

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: _____ OGRID Number: _____
 Well Name: _____ API: _____
 Pool: _____ Pool Code: _____

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application
 Content
 Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

 Print or Type Name

Cherylene Weston

Signature

 Date

 Phone Number

 e-mail Address

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

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

Form C-107A
Revised August 1, 2011

APPLICATION TYPE
☐ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Hilcorp Energy Company

382 Road 3100, Aztec, NM 87410

Operator

Address

Mansfield

9

A-29-T30N-R09W

San Juan County, NM

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 372171 Property Code 318617 API No. 30-045-12187 Lease Type: ☒ 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)	2276' - 2628'		4272' - 4970'
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)	116 psi		163 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1135 BTU		1255 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: 10/1/2023 Rates: Oil - 0 bbl Gas - 1,379 mcf Water - 7 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?

Yes ☐ No ☒

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

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 ☒ 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.

SIGNATURE

Cherylene Weston

TITLE

Operations/Regulatory Tech-Sr.

DATE

02/08/2024

TYPE OR PRINT NAME

Cherylene Weston

TELEPHONE NO. (713)

289-2615

E-MAIL ADDRESS

cweston@hilcorp.com

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
Permit 355328

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-12187	2. Pool Code 71629	3. Pool Name BASIN FRUITLAND COAL (GAS)
4. Property Code 318617	5. Property Name MANSFIELD	6. Well No. 009
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5952

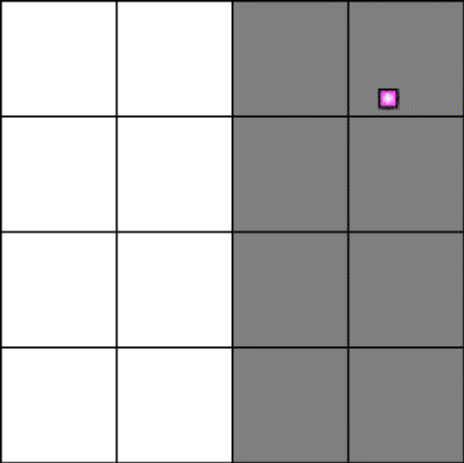
10. Surface Location

UL - Lot A	Section 29	Township 30N	Range 09W	Lot Idn	Feet From 1090	N/S Line N	Feet From 890	E/W Line E	County SAN JUAN
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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 Acres 320.00	13. Joint or Infill			14. Consolidation 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>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.</i> E-Signed By: Cherylene Weston Title: Cherylene Weston Date: 12/06/2023
	SURVEYOR CERTIFICATION <i>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.</i> Surveyed By: David Kilven Date of Survey: 4/21/1966 Certificate Number: 1760

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACERAGE DEDICATION PLAT

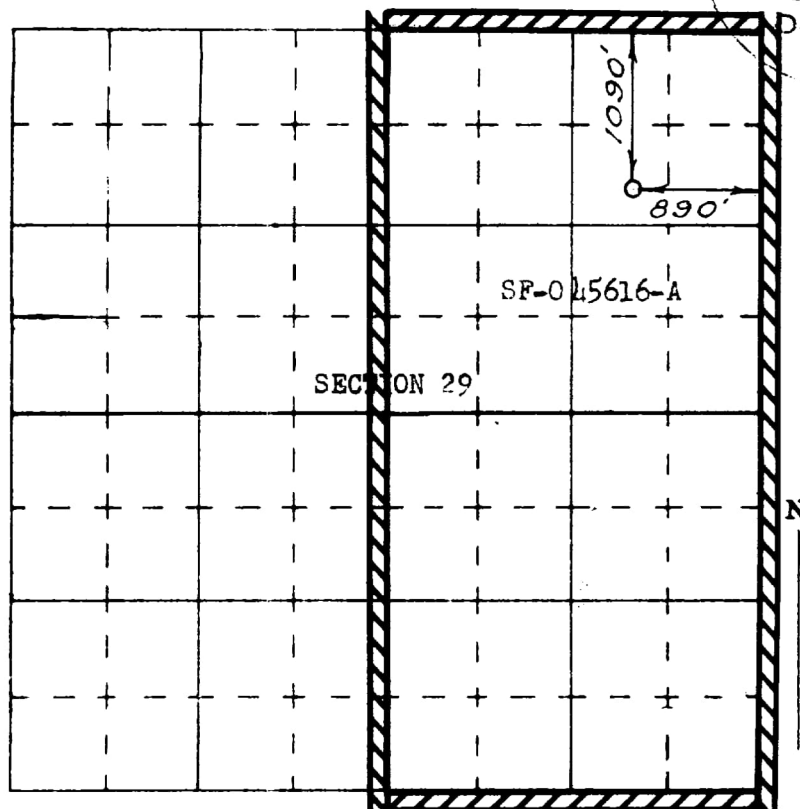
All distances must be from the outer boundaries of the Section

Operator EL PASO NATURAL GAS COMPANY		Lease MANSFIELD		SF-CL5616-A		Well No. 9	
Unit Letter A	Section 29	Township 30-N	Range 9-W	County SAN JUAN			
Actual Footage Location of Well 1090 feet from the NORTH line and 890 feet from the EAST line							
Ground Level Elev. 5952 Producing Formation MESA VERDE Rock BLANCO MESA VERDE Bedrock Elevation 320 Acres							

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 working 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, unitization, force-pooling, etc?
- Yes ☐ No ☐ If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually consolidated. (Use reverse side of 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.



RECEIVED
JUL 21 1966
OIL CON. COM.
DIST. 3

CERTIFICATION

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

Original Signed F. H. WOOD

Name **Petroleum Engineer**
Position **El Paso Natural Gas Company**
Company **July 20, 1966**
Date

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 knowledge and belief.

Date Surveyed **APRIL 21, 1966**
Registered Professional Engineer
and/or Land Surveyor

[Signature]
Certificate No. **1760**

The near wellbore shut-in bottom hole pressures of the above reservoirs are much lower than the calculated far-field stabilized reservoir pressure 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, commingling the above reservoirs in this well will not result in shut-in or flowing wellbore 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.

Mansfield 9 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.

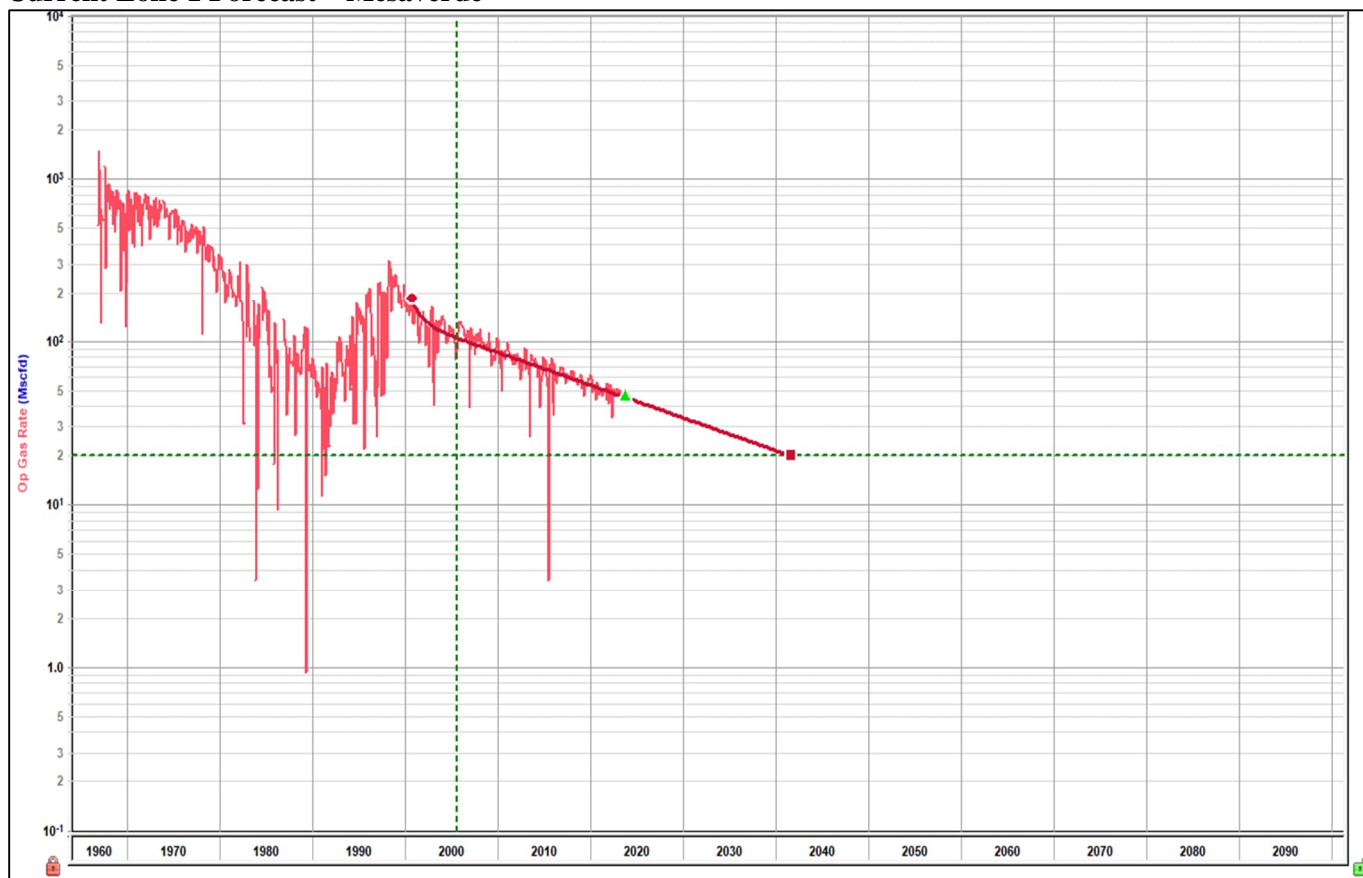
Production Allocation Method – Subtraction

Gas Allocation:

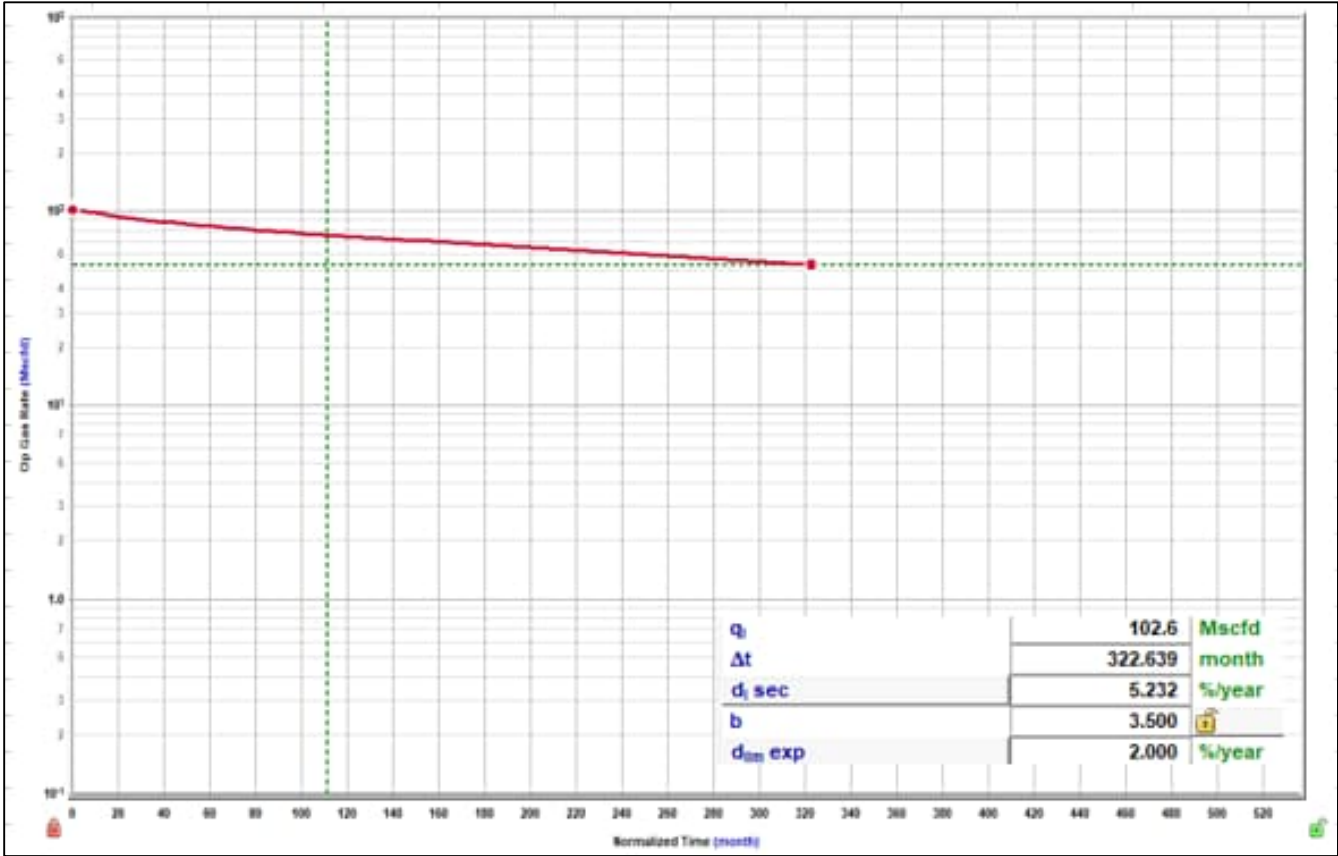
Production for the downhole commingle will be allocated using the subtraction method in agreement with local agencies. The base formation is the Mesaverde and the added formation to be commingled is the Fruitland Coal. The subtraction method applies an average monthly production forecast to the base 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



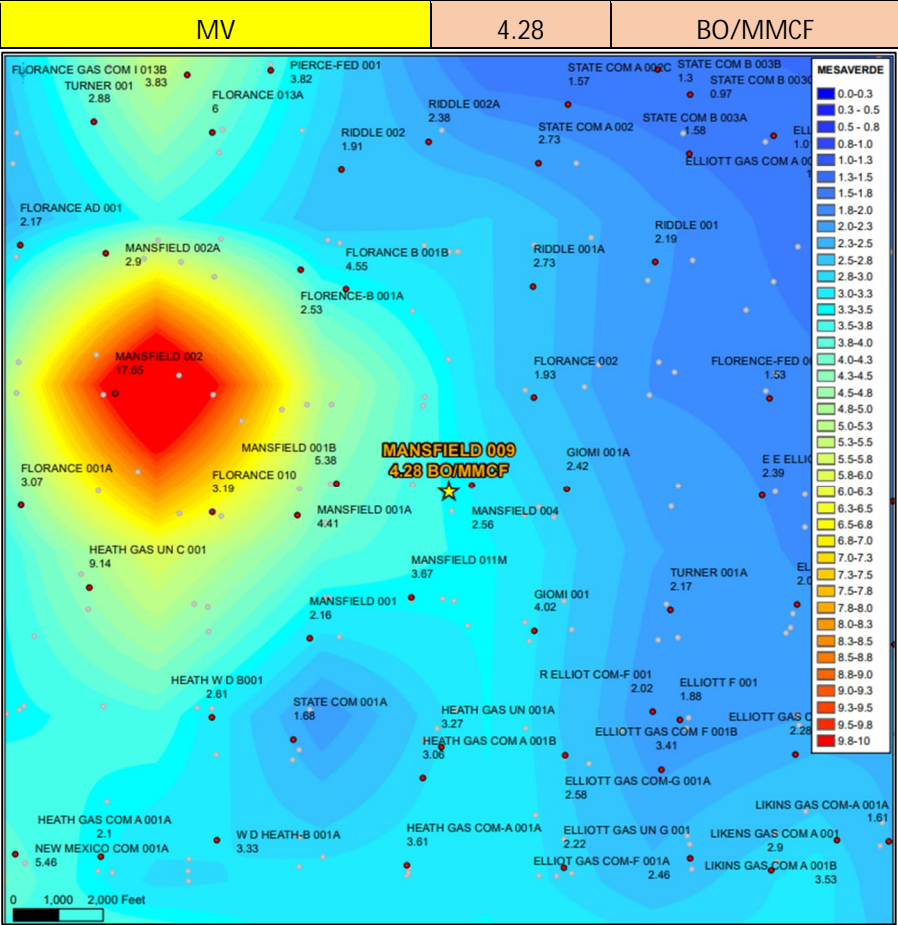
Average initial production curve in geologic region.

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.

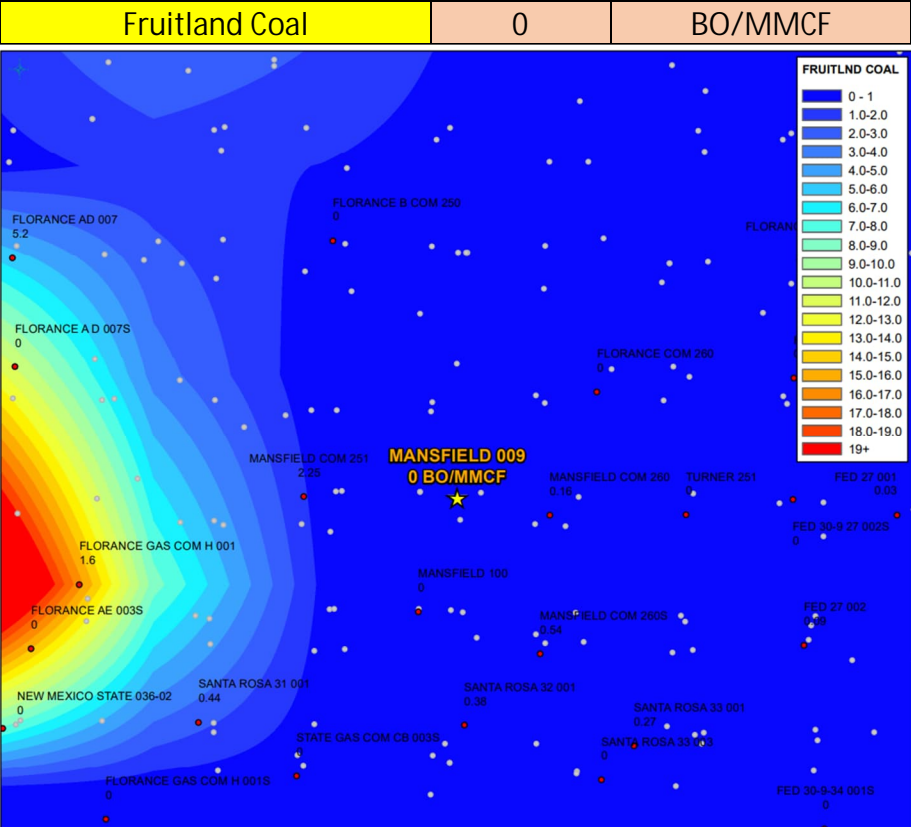
Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Oil Allocation
MV	4.28	4446	100%
FRC	0	700	0%
DK	0	0	0%

Current Zone 1 – Mesaverde Oil Yield Map



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:

3004534892	MANSFIELD 100	FRC
3004509093	MANSFIELD 1	MV

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.

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 variability by formation is low.

Well Name	API
MANSFIELD 9	3004512187

FRC Offset		MV Offset		DK Offset	
AssetCode	3004527038	AssetCode	3004522148	AssetCode	3004524803
AssetName	MANSFIELD COM 251	AssetName	RIDDLE 2A	AssetName	RIDDLE COM 8
CO2	0.01	CO2	0.01	CO2	0.02
N2	0	N2	0	N2	0
C1	0.91	C1	0.83	C1	0.93
C2	0.05	C2	0.08	C2	0.04
C3	0.02	C3	0.04	C3	0.01
ISOC4	0	ISOC4	0.01	ISOC4	0
NC4	0	NC4	0.01	NC4	0
ISOC5	0	ISOC5	0	ISOC5	0
NC5	0	NC5	0	NC5	0
NEOC5		NEOC5		NEOC5	
C6		C6	0.01	C6	0
C6_PLUS	0	C6_PLUS		C6_PLUS	
C7		C7		C7	0
C8		C8		C8	0
C9		C9		C9	0
C10		C10		C10	
AR		AR		AR	
CO		CO		CO	
H2		H2		H2	
O2		O2		O2	0
H2O		H2O		H2O	
H2S		H2S		H2S	0
HE		HE		HE	
C_O_S		C_O_S		C_O_S	
CH3SH		CH3SH		CH3SH	
C2H5SH		C2H5SH		C2H5SH	
CH2S3_2CH3S		CH2S3_2CH3S		CH2S3_2CH3S	
CH2S		CH2S		CH2S	
C6HV		C6HV		C6HV	
CO2GPM	0	CO2GPM		CO2GPM	
N2GPM	0	N2GPM		N2GPM	
C1GPM	0	C1GPM		C1GPM	
C2GPM	1.36	C2GPM		C2GPM	
C3GPM	0.51	C3GPM		C3GPM	
ISOC4GPM	0.13	ISOC4GPM		ISOC4GPM	
NC4GPM	0.08	NC4GPM		NC4GPM	
ISOC5GPM	0.04	ISOC5GPM		ISOC5GPM	
NC5GPM	0.02	NC5GPM		NC5GPM	
C6_PLUSGPM	0.05	C6_PLUSGPM		C6_PLUSGPM	

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 water with low TDS.

Well Name	API
MANSFIELD 9	3004512187

FRC Offset		MV Offset		DK Offset	
API	3004527022	API	3004521982	API	3004533882
Property	FLORANCE B 250	Property	FLORANCE 2A	Property	HOUCK 3F
CationBarium	0.3	CationBarium	0.05	CationBarium	0
CationBoron		CationBoron		CationBoron	
CationCalcium	5.79	CationCalcium	0.96	CationCalcium	5.15
CationIron	57.63	CationIron	44.79	CationIron	75.15
CationMagnesium	0.11	CationMagnesium	0.09	CationMagnesium	0.59
CationManganese	0.54	CationManganese	0.47	CationManganese	0.41
CationPhosphorus		CationPhosphorus		CationPhosphorus	
CationPotassium		CationPotassium		CationPotassium	
CationStrontium	0.06	CationStrontium	0.02	CationStrontium	0.2
CationSodium	189.27	CationSodium	21.02	CationSodium	99.09
CationSilica		CationSilica		CationSilica	
CationZinc		CationZinc		CationZinc	
CationAluminum		CationAluminum		CationAluminum	
CationCopper		CationCopper		CationCopper	
CationLead		CationLead		CationLead	
CationLithium		CationLithium		CationLithium	
CationNickel		CationNickel		CationNickel	
CationCobalt		CationCobalt		CationCobalt	
CationChromium		CationChromium		CationChromium	
CationSilicon		CationSilicon		CationSilicon	
CationMolybdenum		CationMolybdenum		CationMolybdenum	
AnionChloride	61.3	AnionChloride	5.92	AnionChloride	102.11
AnionCarbonate	0	AnionCarbonate	0	AnionCarbonate	0
AnionBicarbonate	414.8	AnionBicarbonate	48.4	AnionBicarbonate	
AnionBromide		AnionBromide		AnionBromide	
AnionFluoride		AnionFluoride		AnionFluoride	
AnionHydroxyl	0	AnionHydroxyl	0	AnionHydroxyl	0
AnionNitrate		AnionNitrate		AnionNitrate	
AnionPhosphate		AnionPhosphate		AnionPhosphate	
AnionSulfate	0.46	AnionSulfate	0.5	AnionSulfate	0
phField	6.2	phField	6.7	phField	6.95
phCalculated		phCalculated		phCalculated	
TempField	69	TempField	71	TempField	59.2
TempLab		TempLab		TempLab	
OtherFieldAlkalinity		OtherFieldAlkalinity		OtherFieldAlkalinity	
OtherSpecificGravity	1	OtherSpecificGravity	1	OtherSpecificGravity	1
OtherTDS	730.27	OtherTDS	122.21	OtherTDS	476.94
OtherCaCO3		OtherCaCO3		OtherCaCO3	
OtherConductivity	1141.04	OtherConductivity	190.95	OtherConductivity	745.22
DissolvedCO2	68	DissolvedCO2	68	DissolvedCO2	90
DissolvedO2		DissolvedO2		DissolvedO2	
DissolvedH2S	0	DissolvedH2S	0	DissolvedH2S	0.58
GasPressure	82	GasPressure	75	GasPressure	50
GasCO2	2	GasCO2	2	GasCO2	2
GasCO2PP	1.64	GasCO2PP	1.5	GasCO2PP	1
GasH2S	0.5	GasH2S	1	GasH2S	0
GasH2SPP	0	GasH2SPP	0	GasH2SPP	0
PitzerCaCO3_70	-2.09	PitzerCaCO3_70	-3.21	PitzerCaCO3_70	
PitzerBaSO4_70	-1.36	PitzerBaSO4_70	-1.94	PitzerBaSO4_70	
PitzerCaSO4_70	-4.92	PitzerCaSO4_70	-5.49	PitzerCaSO4_70	
PitzerSrSO4_70	-5.22	PitzerSrSO4_70	-5.58	PitzerSrSO4_70	
PitzerFeCO3_70		PitzerFeCO3_70		PitzerFeCO3_70	
PitzerCaCO3_220	-1.27	PitzerCaCO3_220	-2.38	PitzerCaCO3_220	
PitzerBaSO4_220	-1.9	PitzerBaSO4_220	-2.46	PitzerBaSO4_220	
PitzerCaSO4_220	-4.79	PitzerCaSO4_220	-5.34	PitzerCaSO4_220	
PitzerSrSO4_220	-5.01	PitzerSrSO4_220	-5.35	PitzerSrSO4_220	
PitzerFeCO3_220		PitzerFeCO3_220		PitzerFeCO3_220	

Well Name: MANSFIELD	Well Location: T30N / R9W / SEC 29 / NENE / 36.78688 / -107.797256	County or Parish/State: SAN JUAN / NM
Well Number: 9	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF045646A	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004512187	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2765581

Type of Submission: Notice of Intent

Type of Action: Recompletion

Date Sundry Submitted: 12/12/2023

Time Sundry Submitted: 08:11

Date proposed operation will begin: 04/01/2024

Procedure Description: Hilcorp Energy Company requests permission to recomplete the subject well in the Fruitland Coal formation and downhole commingle with the existing Pictured Cliffs 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

Mansfield_9_UPE_Coal_RC_NOI_20231212080743.pdf

Well Name: MANSFIELD

Well Location: T30N / R9W / SEC 29 /
NENE / 36.78688 / -107.797256

County or Parish/State: SAN
JUAN / NM

Well Number: 9

Type of Well: CONVENTIONAL GAS
WELL

Allottee or Tribe Name:

Lease Number: NMSF045646A

Unit or CA Name:

Unit or CA Number:

US Well Number: 3004512187

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

Signed on: DEC 12, 2023 08:07 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: MATTHEW H KADE

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647736

BLM POC Email Address: MKADE@BLM.GOV

Disposition: Approved

Disposition Date: 12/12/2023

Signature: Matthew Kade

Mansfield #9

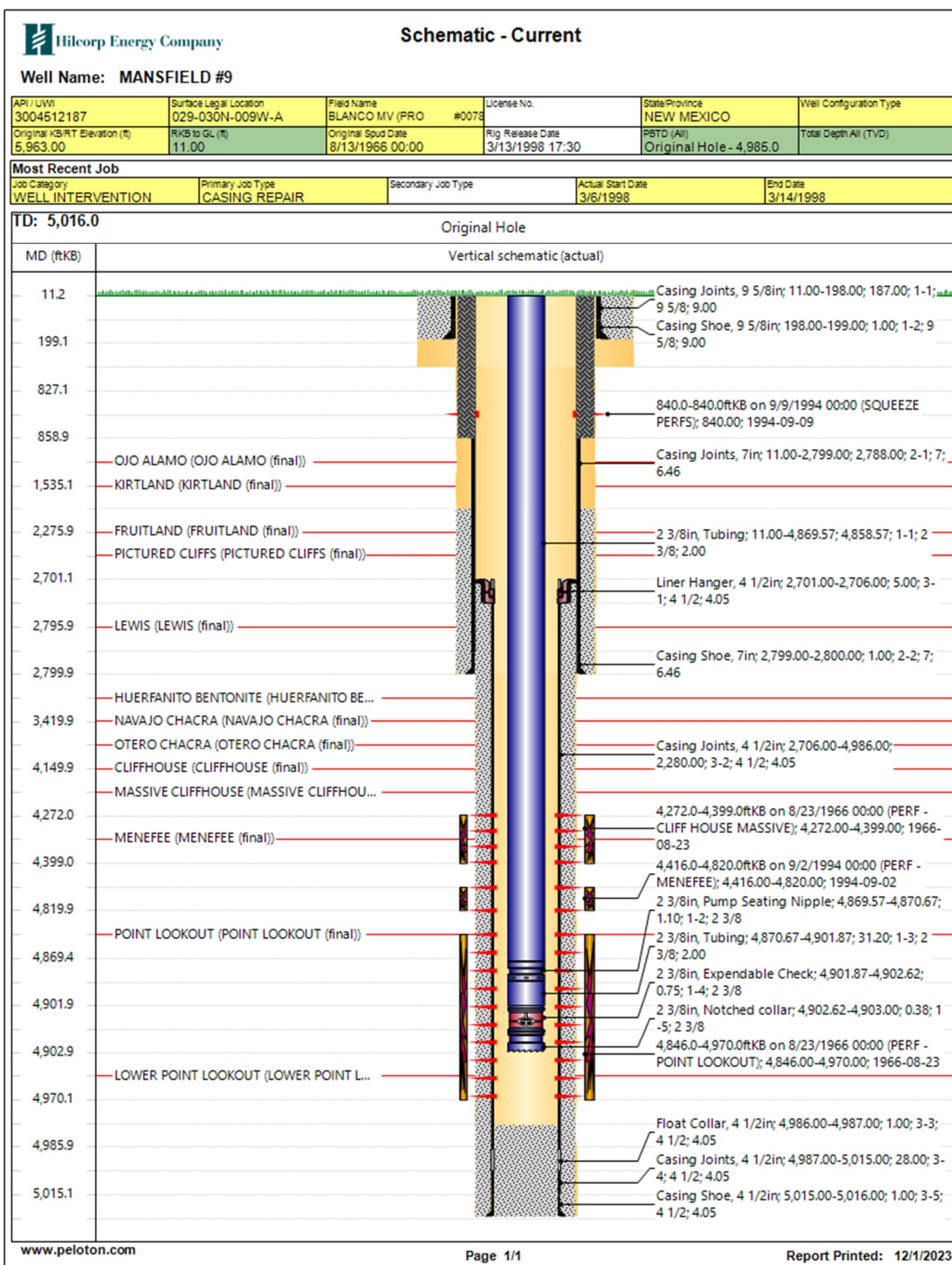
API#: 3004512187

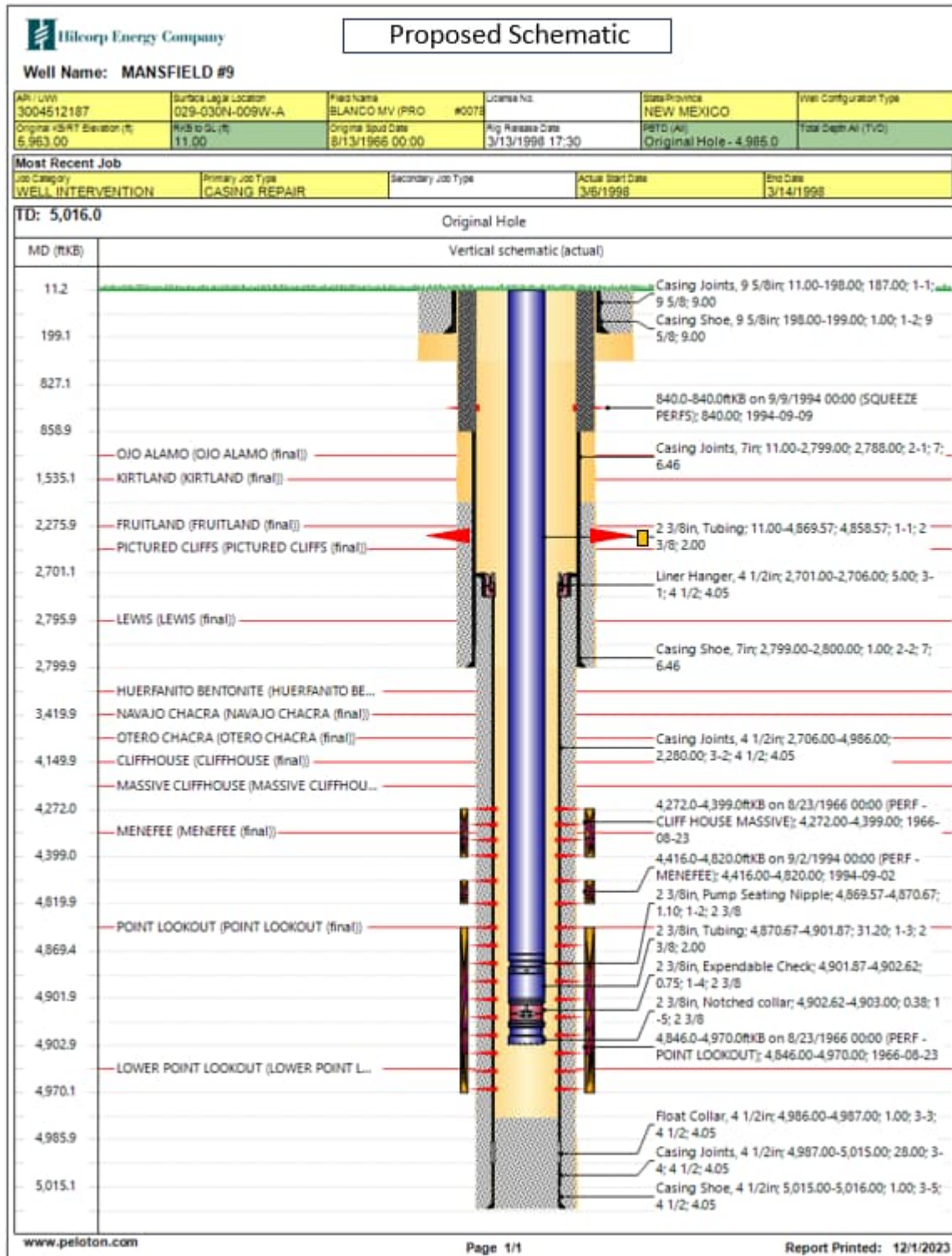
Fruitland Coal Recompletion Procedure

12/1/2023

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 +/-2630' to isolate existing MV completion
4. RU wellcheck and MIT wellbore to 500 PSI
 - a. See existing CBL (08-31-94)
5. PU 7" frac packer and frac string, RIH and set packer at +/-2250'
6. Pressure test frac string to 5000 PSI
7. MIRU frac spread.
8. Perforate and frac the Fruitland Coal from 2276' to 2628'.
9. MI flow back and flow well to relieve pressure if needed.
10. MIRU service rig.
11. Test BOP's.
12. POOH with frac string and packer.
13. When water and sand rates are acceptable, flow test the intervals.
14. Make up 7" mill and clean out.
15. TIH and land 2-3/8" production tubing.
16. ND BOP's, NU production tree.
17. RDMO service rig & turn well over to production.





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
Permit 355328

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-12187	2. Pool Code 71629	3. Pool Name BASIN FRUITLAND COAL (GAS)
4. Property Code 318617	5. Property Name MANSFIELD	6. Well No. 009
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5952

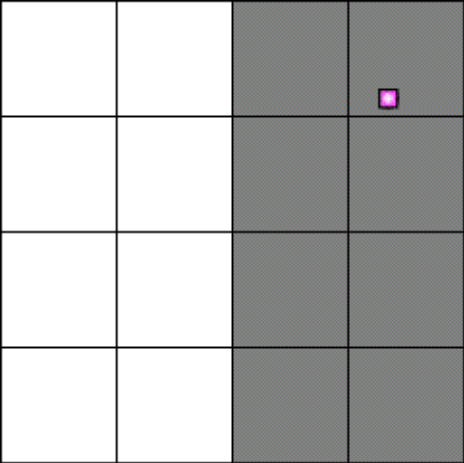
10. Surface Location

UL - Lot A	Section 29	Township 30N	Range 09W	Lot Idn	Feet From 1090	N/S Line N	Feet From 890	E/W Line E	County SAN JUAN
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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 Acres 320.00	13. Joint or Infill			14. Consolidation 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>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.</i> E-Signed By: Cherylene Weston Title: Cherylene Weston Date: 12/06/2023
	SURVEYOR CERTIFICATION <i>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.</i> Surveyed By: David Kilven Date of Survey: 4/21/1966 Certificate Number: 1760

Hilcorp Energy
Interim Reclamation Plan
Mansfield #9
API: 30-045-12187
A – Sec.29-T030N-R009W
Lat: 36.78688, Long: -107.79726
Footage: 1090' FNL & 890' FEL
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 PROCEDURE

- 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.

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

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

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.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: Hilcorp Energy Company **OGRID:** 372171 **Date:** 12 / 07 / 2023

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ 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
Mansfield 9	3004512187	A-29-30N-09W	1090 FNL, 890 FEL	0 bbl/d	104 mcf/d	1 bbl/d

IV. Central Delivery Point Name: Chaco-Blanco 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.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Mansfield 9	3004512187					<u>2024</u>

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

VII. Operational Practices: ☒ 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.

☒ 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. ☐ 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 ☐ will ☐ 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 ☐ does ☐ 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: ☐ 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:

☒ 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

☐ 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. ☐ 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. ☐ 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:	12/07/2023
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 recomple project. HEC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the recomple 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 recomple 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
 - o Measurement equipment is installed to measure the volume of natural gas flared from process piping.
 - o 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.



January 11, 2024

Mailed Certified / Electronic Return Receipt Requested

To: ALL INTEREST OWNERS

RE: Application to Downhole Commingle Production
Well: Mansfield 009
API: 30-045-12187
Section 29, Township 30 North, Range 9 West
San Juan County, New Mexico

Ladies and Gentlemen:

Hilcorp Energy Company ("Hilcorp"), as Operator of the subject well, has filed application with the New Mexico Oil Conservation Division for approval to downhole commingle production from the **Fruitland Coal**, a formation Hilcorp soon intends to perforate, with existing production from the **Mesaverde** formation. This letter and the application copy enclosed serve to provide you, an owner in one or more of the aforementioned formations, with written notice as prescribed by Subsection C of 19.15.12.11 New Mexico Administrative Code.

No action is required by you unless you wish to pursue a formal protest (see details italicized below).

If you no longer own an interest in this well or need to make changes to your address, etc., please email ownerrelations@hilcorp.com. For those without email access, please call (713) 209-2457.

Hilcorp is eager to explore this potential opportunity to enhance production. Thank you for your support.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Carson Rice'.

Carson Rice
Landman – San Juan North
(713) 757-7108
carice@hilcorp.com

cc:bmj Enclosures

Protesting:

Protests must be in writing and received within twenty (20) days from the date of this letter. In your response, please include your contact information, details referenced herein and the specific concerns and/or reasoning behind your decision. You are encouraged to email me an electronic copy and, subsequently, mailing (overnight) a hard copy to my attention at the address in the footer below. Upon receipt, I will follow up by phone to discuss your concerns. Should we be unable to resolve them, a formal protest will be set for hearing with the New Mexico Oil & Conservation Division in Santa Fe, NM, wherein your attendance and testimony will be required.

1111 Travis Street Houston, TX 77002
Phone: 713/209-2400 Fax 713/209-2420

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

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

Form C-107A
Revised August 1, 2011

APPLICATION TYPE
☐ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Hilcorp Energy Company

382 Road 3100, Aztec, NM 87410

Operator

Address

Mansfield

9

A-29-T30N-R09W

San Juan County, NM

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 372171 Property Code 318617 API No. 30-045-12187 Lease Type: ☒ 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)	2276' - 2628'		4272' - 4970'
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)	116 psi		163 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1135 BTU		1255 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: 9/1/2023 Rates: Oil - 0 bbl Gas - 1,320 mcf Water - 7 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?

Yes ☐ No ☒

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

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 ☒ 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.

SIGNATURE

Cherylene Weston

TITLE

Operations/Regulatory Tech-Sr.

DATE

12/12/2023

TYPE OR PRINT NAME

Cherylene Weston

TELEPHONE NO. (713)

289-2615

E-MAIL ADDRESS

cweston@hilcorp.com

Certified Number	Sender	Recipient	Date Mailed	Delivery Status
92148969009997901832155842	Brenda Guzman	, OFFICE OF NATURAL RESOURCES REVENUE, LAKEWOOD ACCTG CENT ONSHORE, DENVER, CO, 80225-0627 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155859	Brenda Guzman	, FREDERICKSBURG ROYALTY LTD, , SAN ANTONIO, TX, 78295-1481 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155866	Brenda Guzman	, GEORGE G VAUGHT JR, , DENVER, CO, 80201-3557 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155873	Brenda Guzman	, BHCH MINERAL LTD, , SAN ANTONIO, TX, 78296-1817 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155880	Brenda Guzman	, FLORENCIA EXPLORATION INC, , SAN ANTONIO, TX, 78296-1817 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155897	Brenda Guzman	, JEANNE A DAVIS TRUST, JEANNE A DAVIS TRUSTEE, TYLER, TX, 75710-1461 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155903	Brenda Guzman	, CEJA ROYALTIES LTD, , TYLER, TX, 75710- 1360 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155910	Brenda Guzman	, TEXAS ROYALTIES, , MIDLAND, TX, 79702- 3579 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155927	Brenda Guzman	, CHEROKEE LEGACY MINERALS LTD, , ALBANY, TX, 76430 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155934	Brenda Guzman	, KENEBREW MINERALS LP, , IDALOU, TX, 79329 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155941	Brenda Guzman	, SHEREEN TAYLOR-BERGER, , SHARON, CT, 06069-1751 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155958	Brenda Guzman	, YAGER FAMILY LIVING TRUST 7-20-98, STEPHANIE YAGER BREAU LT TRUSTEE, POTTSBORO, TX, 75076 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155965	Brenda Guzman	, STUART R TAYLOR, , DRAPER, UT, 84020 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155972	Brenda Guzman	, N DEAN TAYLOR, , MOUNTAIN VIEW, CA, 94040 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155989	Brenda Guzman	, BEN HOWELL LANGFORD, , EL PASO, TX, 79912 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832155996	Brenda Guzman	, CYNTHIA T COOK, , SOUTH WEBER, UT, 84405 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156009	Brenda Guzman	, DEUS ROYALTY INVESTMENTS LLC, , TYLER, TX, 75711 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156016	Brenda Guzman	, CARA CATHLEEN HOWELL LIND, , CHANDLER, AZ, 85226 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156023	Brenda Guzman	, PICO PROPERTIES LLC, , EL PASO, TX, 79901 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156030	Brenda Guzman	, R MICHAEL RYAN, , ELEPHANT BUTTE, NM, 87935 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156047	Brenda Guzman	, TRENN A T ADAMS, , LAS VEGAS, NV, 89117 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156054	Brenda Guzman	, BARBARA LEWIS, , ALBUQUERQUE, NM, 87123 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156061	Brenda Guzman	, ILA R TAYLOR GRUVER, , MESA, AZ, 85201 Code: Mansfield 9 DHC	1/11/2024	Signature Pending

				Signature Pending
92148969009997901832156078	Brenda Guzman	, JOSHUA HAUSER, , WESTFIELD, IN, 46074 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156085	Brenda Guzman	, ANNA CELIA HOWELL HILTON, , PENSACOLA, FL, 32501 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156092	Brenda Guzman	, DAVID A TAYLOR, , SALT LAKE CITY, UT, 84108 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156108	Brenda Guzman	, MARK L TAYLOR, , LAS VEGAS, NV, 89134 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156115	Brenda Guzman	, BRYAN R TAYLOR, , SALT LAKE CITY, UT, 84108 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156122	Brenda Guzman	, CRAIG L TAYLOR, , PHOENIX, AZ, 85083 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156139	Brenda Guzman	, LORNE F TAYLOR, , KINGMAN, AZ, 86401 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156146	Brenda Guzman	, BRADLEY CON TAYLOR, , MESA, AZ, 85203 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156153	Brenda Guzman	, SCOTT W TAYLOR, , LAS VEGAS, NV, 89138 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156160	Brenda Guzman	, BRYCE R TAYLOR, , WEST JORDAN, UT, 84084-1797 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156177	Brenda Guzman	, ROBERT TAYLOR, , SALT LAKE CITY, UT, 84108-4126 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156184	Brenda Guzman	, REVELLE B TAYLOR, , LAS VEGAS, NV, 89117 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156191	Brenda Guzman	, VINSON ROYALTIES LP, , TYLER, TX, 75711 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156207	Brenda Guzman	, STEPHANIE Y BREAUULT, , POTTSBORO, TX, 75076 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156214	Brenda Guzman	, PHILIP G DEMEREE, , SCOTTSDALE, AZ, 85258 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156221	Brenda Guzman	, LOUANN H FEUILLE, C/O WESTSTAR WEALTH MANAGEMENT, EL PASO, TX, 79999 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156238	Brenda Guzman	, STEVE JACOB HOUSTON, , CLYDE HILL, WA, 98004 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156245	Brenda Guzman	, ELIZABETH H LUND ROYALTY TRUST, BARBARA LUND TRUSTEE, DALLAS, TX, 75230 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156252	Brenda Guzman	, MADISON CAPITAL ENERGY INCOME FUND, III LP, MADISON, WI, 53719 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156269	Brenda Guzman	, KATHLEEN RYAN GO, , SEAL BEACH, CA, 90740 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156276	Brenda Guzman	, TERRY W STANTON, and EDGAR A STANTON JT, LOUISVILLE, KY, 40205 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156283	Brenda Guzman	, LINDA STROBEL LIFE TENANT, , POWAY, CA, 92064 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156290	Brenda Guzman	, T J TINGLEY, , POST FALLS, ID, 83854 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156306	Brenda Guzman	, WILLIAM and WENDY BERNFELD LVG TRUST, WILLIAM JOSEPH BERNFELD and, TARZANA, CA, 91356 Code: Mansfield 9 DHC	1/11/2024	Signature Pending

92148969009997901832156313	Brenda Guzman	, ROBERT BERNFELD, , REDONDO BEACH, CA, 90277 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156320	Brenda Guzman	, BIG LAKE FISHING LLC, , DALLAS, TX, 75252-5297 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156337	Brenda Guzman	, TERA ELIZABETH JEFFRIES, , KIRBYVILLE, MO, 65676 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156344	Brenda Guzman	, ASHTON N KOONS IRREV TR, ZIA TRUST INC TTEE, ALBUQUERQUE, NM, 87190 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156351	Brenda Guzman	, THOMAS E KOONS IRREV TR, ZIA TRUST INC TTEE, ALBUQUERQUE, NM, 87190 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156368	Brenda Guzman	, RICHARD PARKER LANGFORD, , EL PASO, TX, 79912 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156375	Brenda Guzman	, MARY J MYERS REVOCABLE TRUST, TONYA L MYERS-JORDAN TRUSTEE, THE VILLAGES, FL, 32163 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156382	Brenda Guzman	, BELLISTON FAMILY TRUST, GORDON F BELLISTON OR BARBARA Y, PHOENIX, AZ, 85050 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156399	Brenda Guzman	, STANLEY MARTIN BELLISTON, GORDON F BELLISTON P/O/A, PHOENIX, AZ, 85050 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156405	Brenda Guzman	, JAMES ARTHUR BELLISTON, , PHOENIX, AZ, 85027 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156412	Brenda Guzman	, GREGORY F BELLISTON, , GLENDALE, AZ, 85310-5126 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156429	Brenda Guzman	, LINDA T DICKINSON, , LAS VEGAS, NV, 89131 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156436	Brenda Guzman	, JAY GOTTSTEIN TRUST NOV 11 1992, J JOSEPH MORRIS TRUSTEE, LEES SUMMIT, MO, 64064-1445 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156443	Brenda Guzman	, GRAHAM L GOTTSTEIN, , CLYDE HILL, WA, 98004 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156450	Brenda Guzman	, ALISON A GOTTSTEIN, , CLYDE HILL, WA, 98004 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156467	Brenda Guzman	, EMILIE M HARDIE, ROYALTY TRUST, EL PASO, TX, 79912-1942 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156474	Brenda Guzman	, MARY ELIZABETH HARDIE, ROYALTY TRUST, DALLAS, TX, 75225 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156481	Brenda Guzman	, MANSFIELD FAMILY 2001 REV TR, DTD 10 12 01 BENJAMIN J MANSFIELD and, RENO, NV, 89503 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156498	Brenda Guzman	, MUIRFIELD RESERVES LLC, , DALLAS, TX, 75252-5297 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156504	Brenda Guzman	, CHARLENE LEWIS RASMUSSEN, , LIVINGSTON, TX, 77399-2041 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156511	Brenda Guzman	, KIRSTEN KOONS REHORN IRREV TR, ZIA TRUST INC TTEE, ALBUQUERQUE, NM, 87190 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156528	Brenda Guzman	, MABELLE H SOWERS, ROYALTY TRUST, COLLEGE STATION, TX, 77845-8983 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156535	Brenda Guzman	, SCOTT BRIGHTBILL, , SAN DIEGO, CA, 92128 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156542	Brenda Guzman	, LISA DANIELLE KUHN, , POWAY, CA, 92064 Code: Mansfield 9 DHC	1/11/2024	Signature Pending

92148969009997901832156559	Brenda Guzman	, STEPHEN BRIGHTBILL, , MERIDIAN, ID, 83646 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156566	Brenda Guzman	, EDWIN R DEGENHARDT, and DAWN C DEGENHARDT, MADISON, WI, 53719 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156573	Brenda Guzman	, METINA INVESTMENTS LLC, , AUSTIN, TX, 78746 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156580	Brenda Guzman	, JOSEPH C JASTRZEMBSKI, , MINOT, ND, 58703-2426 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156597	Brenda Guzman	, RESERVATION LAKE RESOURCES LLC, , EL PASO, TX, 79912 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156603	Brenda Guzman	, TRIANGLE H ENTERPRISES LLC, , MESILLA, NM, 88046 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156610	Brenda Guzman	, MCCULLISS RESOURCES CO INC, , LITTLETON, CO, 80161-3248 Code: Mansfield 9 DHC	1/11/2024	Signature Pending
92148969009997901832156627	Brenda Guzman	, LYNN HYDER REV LVG TRUST DTD 4/1/97, LYNN HYDER TRUSTEE, SAN DIEGO, CA, 92130 Code: Mansfield 9 DHC	1/11/2024	Signature Pending

BALLANTINE

COMMUNICATIONS

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO

County of San Juan

Odette Zenizo, the undersigned, authorized Representative of the Tri-City Record, on oath states that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Law of 1937, that payment therefore has been made of assessed as court cost; and that the notice, copy of which is hereto attached, was published in said paper in the regular daily edition, for ___ time(s) on the following date(s):

6/26/2024

Sworn and subscribed before me, a notary public in and for the county of La Plata and the State of Colorado, 6/28/2024.

Erin Melissa Black Brandt
Notary Public

PRICE: \$87.25

Statement to come at the end of the month.

ACCOUNT NUMBER: 109863

ERIN MELISSA BLACK BRANDT
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20234047443
MY COMMISSION EXPIRES DECEMBER 20, 2027

COPY OF ADVERTISEMENT

22337

Notice by Hilcorp Energy Company for Downhole Commingling, San Juan County, New Mexico. Pursuant to Paragraph (2) of Subsection C of 19.15.12.11 NMAC, Hilcorp Energy Company, as Operator, has filed form C-107A with the New Mexico Energy, Minerals and Natural Resources Department – Oil Conservation Division (NMOCD) seeking administrative approval to downhole commingle new production from the Basin-Fruitland Coal Pool (71629) with existing production from the Blanco-Mesaverde Gas Pool (72319) in the **Mansfield 009** well (API No. 30-045-12187) located in Unit A, Section 29, Township 30 North, Range 09 West, NMPM, San Juan County, New Mexico. Commingling will not reduce the value of production. Allocation method to be determined upon completion of this project. This notice is intended for certain unlocatable royalty interest owners in the aforementioned well for which certified mail delivery is not possible. Should you (the interest owner for which this notice is intended)

have an objection, you are required to respond within twenty (20) days from the date of this publication. Please mail your objection letter, referencing the well details above, to the following address: Hilcorp Energy Company, Attn: San Juan Land, 1111 Travis Street, Houston, TX 77002

Published in Tri-City Record
June 26, 2024

From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Cheryl Weston](#); [Mandi Walker](#)
Cc: [McClure, Dean, EMNRD](#); [Lowe, Leonard, EMNRD](#); [Rikala, Ward, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [Paradis, Kyle O](#); [David Mankiewicz](#)
Subject: Approved Administrative Order DHC-5406
Date: Thursday, July 18, 2024 8:38:59 AM
Attachments: [DHC5406 Order.pdf](#)

NMOCD has issued Administrative Order DHC-5406 which authorizes Hilcorp Energy Company (372171) to downhole commingle production within the following well:

Well Name: **Mansfield #9**
Well API: **30-045-12187**

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

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

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

Form C-107A
Revised August 1, 2011

APPLICATION TYPE
☐ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Hilcorp Energy Company

382 Road 3100, Aztec, NM 87410

Operator

Address

Mansfield

9

A-29-T30N-R09W

San Juan County, NM

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 372171 Property Code 318617 API No. 30-045-12187 Lease Type: ☒ 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)	2391' - 2623'		4272' - 4970'
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)	116 psi		163 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1135 BTU		1255 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: 10/1/2023 Rates: Oil - 0 bbl Gas - 1,379 mcf Water - 7 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?

Yes ☐ No ☒

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

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 ☒ 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.

SIGNATURE

Cherylene Weston

TITLE

Operations/Regulatory Tech-Sr.

DATE

02/08/2024

TYPE OR PRINT NAME

Cherylene Weston

TELEPHONE NO. (713)

289-2615

E-MAIL ADDRESS

cweston@hilcorp.com

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 variability by formation is low.

Well Name	API
MANSFIELD 9	3004512187

FRC Offset		MV Offset		DK Offset	
AssetCode	3004527038	AssetCode	3004522148	AssetCode	3004524803
AssetName	MANSFIELD COM 251	AssetName	RIDDLE 2A	AssetName	RIDDLE COM 8
CO2	0.01	CO2	0.01	CO2	0.02
N2	0	N2	0	N2	0
C1	0.91	C1	0.83	C1	0.93
C2	0.05	C2	0.08	C2	0.04
C3	0.02	C3	0.04	C3	0.01
ISOC4	0	ISOC4	0.01	ISOC4	0
NC4	0	NC4	0.01	NC4	0
ISOC5	0	ISOC5	0	ISOC5	0
NC5	0	NC5	0	NC5	0
NEOC5		NEOC5		NEOC5	
C6		C6	0.01	C6	0
C6_PLUS	0	C6_PLUS		C6_PLUS	
C7		C7		C7	0
C8		C8		C8	0
C9		C9		C9	0
C10		C10		C10	
AR		AR		AR	
CO		CO		CO	
H2		H2		H2	
O2		O2		O2	0
H2O		H2O		H2O	
H2S	0	H2S	0	H2S	0
HE		HE		HE	
C_O_S		C_O_S		C_O_S	
CH3SH		CH3SH		CH3SH	
C2H5SH		C2H5SH		C2H5SH	
CH2S3_2CH3S		CH2S3_2CH3S		CH2S3_2CH3S	
CH2S		CH2S		CH2S	
C6HV		C6HV		C6HV	
CO2GPM	0	CO2GPM		CO2GPM	
N2GPM	0	N2GPM		N2GPM	
C1GPM	0	C1GPM		C1GPM	
C2GPM	1.36	C2GPM		C2GPM	
C3GPM	0.51	C3GPM		C3GPM	
ISOC4GPM	0.13	ISOC4GPM		ISOC4GPM	
NC4GPM	0.08	NC4GPM		NC4GPM	
ISOC5GPM	0.04	ISOC5GPM		ISOC5GPM	
NC5GPM	0.02	NC5GPM		NC5GPM	
C6_PLUSGPM	0.05	C6_PLUSGPM		C6_PLUSGPM	

From: [Cheryl Weston](#)
To: [McClure, Dean, EMNRD](#); [Mandi Walker](#)
Cc: [Lowe, Leonard, EMNRD](#)
Subject: RE: [EXTERNAL] Action ID: 312582; DHC-5406
Date: Saturday, July 13, 2024 9:04:27 AM
Attachments: [Mansfield 9 DHC C-107A Revised Perfs.pdf](#)
[Mansfield 9 Gas Analysis.pdf](#)

Dean:

The revised C-107A and gas analysis are attached. There was no H2S in the samples.

Thanks,
Cheryl

From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Friday, July 12, 2024 2:31 PM
To: Cheryl Weston <cweston@hilcorp.com>; Mandi Walker <mwalker@hilcorp.com>
Cc: Lowe, Leonard, EMNRD <Leonard.Lowe@emnrd.nm.gov>
Subject: [EXTERNAL] Action ID: 312582; DHC-5406

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),

The Division is reviewing the following application:

Action ID	312582
Admin No.	DHC-5406
Applicant	Hilcorp Energy Company (372171)
Title	Mansfield #9
Sub. Date	2/8/2024

Please provide the following additional supplemental documents:

-

Please provide additional information regarding the following:

- Please provide the quantity of H2S in each of the gas samples
- Please review the FLC perfs and provide an amended form C-107A with those perfs corrected

Additional notes:

-

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 COMMINGLING
SUBMITTED BY HILCORP ENERGY COMPANY**

ORDER NO. DHC-5406

ORDER

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 shut-in 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 diverse, Applicant identified all owners of interest in the Pools, provided evidence a copy of the Application was given to each person, and those persons either submitted a written waiver or did not file an objection to the Application.
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

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. To the extent that ownership is diverse, Applicant identified all owners of interest in the Pools and provided evidence the application was given to those persons in accordance with 19.15.12.11(C)(1)(b) NMAC.
13. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

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).

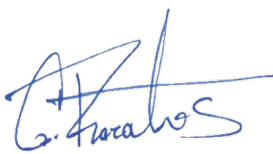
Applicant shall calculate the oil and gas production average during the fourth year after the commencement of commingling, which shall be used to establish a fixed percentage of the total oil and gas production that shall be allocated to each of the Pools ("fixed percentage allocation plan"). No later 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 on the date of such action. If OCD approves the percentage allocation plan with 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**



**GERASIMOS RAZATOS
DIRECTOR (ACTING)**

DATE: 7/17/2024

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: DHC-5406			
Operator: Hilcorp Energy Company (372171)			
Well Name: Mansfield #9			
Well API: 30-045-12187			
Upper Zone	Pool Name: BASIN FRUITLAND COAL (GAS)		
	Pool ID: 71629	Current:	New: X
	Allocation:	Oil: 0.0%	Gas: subt
		Top: 2,391	Bottom: 2,623
Intermediate Zone	Pool Name:		
	Pool ID:	Current:	New:
	Allocation:	Oil:	Gas:
		Top:	Bottom:
Bottom of Interval within 150% of Upper Zone's Top of Interval:			
Lower Zone	Pool Name: BLANCO-MESAVERDE (PRORATED GAS)		
	Pool ID: 72319	Current: X	New:
	Allocation:	Oil: 100.0%	Gas: curve
		Top: 4,272	Bottom: 4,970
Bottom of Interval within 150% of Upper Zone's Top of Interval: NO			

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1625 N. French Dr., Hobbs, NM 88240
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1000 Rio Brazos Rd., Aztec, NM 87410
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1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 312582

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 312582
	Action Type: [C-107] Down Hole Commingle (C-107A)

CONDITIONS

Created By	Condition	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.	7/18/2024