed Sche	matic		
Display Display <t< th=""><th></th><th></th><th></th><th></th><th></th><th>Ph (Ch-D -</th><th></th></t<>						Ph (Ch-D -	
Constant Display Transport Di	3004522390	031-031N-010W-E			-	NEW MILPHON	
Bit Campy Parage with the TUBNIC REPAIR Parage with the Solid Science Parage with the Scienc	0rigina (S-RT Elevator) 6.026.00			Rig Ressecte 2/11/1998-17:	00		Total Depth All (TVD)
Cacultities Tueling REPAIR Tueling REPAIR Tueling Network Dity 1200 Dit 5,2241.0 Original Hole 12.1	Most Recent Job	December on Posts	damater in these		Annual Second Pro-	a line to	
Diginal noise Chighian noise 12.1 Cating Joints, 9 Siler, 1220-21500: 203.00; 1-1; 9 Sile; 900 12.1 Sile; 900 214.9 Sile; 900 215.9 Sole; 900 1600,1 FRUITLAND COAL, (#RUITLAND COAL, (#nat]) 218.0 FRUITLAND COAL, (#RUITLAND COAL, (#nat]) 2.865.0 PICTURED CLIPPS (#Inat]) 2.865.1 Sole; 200 2.865.0 Sole; 100; 2-2; 7; 6.46 Cating Joints, 41/2in; 2050; 500; 507; 000; 0PER 4.453.0 Sole; 100; 2-2; 7; 6.46 Cating Joints, 41/2in; 2050; 100; 2-2; 7; 6.46 Cating Joints, 41/2in; 2050; 100; 2-2; 7; 6.46 Sole; 200 Sole; 200; 100; 2-2; 7; 6.46 4558.0 Sole; 200;	FACILITIES			NR.			/1998
12.1 Cating Joints, 9 Silin; 1200-21500: 203.00; 1-1; 9 Silin; 1200-21500: 203.00; 1-2; 9 Sili; 2149 Silin; 1200-21500: 203.00; 1-2; 9 Sili; 2159 Silin; 1200-215400; 100; 1-2; 9 Sili; 2180 FRUITLAND COAL (#RUITLAND COAL (#nat]) 2181 Silin; 1200-215400; 203.00; 1-2; 9 Sili; 2180 FRUITLAND COAL (#RUITLAND COAL (#nat]) 2181 Silin; 200 20051 Silin; 200 20051 Silin; 200 2184 Silin; 200 20051 Silin; 200 20051 Silin; 200 20051 Silin; 200 21849 Silin; 200 21850 Silin; 200	TD: 5,274.0		Origi	nal Hole			
214.9 Caling Joints, 17r, 12:00-215:00, 2013;00, 10; 1-2; 9.5R; 215.9 She 9.30 1600.1 She 9.30 1600.1 She 9.30 2169 She 9.30 2160 She 9.30 1600.1 She 9.30 2180 FRUITLAND COAL (FRUITLAND COAL (Inat)) 2665.0 PICTURED CUFFS (Inat)) 2865.1 She 9.30 295.1 She 7.17t, 2.94400-2.995.00; 1.00; 2-2; 7; 6.46 4194.9 MESA VERDE (MESA VERDE (Inat)) 4454.9 CurFHOUSE; 4.195.00-4.495.00; 1977.0000 PEFF 4754.9 She 7.17t, 2.94400-2.995.00; 1.00; 2-2; 7; 6.46 4558.1 She 7.17t, 2.94400-2.995.00; 1.00; 2-2; 7; 6.46 4558.1 She 7.17t, 2.94400-2.995.00; 1.00; 2-2; 7; 6.46 4558.1 She 7.17t, 2.94400-2.995.00; 1.00; 2-2; 7; 6.46 5169.0 She 7.17t, 10; 2.910, 3.2; 1.00; 3.2; 1.00; 3.2; 1.00; 3.2; 1	MD (ftKB)		Vert	ical schematic ()	actual)		
214.9 9 5/8 9:00 215.9 5 5/8 9:00 215.9 500 \$5.00 \$5.00 \$1.00 \$1.2; 9 5/8; 9:00 2160.1 Cating Joints, Tir; 12:00-2;94:00; 2:98:200 2:1; 646 2188.0 FRUITLAND COAL (Frail) 2 3/8; 7:00 \$5.00 \$1.00; 7:2; 9 5/8; 9:00 2189.1 Cating Joints, Tir; 12:00-2;94:00; 2:95:00; 1:0; 2:2; 7; 646 2985.1 Shoe, 7:n; 2:94:00-2;95:00; 1:0; 2:2; 7; 646 2985.1 Shoe, 7:n; 2:94:00-2;95:00; 1:0; 2:2; 7; 646 2985.1 Cating Joints, 4: 1/2; 2:05:00-5;273:00; 2:4; 7; 646 2985.1 Shoe, 7:n; 2:94:00-2;95:00; 1:0; 2:2; 7; 646 2985.1 Cating Joints, 4: 1/2; 2:05:00:05;273:00; 2:4; 7; 646 2985.1 Shoe, 7:n; 2:94:00-2;95:00; 1:0; 2:2; 7; 646 2985.1 Shoe, 7:n; 2:94:00:0; 9:0; 1:0; 2:2; 7; 646 44649 Cating Joints, 1:0; 2:4; 1:95:0:4; 4:15:0:0; 4:15; 2:0:0; 9:0; 9:0; 9:0; 9:0; 9:0; 9:0; 9:0;	12.1		and a state of the		for an internal	a hadan a biyana da si a cha	
215.9 000 1600.1 Casing Joints, Tirr 12:00-2:994:00; 2:982:00; 2:1; 6:46 2188.0 FRUITLAND COAL (FRUITLAND COAL (final)) 2:3/8/in, Tubing; 1:200-5;168.85; 5;156.85; 1-1; 2: 3/8; 2:00 2895.1 2:3/8/in, Tubing; 1:200-5;168.85; 5;156.85; 1-1; 2: 3/8; 2:00 2:3/8/in, Tubing; 1:200-5;168.85; 5;156.85; 1-1; 2: 3/8; 2:00 2994.1 Shoe, 7in; 2:994:00-2:995:00; 1:00; 2-2; 7; 6:46 4454.9 Cultimeter (final)) 4454.9 Cultimeter (final)) 4454.9 Cultimeter (final)) 4455.0 POINT LOOKOUT (final)) 4558.1 4,558.0-4,755.00; 1977.09:00 4575.0 POINT LOOKOUT (final)) 4575.0 Silo4.0-5,231.00; 1:977.09:00 5169.0 Silo4.0-5,231.00; 1:977.09:00 5169.9 Silo4.0-5,231.00; 1:00; 1:2; 1:40:35.5,169:39 5169.9 Silo4.0-5,231.00; 1:00; 1:2; 1:3; 1:2; 1:3; 2:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3; 3:2; 1:3;	214.9						2.00-215.00; 203.00; 1-1;
10001 6.46 2.188.0 FRUITLAND COAL (FRUITLAND COAL (final)) 6.46 2.665.0 PICTURED CUFFS (FILTURED CUFFS (final)) 3.0; 2.00 2.994.1 Shoe, 7hr; 2.994.00, 2.995.00; 1.00; 2.2; 7; 6.46 2.995.1 Shoe, 7hr; 2.994.00, 2.995.00; 1.00; 2.2; 7; 6.46 4.194.9 MESA VERDE (MESA VERDE (final)) 4.195.0-4.465.018 on 9/6/1977 0000 (PEF 4.464.9 4.195.0-4.465.017.011, 2.000, 0.295.00; 1.00; 0.2; 2.2; 7; 6.46 4.558.1 4.195.0-4.465.017.010, 0.9; 1.977.09-06 4.575.0 FOINT LOOKOUT (POINT LOOKOUT (final)) 4.575.0 FOINT LOOKOUT (POINT LOOKOUT (final)) 5.104.0 5.104.0-5.231.00H3 on 9/6/1977 0000 (PEFF 5.104.0 FOINT LOOKOUT (POINT LOOKOUT (final)) 5.169.0 5.104.0-5.231.00H3 on 9/6/1977 0000 (PEFF 5.104.0 FOINT LOOKOUT (POINT LOOKOUT (final)) 5.169.0 5.104.0-5.231.00H3 on 9/6/1977 0000 (PEFF 5.104.0 FOINT LOOKOUT (POINT LOOKOUT (final)) 5.169.0 5.104.0-5.231.00H3 on 9/6/1977 0000 (PEFF 5.201.1 5.201.15, 5.202.00; 0.35; 1.4; 3.20; 1.3; 3.20; 1.3; 3.20; 1.3; 3.20; 1.3; 3.20; 1.3; 3.20; 1.3; 3.20; 1.3; 3.20; 1.3; 3.20; 1.3; 3.20; 1.3; 3.20; 1.3; 3.20; 1.3; 3.20; 1.3; 3.20	215.9						6.00; 1.00; 1-2; 9 5/8;
2,188.0 FRUITLAND COAL (JRUITLAND COAL (Intel)) 2,665.0 PICTURED CLIFFS (PICTURED CLIFFS (Intel)) 2,805.1 3/8, 200 2,805.1 3/8, 200 2,994.1 Shoe, 7ir; 2,994.00-2,995.00; 1.00; 2-2; 7; 6.46 2,995.1 Casing Joints, 4 1/2 in; 2,805.00-5,273.00; 2,4195.0,4456.00; 1977 0000 (PEFF 4,194.9 MESA VERDE (MESA VERDE (Intel)) 4,464.9 CliffHOUSE; 4,195.0,4455.00; 1977 0000 (PEFF 4,754.9 4,558.0-4,755.0ftKB on 9/6/1977 0000 (PEFF 4,754.9 4,575.0 5,101.0 LOOKOUT (POINT LOOKOUT (Intel)) 4,678.0 S,104.0-5,231.0ftKB on 9/6/1977 0000 (PEFF 5,104.0 LOOKOUT (POINT LOOKOUT (Intel)) 5,169.0 2,3160, Tubing: 1,169.95-5,201.15; 5,1200.15; 5,1200.15; 5,1200.15; 5,1200.15; 5,1200.15; 5,1200.15; 5,1200.15; 5,1200.15; 5,1200.15; 5,1200.15; 1,120, 1,2; 2,3/8 5,169.0 2,3160, Tubing: 1,169.95-5,201.15; 5,202.00; 0.05; 1,-4; 2,3/8 5,202.1 2,3160, Tubing: 1,169.95-5,201.15; 5,202.00; 0.05; 1,-4; 3/8 5,202.1 3,8 5,202.1 3,8 5,202.1 3,8 5,202.1 3,8 5,202.1 3,8 5,202.1 3,8 <tr< td=""><td>1,600.1</td><td></td><td></td><td></td><td>19/</td><td></td><td>-2,994.00; 2,982.00; 2-1; 7;</td></tr<>	1,600.1				19/		-2,994.00; 2,982.00; 2-1; 7;
2665.0 PICTURED CLIFFS (PICTURED CLIFFS (final)) 3/8;2.00 2805.1 Shoe, 7im;2.994.00-2.995.00;1.00;2.2;7;6.46 2995.1 Casing Joints, 41/2/bit 2,005.00;5.273.00; 2.465.00;3.1: 41/2;4.05 4194.9 MESA VERDE (MESA VERDE (final)) 4.195.0-4.465.00;1977:00:00 (PEFF CLIFFHOUSE; 4.195.00-4.465.00; 1977:09:06 4555.1 4.195.0-4.465.00;1977:00:00 (PEFF CLIFFHOUSE; 4.195.00-4.465.00; 1977:09:06 4.575.00 4575.0 POINT LOOKOUT (POINT LOOKOUT (final)) 4.878.0-4.755.00;1977:09:06 4575.0 FOINT LOOKOUT (POINT LOOKOUT (final)) 4.878.0-4.755.00;1977:09:06 5,017.1 FOINT LOOKOUT (POINT LOOKOUT (final)) 4.878.0-5.201.0FR on 9/6/1977 00:00 (PEFF LOWER POINT LOOKOUT; 5,164.80-5,201.00; 1977:09:06 5,114.0 5,114.0 5,110.40-5,231.0FR on 9/6/1977 00:00 (PEFF LOWER POINT LOOKOUT; 5,164.80-5,201.00; 10:0; 5,169.95-5,201.15; 31.20; 1-3; 2 3/6; 2.00 2,3/8 m, Pump Seating Nipple; 5,168.85-5,169.95 5,169.9 2,3/8 m, Pump Seating Nipple; 5,168.85-5,201.15; 31.20; 1-3; 2 3/6; 2.00 2,3/8 m, Pump Seating Nipple; 5,168.85-5,200.0; 0.85; 1-4; 3/8 5,202.1 Shoe, 4 1/2/m; 5,273.00-5,274.00; 1.00; 3-2; 4 1/2; 4.05 5,773.00-5,274.00; 1.00; 3-2; 4 1/2; 4.05	2,188.0	UITLAND COAL (FRUITLAND COAL	L (final))				
2.9941 Shoe, 7irt 2.994.00-2.995.00; 1.00; 2-2; 7; 6.46 2.9951 Casing Joints, 4 1/2irt 2.805.00-5,273.00; 2.466.00; 3.17 4 1/2; 4.05 4.194.9 MESA VERDE (MESA VERDE (Inall)) 4.175.00; 2.2 7; 6.46 4.464.9 CulfPHOUSE; 4 195.00-4,465.00; 1977.00:00; PERF 4.754.9 MENETEE; 4.558.00-4,755.00; 1977.00:00; PERF 4.754.9 MENETEE; 4.558.00-4,755.00; 1977.00:00; PERF 4.754.9 MENETEE; 4.558.00-4,755.00; 1977.00:00; PERF 4.875.0 POINT LOOKOUT (POINT LOOKOUT (Inall)) 4.876.0 Sinde, 7.00; 00; PERF 5.104.0 Sinde, 7.00; 00; PERF<	2,665.0 P	CTURED CUFFS (PICTURED CUFFS	(final))	-		a stand . sauld' . sault a	,168.85; 5,156.85; 1-1; 2
2.995.1 Shoe, Tiry 2.994.00-2.995.00; 1.00; 2.2; 7; 6.46 4.194.9 MESA VERDE (MESA VERDE (final)) 4.194.9 4.464.9 4.1285.0.4455.00180: on 9/6/1977 0000 (PERF CLIFFHOUSE); 4.195.00-4.465.00; 1977-09-06 4.558.1 4.558.0.4,755.00180 on 9/6/1977 0000 (PERF CLIFFHOUSE); 4.195.00-4.465.00; 1977-09-06 4.575.0 POINT LOOKOUT (POINT LOOKOUT (final)) 4.575.0 4.575.0017.00180 on 9/6/1977 0000 (PERF CLIFFHOUSE); 4.195.00-4.755.001; 1977-09-06 4.575.0 FOINT LOOKOUT (POINT LOOKOUT (final)) 4.575.0 5.104.0-5.231.0180 on 9/6/1977 0000 (PERF UPERF POINT LOOKOUT; 4.878.00-5.017.0013 5.104.0 5.104.0-5.231.0180 on 9/6/1977 0000 (PERF UPERF POINT LOOKOUT; 4.878.00-5.017.001; 9.104.00-5.231.00; 1977-09-06 5.104.0 5.104.0-5.231.0180 on 9/6/1977 0000 (PERF UPERF POINT LOOKOUT; 5.104.00-5.231.00; 1977-09-06 5.104.0 5.104.0-5.231.0180 on 9/6/1977 0000 (PERF UPERF POINT LOOKOUT; 5.104.00-5.231.00; 1977-09-06 5.104.0 5.104.0-5.231.0180 on 9/6/1977 0000 (PERF UPERF POINT LOOKOUT; 5.104.00-5.231.02; 100; 1-2; 2.3/8 5.104.0 5.104.0-5.231.0180 on 9/6/1977 0000 (PERF UPERF POINT LOOKOUT; 5.104.00-5.231.02; 100; 1-2; 2.3/8 5.104.0 5.104.0-5.231.0183; 31.20; 1-3; 2.3/8 5.104.0 5.104.0-5.231.018; 31.20; 1-3; 2.3/8	2,805.1			81 B			
2995.1 Cssing Joints, 4 1/2in; 2.805.00-5,273.00; 2.468.02; 3.1; 4 1/2: 4.05 4,194.9 MESA VERDE (Intel) 4,194.9 4,464.9 4,195.04,465.00; 1977.00:00 (PERF 4,558.1 4,558.0-4,755.00; 1977.00:00 (PERF 4,754.9 4,578.0-4,755.00; 1977.00:00 (PERF 4,878.0 4,878.0-4,755.00; 1977.00:00 (PERF 4,878.0 4,878.0-4,755.00; 1977.00:00 (PERF 5,104.0 4,878.0-5,017.0ft8 on 9)/6/1977 00:00 (PERF 5,104.0 5,104.0,5017.0ft8 on 9)/6/1977 00:00 (PERF 5,104.0 2,3/0/1,500.05,271.00; 1,52.300.0;	2,994.1					Shoe 7in 200400.200	500-100-2.2-7-646
4.194.9 -MESA VERDE (MESA VERDE (Intal)) 2.448.00 3.1; 4 1/2.405 4.464.9	2,995.1		0				
4353 4558.1 4,558.1 4,558.0.4,755.0ftxB on 9/6/1977 0000 (PERF 4,754.9 MENEFEE; 4,555.00.4,755.00; 1977-09-06 4,875.0 POINT LOOKOUT (POINT LOOKOUT (final)) 4,878.0 4,878.0.5,017.0ftxB on 9/6/1977 0000 (PERF 5,017.1 5,104.0.5,231.0ftxB on 9/6/1977 0000 (PERF 5,017.1 5,104.0.5,231.0ftxB on 9/6/1977 0000 (PERF 5,104.0 5,104.0.5,231.0ftxB on 9/6/1977 0000 (PERF 5,108.9 2,3/8in, Tubing; 5,169.95.5,201.15; 31.20; 1.3; 2,20.0 2,3/8in, Tubing; 5,169.95.5,201.15; 31.20; 1.3; 2,20.0; 0.85; 1.4; 3/8 5,202.1 3/8 5,223.0 5,273.00.5,274.00; 1.00; 3-2; 4 1/2; 4/05 5,273.0 5,273.00.5,274.00; 1.00; 3-2; 4 1/2; 4/05	4,194.9 M	ESA VERDE (MESA VERDE (final))-	W	- t		2,468.00; 3-1; 4 1/2; 4.05	
4,754.9 4,754.9 4,875.0 POINT LOOKOUT (POINT LOOKOUT (final)) 4,878.0 5,017.1 5,104.0 5,202.0 5,201.15.5,202.00 0,05; 1-4; 3/8 5,273.0 5,274.00; 1.00; 3-2; 4 1/2; 4,05	4,464.9				8	CLIFFHOUSE: 4,195.00-4	4,465.00; 1977-09-06
4,5439 4,5750 POINT LOOKOUT (POINT LOOKOUT (finall)) 4,878.0-5,017.0ftXB on 9/6/1977 0000 (PERF UPPER POINT LOOKOUT; 4,878.00-5,017.00; 1977-09-06 5,104.0-5,231.0ftXB on 9/6/1977 0000 (PERF LOWER POINT LOOKOUT; 5,104.00-5,231.00; 5,169.9 5,169.9 5,169.9 5,169.9 5,202.1 5,202.1 5,202.1 5,202.1 5,202.1 5,203.0 5,273.00 5,273.00 5,273.00 5,273.00 5,274.00; 1.00; 3-2; 4 1/2; 4,05	4,558.1		1				
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Received by OCD: 1/18/2024 9:17:45 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

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

Form C-102 August 1, 2011

Page 17 of 34

Permit 355203

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3. Pool Name			
30-045-22390	71629	BASIN FRUITLAND COAL (GAS)			
4. Property Code	5. Property Name	6. Well No.			
318449	ATLANTIC C	004A			
7. OGRID No.	8. Operator Name	9. Elevation			
372171	HILCORP ENERGY COMPANY	6013			
10 Surface Logation					

10. Surface Location Range Lot Idn N/S Line E/W Line UL - Lot Section Feet From Township Feet From County SAN JUAN Е 31 31N 10W 1470 Ν 810 W

	11. Bottom Hole Location If Different From Surface								
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated A 317			13. Joint or Infill		14. Consolidatio	n 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 By: Cherylene Weston Title: Cherylene Weston Date: 12/05/2023
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: David Kilven Date of Survey: 3/9/1977 Certificate Number: 1760

State of New Mexico Energy, Minerals and Natural Resources Department

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

Submit Electronically Via E-permitting

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.

<u>Section 1 – Plan Description</u> <u>Effective May 25, 2021</u>

OGRID: 372171 **Date:** __12_/_04_/_2023___

I. Operator: Hilcorp Energy Company

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
Atlantic C 4A	3004522390	E-31-31N-10W	1470' FNL & 810' FWL	0 bbl/d	76 mcf/d	2 bbl/d

IV. Central Delivery Point Name: _____Chaco-Blanco 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.

					Date
4522390					2024
)4	1522390	1522390	1522390	1522390	1522390

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

VII. Operational Practices: \boxtimes 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).

□ 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:

 \boxtimes 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: Cherylene Weston
Printed Name: Cherylene Weston
Title: Operations/Regulatory Tech-Sr.
E-mail Address: cweston@hilcorp.com
Date: 12/04/2023
Phone: 713-289-2615
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

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.

Hilcorp Energy Interim Reclamation Plan **ATLANTIC C #4A** API: 30-045-22390 E – Sec.31-T031N-R010W Lat: 36.85835, Long: -107.92984 Footage: 1470' FNL & 810' FWL San Juan County, NM

1. PRE- INTERIM RECLAMATION SITE INSPECTION

- 1.1) A pre-interim reclamation site inspection was completed by Roger Herrera with the BLM and Chad Perkins construction Foreman for Hilcorp Energy on October 19, 2023.
- 1.2) Location surface will be brush hogged or mulched and bladed as required within original disturbance to acquire additional working surface for well recompletion activities.

2. LOCATION INTERIM RECLAMATION PROCEDURE

- 2.1) Interim reclamation work will only be completed after well recompletion.
- 2.2) The interim reclamation work will be completed during spring or fall months.
- 2.3) Location tear drop will be re-defined as applicable for the interim reclamation.
- 2.4) All diversion ditches and silt traps will be cleaned and re-established as applicable for the interim reclamation.
- 2.5) All disturbed areas will be seeded, any disturbed areas that are compacted will be ripped before seeding.
- 2.6) All trash and debris will be removed within 50' buffer outside of the location disturbance during reclamation.

3. ACCESS ROAD RECLAMATION PROCEDURE:

- 3.1) No lease access road issues were identified at the time of onsite.
- 3.2) Lease access road will be maintained as applicable before, during, and after, recompletion activities.

4. SEEDING PROCDURE

- 4.1) A Pinion/Juniper seed mix will be used for all reclaimed and disturbed areas of the location.
- 4.2) Drill seeding will be done where applicable and all other disturbed areas will be broadcast seeded and harrowed, broadcast seeding will be applied at a double the rate of seed.
- 4.3) Timing of the seeding will take place when the ground is not frozen or saturated.

5. WEED MANAGEMENT

5.1) No action is required at this time for weed management, no noxious weeds were identified during the onsite.



January 18, 2024

New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

Re: C-107A (Downhole Commingle) Atlantic C 4A API No. 30-045-22390 E-31, T31N-R10W San Juan County, NM

Gentlemen:

Concerning Hilcorp Energy Company's C-107A application to downhole commingle production in the subject well, this letter serves to confirm the following:

All working, royalty and overriding royalty interests are identical between the Blanco Mesaverde (Pool Code: 72319) and Basin Fruitland Coal (Pool Code: 71629) in the spacing units dedicated to these formations. Therefore, no notice to interest owners is required.

The spacing units attributable to these formations are comprised of Federal Leases. Therefore, pursuant to Subsection C.(1) of 19.15.12.11 NMAC, written notice has been sent to the Bureau of Land Management as of the date of this letter.

If you have any questions or concerns, please contact the undersigned using the information provided below.

Sincerely,

By: HILCORP ENERGY COMPANY, Its General Partner

Carson Parker Rice Landman – San Juan Basin Hilcorp Energy Company 1111 Travis Street Houston, Texas 77002 713-757-7108 Direct Email: carice@hilcorp.com

From:	McClure, Dean, EMNRD on behalf of Engineer, OCD, EMNRD
То:	Cheryl Weston; Mandi Walker
Cc:	<u>McClure, Dean, EMNRD; Roberts, Kelly, EMNRD; Rikala, Ward, EMNRD; Wrinkle, Justin, EMNRD; Powell,</u> Brandon, EMNRD; Paradis, Kyle O; <u>dmankiew@blm.gov</u>
Subject:	Approved Administrative Order DHC-5361
Date:	Friday, April 19, 2024 1:59:02 PM
Attachments:	DHC5361 Order.pdf

NMOCD has issued Administrative Order DHC-5361 which authorizes Hilcorp Energy Company (372171) to downhole commingle production within the following well:

Well Name:	Atlantic C #4A
Well API:	30-045-22390

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure Petroleum Engineer, Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department (505) 469-8211

Received by OCD: 1/18/2024 9:17:45 AM

District I 1625 N. French Drive, Hobbs, NM 88240

District II 811 S. First St., Artesia, NM 88210

District III 1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department Form C-107A Revised August 1, 2011

Page 27 of 34

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

APPLICATION TYPE Single Well Establish Pre-Approved Pools EXISTING WELLBORE <u>X</u>Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

382 Road 3100, Aztec, NM 87410

Hilcorp Energy Company Operator

Address

Atlantic C 4A E-31-T31N-R10W San Juan County, NM Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 372171 Property Code 318449 API No. 30-045-22390 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Basin Fruitland Coal		Blanco Mesaverde
Pool Code	71629		72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2263' - 2665'		4195' - 5231'
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	24 psi		120 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1095 BTU		1234 BTU
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates:	Date: Rates:	Date: 11/1/2024 Rates: Oil - 5 bbl Gas - 2,410 mcf Water - 40 bbl
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % %	Oil Gas % %	Oil Gas % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes Yes	Χ	No No
Are all produced fluids from all commingled zones compatible with each other?	Yes	Χ	No
Will commingling decrease the value of production?	Yes		No <u>X</u>
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes	<u>x</u>	No

NMOCD Reference Case No. applicable to this well:

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.

Production curve for each zone for at least one year. (If not available, attach explanation.)

For zones with no production history, estimated production rates and supporting data.

Data to support allocation method or formula.

Notification list of working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools List of all operators within the proposed Pre-Approved Pools Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application. Bottomhole pressure data.

I hanaber agetify	+ that the information	above is true and ac	malata ta tha haat of m	ny knowledge and belief.
I nereby cerury	v that the miormation	above is true and col	indicite to the dest of h	iv knowledge and benef.

SIGNATURE Cherylene Weston	TITLE Operations/Regulatory Tech-Sr. DATE 1/17/2024
TYPE OR PRINT NAME Cherylene Weston	TELEPHONE NO. (713) 289-2615

E-MAIL ADDRESS cweston@hilcorp.com

Released to Imaging: 4/19/2024 2:14:35 PM

From:	Cheryl Weston
То:	McClure, Dean, EMNRD; Mandi Walker
Cc:	Roberts, Kelly, EMNRD
Subject:	RE: [EXTERNAL] Action ID: 304900; DHC-5361
Date:	Thursday, March 28, 2024 3:08:12 PM
Attachments:	Atlantic C 4A DHC C-107A.pdf

Dean,

Here is the corrected form C-107A. The FRC top perf was corrected to 2263' per the revised NOI, and the MV bottom perf was off by 1' and corrected to 5231'.

The gas sample report had blanks where there was no presence of H2S.

Thanks, Cheryl

From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Thursday, March 28, 2024 9:59 AM
To: Cheryl Weston <cweston@hilcorp.com>; Mandi Walker <mwalker@hilcorp.com>
Cc: Roberts, Kelly, EMNRD <Kelly.Roberts@emnrd.nm.gov>
Subject: [EXTERNAL] Action ID: 304900; DHC-5361

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

To whom it may concern (c/o Cheryl Weston for Hilcorp Energy Company),

Action ID	304900
Admin No.	DHC-5361
Applicant	Hilcorp Energy Company (372171)
Title	ATLANTIC C #004A
Sub. Date	1/18/2024

The Division is reviewing the following application:

Please provide the following additional supplemental documents:

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Please provide additional information regarding the following:

- There is a discrepancy between the form C-107A, form C-103E, and the well file for the perforation intervals. Presumably, the Form C-107A is incorrect as the rest of the documents seem to be in agreement. If so, please provide an amended form C-107A with the perforation depths corrected for BOTH pools.
- The gas samples for both the FLC and MV have the H2S quantity left blank. Please provide the quantity of H2S that was present within these samples.

Additional notes:

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All additional supplemental documents and information may be provided via email and should be done by replying to this email. The produced email chain will be uploaded to the file for this application.

Please note that failure to take steps to address each of the requests made in this email within 10 business days of receipt of this email may result in the Division rejecting the application requiring the submittal of a new application by the applicant once it is prepared to address each of the topics raised.

Dean McClure Petroleum Engineer, Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department (505) 469-8211

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STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION FOR DOWNHOLE COMMINGLINGSUBMITTED BY HILCORP ENERGY COMPANYORDER NO. DHC-5361

<u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

FINDINGS OF FACT

- 1. Hilcorp Energy Company ("Applicant") submitted a complete application ("Application") to downhole commingle the pools described in Exhibit A ("the Pools") within the well bore of the well identified in Exhibit A ("the Well").
- 2. Applicant proposed a method to allocate the oil and gas production from the Well to each of the Pools that is satisfactory to the OCD and protective of correlative rights.
- 3. Applicant has certified that the proposed commingling of the Pools shall not result in shutin or flowing well bore pressure in excess of the commingled pool's fracture parting pressure.
- 4. Applicant has certified that all produced fluids from all the Pools are compatible with each other.
- 5. Applicant has certified that downhole commingling the Pools will not decrease the value of the oil and gas production.
- 6. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that ownership in the Pools is identical as defined by 19.15.12.7(B) NMAC.
- 7. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.

CONCLUSIONS OF LAW

- 8. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-6, 70-2-11, 70-2-12, 70-2-16, 70-2-17, and 19.15.12 NMAC.
- 9. The downhole commingling of the Pools is common, or Applicant has provided evidence that the fluids are compatible and will not damage the Pools in accordance with 19.15.12.11(A)(1) NMAC.
- 10. The bottom perforation of the lower zone is within one hundred fifty percent (150%) of the depth of the top perforation in the upper zone or Applicant has provided evidence that the proposed commingling of the Pools shall not result in shut-in or flowing well bore pressure

Order No. DHC-5361

in excess of the commingled pool's fracture parting pressure in accordance with 19.15.12.11(A)(3) NMAC.

- 11. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.11(A)(8) NMAC.
- 12. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

<u>ORDER</u>

- 1. Applicant is authorized to downhole commingle the Pools described in Exhibit A within the well bore of the well identified in Exhibit A.
- 2. Applicant shall allocate a fixed percentage of the oil production from the Well to each of the Pools until a different plan to allocate oil production is approved by OCD. Of the oil production from the Well:
 - a. zero percent (0%) shall be allocated to the BASIN FRUITLAND COAL (GAS) pool (pool ID: 71629); and
 - b. one hundred percent (100%) shall be allocated to the BLANCO-MESAVERDE (PRORATED GAS) pool (pool ID: 72319).

Applicant shall allocate gas production to the new pool(s) equal to the total gas production from the Well minus the projected gas production from the current pool(s) until a different plan to allocate gas production is approved by OCD. The new pool(s) are:

a. the BASIN FRUITLAND COAL (GAS) pool (pool ID: 71629).

The current pool(s) are:

a. the BLANCO-MESAVERDE (PRORATED GAS) pool (pool ID: 72319).

Applicant shall calculate the oil and gas production average during the fourth year after the commencement of commingling, which shall be used to establish a fixed percentage of the total oil and gas production that shall be allocated to each of the Pools ("fixed percentage allocation plan"). No later than ninety (90) days after the fourth year, Applicant shall submit a Form C-103 to the OCD Engineering Bureau that includes the fixed percentage allocation plan and all data used to determine it. If Applicant fails to do so, this Order shall terminate on the following day. If OCD denies the fixed percentage allocation plan, this Order shall terminate or without modifications, then the approved percentage allocation plan shall be used to determine oil and gas allocation starting on the date of such action until the Well is plugged and abandoned.

3. If an alteration is made to the Well or a condition within the Well changes which may cause the allocation of production to the Pools as approved within this Order to become inaccurate, then no later than sixty (60) days after that event, Applicant shall submit Form C-103 to the OCD Engineering Bureau describing the event and include a revised allocation plan. If OCD denies the revised allocation plan, this Order shall terminate on the date of such action.

- 4. If any of the pools being commingled is prorated, or the Well's production has been restricted by an OCD order in any manner, the allocated production from each producing pool in the commingled well bore shall not exceed the top oil or gas allowable rate for a well in that pool or rate restriction applicable to the well.
- 5. If the Well is deepened, then no later than forty-five (45) days after the Well is deepened, Applicant shall conduct and provide logs to OCD that are sufficient for OCD to determine which pool(s) each new completed interval of the Well will produce from.
- 6. If the downhole commingling of the Pools reduces the value of the oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new downhole commingling application to OCD to amend this Order to remove the pool that caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 7. If a completed interval of the Well is altered from what is submitted within the Application as identified in Exhibit A, then no later than sixty (60) days after the alteration, Applicant shall submit Form C-103 to the OCD Engineering Bureau detailing the alteration and completed interval.
- 8. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 9. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

DATE: 4/19/24

DYLAN M. FUGE DIRECTOR (ACTING)

En	ergy, Minerals and Natural Res	ources Department	
	Exhibit A	A	
	Order: DHC-5361		
	Operator: Hilcorp Energy	/ Company (372171)	
	Well Name: Atlantic C #4A		
	Well API: 30-045-22390		
	Pool Name: BASIN FRUITL	AND COAL (GAS)	
Linner Zene	Pool ID: 71629	Current:	New: X
Upper Zone	Allocation:	Oil: 0.0%	Gas: sub
		Top: 2,263	Bottom: 2,665
	Pool Name:		
Intermediate Zone	Pool ID:	Current:	New:
	Allocation:	Oil:	Gas:
		Тор:	Bottom:
Bottom of Inter	val within 150% of Upper Zone'	s Top of Interval:	
	Pool Name: BLANCO-MESAVERDE (PRORATED GAS)		
Lower Zono	Pool ID: 72319	Current: X	New:
Lower Zone	Allocation:	Oil: 100.0%	Gas: sub
		Top: 4,195	Bottom: 5,231
Bottom of Inter	val within 150% of Upper Zone'	s Top of Interval: NO	

State of New Mexico Energy, Minerals and Natural Resources Department

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

CONDITIONS

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

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	304900
	Action Type:
	[C-107] Down Hole Commingle (C-107A)

Created By		Condition Date		
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	4/19/2024		

CONDITIONS

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Action 304900