

Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
SUNRAY G	4	3004533885	NMSF078386A	NMSF078386A	HILCORP
SUNRAY G	2	3004510584	NMSF078386A	NMSF078386A	HILCORP

Notice of Intent

Sundry ID: 2808435

Type of Submission: Notice of Intent

Date Sundry Submitted: 08/27/2024

Date proposed operation will begin: 09/16/2024

Type of Action: Commingling (Surface)

Time Sundry Submitted: 08:49

Procedure Description:

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

SunrayG2_G4_CDP_SurfaceCommingleApplication_20240827084817.pdf

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: PAMELA HARPER

Signed on: AUG 27, 2024 08:48 AM

Name: HILCORP ENERGY COMPANY

Title: Senior Business Analyst Measurement

Street Address: 382 COUNTY ROAD 3100

City: AZTEC

State: NM

Phone: (505) 324-5154

Email address: PHARPER@HILCORP.COM

Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

Form 3160-5
(June 2019)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021

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

5. Lease Serial No.	
6. If Indian, Allottee or Tribe Name	
7. If Unit of CA/Agreement, Name and/or No.	
8. Well Name and No.	
9. API Well No.	
10. Field and Pool or Exploratory Area	11. Country or Parish, State

SUBMIT IN TRIPLICATE - Other instructions on page 2	
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator	
3a. Address	3b. Phone No. (include area code)
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)	

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA				
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)	Title
Signature	Date

THE SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Batch Well Data

SUNRAY G 2, US Well Number: 3004510584, Case Number: NMSF078386A, Lease Number: NMSF078386A,
Operator:HILCORP ENERGY COMPANY

SUNRAY G 4, US Well Number: 3004533885, Case Number: NMSF078386A, Lease Number: NMSF078386A,
Operator:HILCORP ENERGY COMPANY

Hilcorp Energy Company requests permission to surface commingle the gas produced from the Sunray G 2 (3004510584) and the Sunray G 4 (3004533885). The gas production of the Sunray G 4 already benefits from the use of a compressor on the location. This surface commingle will add the production of the Sunray G 2 through this compressor, which will provide both wells extended economic life and lessen environmental impacts versus utilizing two separate compressors on the well pad.

Production to be surface comingled is sourced from the Blanco Mesaverde and the Blanco Pictured Cliffs pools, however, all interest types in the two wells is identical. Notification to owners is not required, and a letter attesting to the identical interest is attached. NMOCD has also been notified of this proposal by Form C-103.

API	Well Name	Pools	Lease
3004510584	SUNRAY G 2	Blanco Mesaverde - 72319	NMSF0078386A
3004533885	SUNRAY G 4	Blanco Pictured Cliffs - 72359	NMSF0078386A

Proposed Gas Allocation Methodology: Gas production from each well will be individually measured by an allocation meter. The MMBTU at the CDP meter will be allocated back to each well based on the MMBTU of the well's respective allocation meter. Additionally, fuel used at the CDP and any produced water recovered at the CDP will also be allocated back to each contributing well in proportion to each well's allocated gas MMBTU. This surface commingle excludes oil or condensate production.

Calculation of Ratio of CDP gas to each well

Each individual well's allocation meter MMBTU

CDP/FMP Meter MMBTU

=

Percentage of gas to allocate to well

Calculation of Ratio of CDP fuel gas to each well

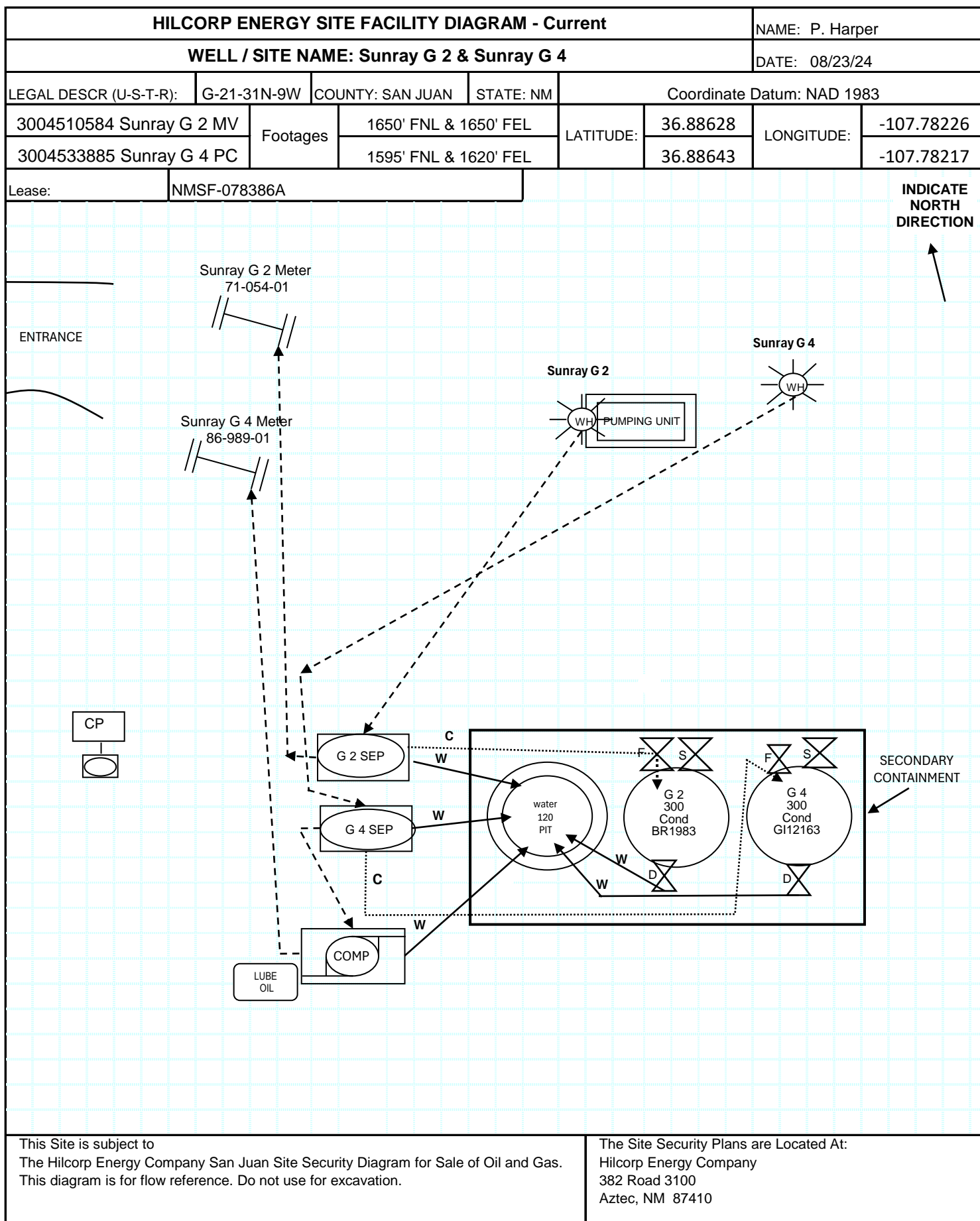
Each individual well's allocation meter MMBTU

CDP Fuel Use (Upstream of FMP meter) MMBTU

=

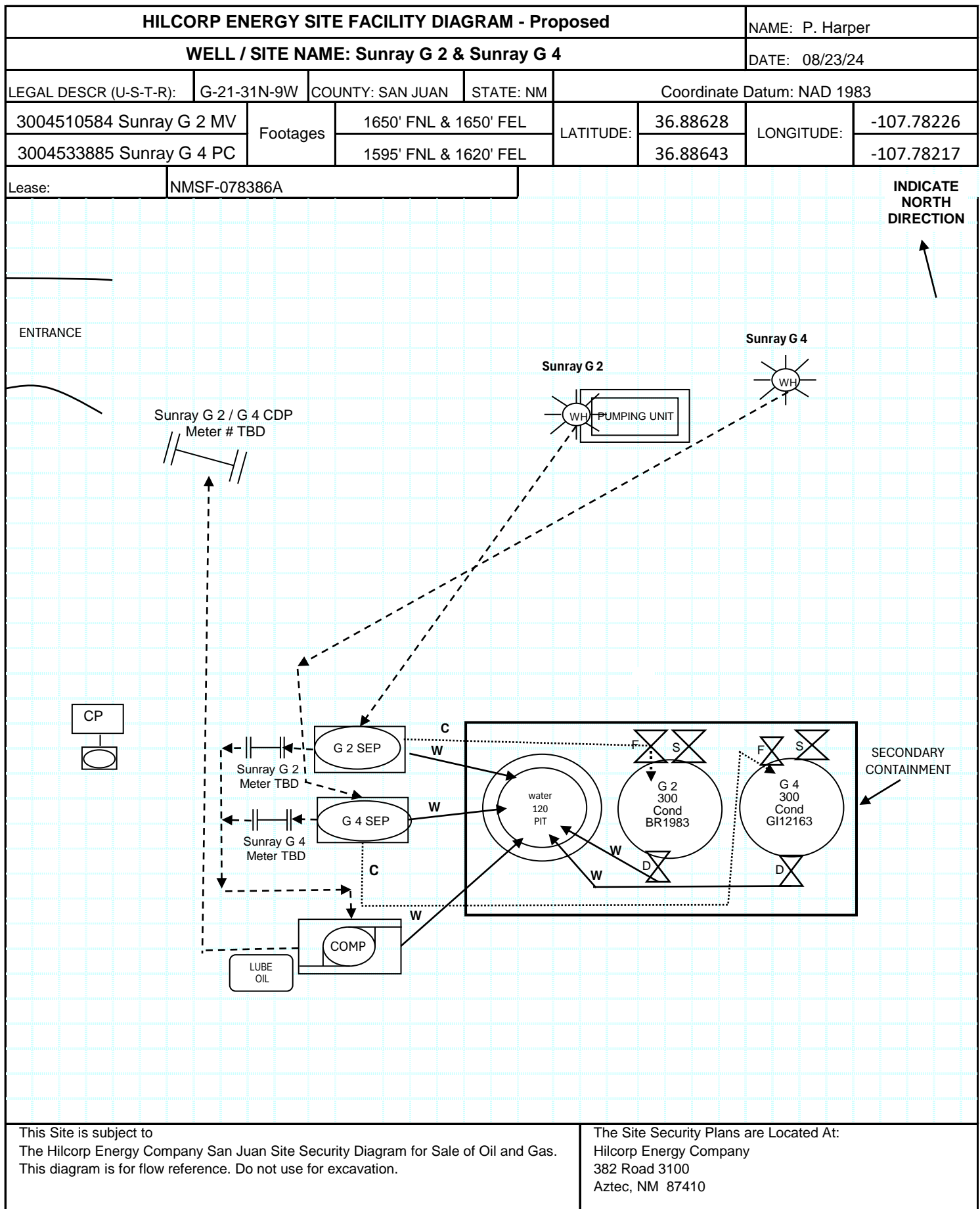
Percentage of fuel to allocate to well

Hilcorp Energy requests the CDP meter (operated by Enterprise Products) to be the FMP, and the use between the well site allocation meters and the CDP meter approved as beneficial use. Metering will be maintained per 43 CFR Part 3170 - Subpart 3175 Measurement of Gas Regulations. Final metering details and FMP number will be provided in the subsequent sundry.



This Site is subject to
The Hilcorp Energy Company San Juan Site Security Diagram for Sale of Oil and Gas.
This diagram is for flow reference. Do not use for excavation.

The Site Security Plans are Located At:
Hilcorp Energy Company
382 Road 3100
Aztec, NM 87410



This Site is subject to
The Hilcorp Energy Company San Juan Site Security Diagram for Sale of Oil and Gas.
This diagram is for flow reference. Do not use for excavation.

The Site Security Plans are Located At:
Hilcorp Energy Company
382 Road 3100
Aztec, NM 87410

Hilcorp Energy / BLM Site Security

API No.	Well Name	Well Num	Legals
3004510584			
3004510584	SUNRAY G 2		031N-009W-21-G

API Number3004510584Location TypeWELL

Well NameSUNRAY G 2

Operator NameJames WayneOperator Phone575.740.0959

Lease NumberNMSF078386ALease TypeFederal

CA Agmt NumNMSF078386A

Latitude36.88625Twinned location?No

Longitude-107.78163H2S on location?No

Location (TRSU)031N-009W-21-G

Legal Footage1650' FNL & 1650' FEL

Water Disp PriSAN JUAN 32-9 UNIT 5 SWD

Water Disp SecVASALY 2 SWD

Sales / Allocation Meter

Meter ID	Meter Name	Gatherer	BLM Meter ID
71-054-01	SUNRAY G 2 MV	ENT	71-054-01

Search

Reload Data

HEC Info

Quit

Installed Equipment

Pumping Unit -- Serial #: L1394332-106895; Driver type: Electric Motor
No Fuel consumed (Electric Motor).

Separator -- Serial Number: 3127
Description: SEP,HORI,3PH ::: Separator burner pilot operated year-round while well is flowing
Separator burner pilot rated at 0.005 mcf/h

Pit Tank -- Serial #: 7043; Capacity: 120 BBL
Description:TANK,PIT,120BBL
Above/Below Grade: BELOW

Condensate Tank -- Serial Number: 1605; Tank #: BR1983; Height: 15 feet; Capacity: 300 BBL
Description: TANK,CONDENSATE,300BBL ::: Tank heater pilot operated between October and March while well is flowing
Tank heater pilot rated at 0.005 mcf/h

Hilcorp Energy / BLM Site Security

API No.	Well Name	Well Num	Legals
3004533885			
3004533885	SUNRAY G 4		031N-009W-21-G

API Number3004533885Location TypeWELL

Well NameSUNRAY G 4

Operator NameJames WayneOperator Phone575.740.0959

Lease NumberNMSF078386ALease TypeFederal

CA Agmt NumNMSF078386A

Latitude36.88641Twinned location?No

Longitude-107.7815H2S on location?No

Location (TRSU)031N-009W-21-G

Legal Footage1595' FNL & 1620' FEL

Water Disp PriSAN JUAN 32-9 UNIT 5 SWD

Water Disp SecVASALY 2 SWD

Sales / Allocation Meter

Meter ID	Meter Name	Gatherer	BLM Meter ID
86-989-01	SUNRAY G 4 PC	ENT	86-989-01

Search

Reload Data

HEC Info

Quit

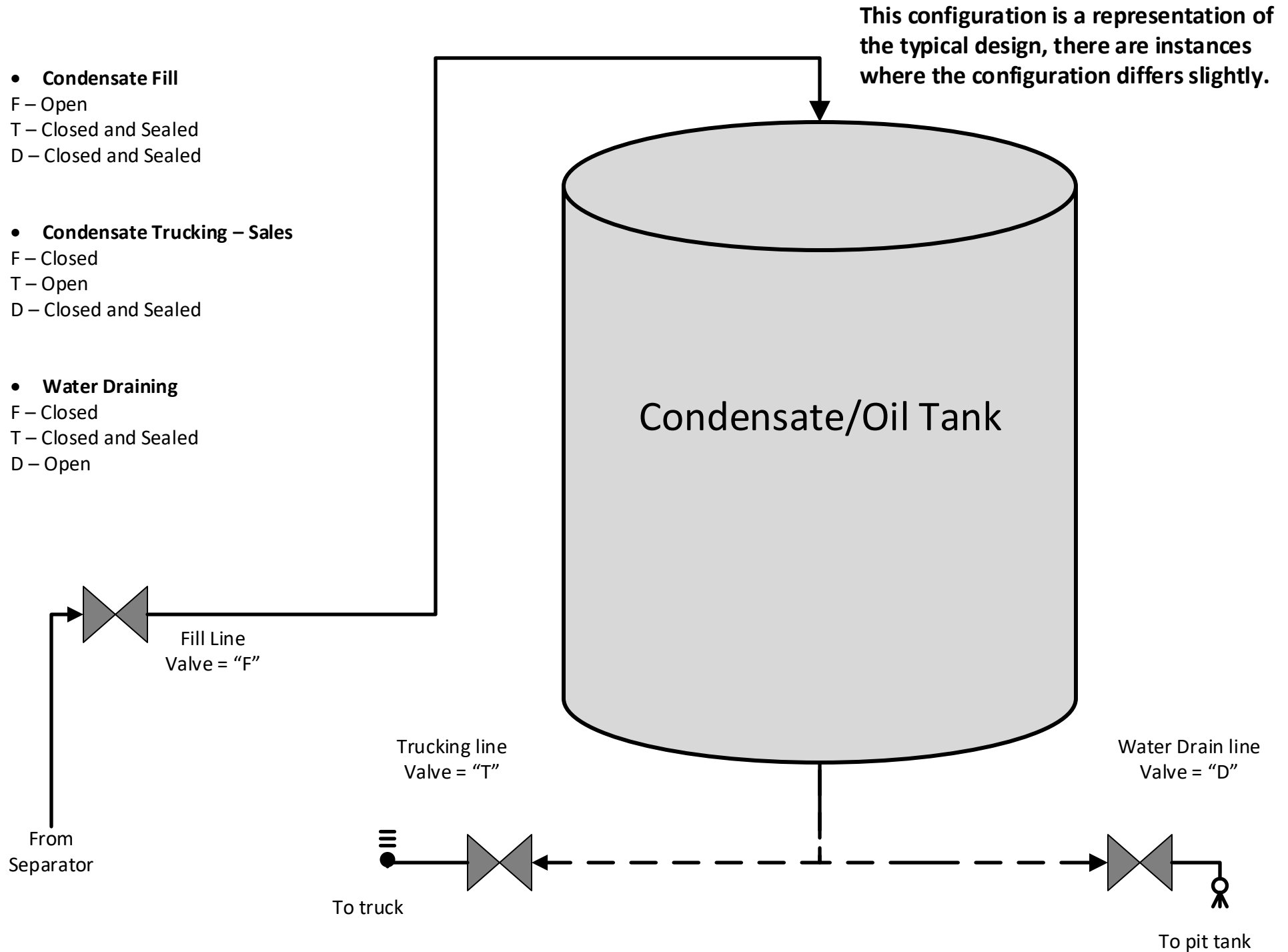
Installed Equipment

Compressor Package -- Serial Number: 1617; Driver type: Engine
Manufacturer fuel use when operated at 70% of rated maximum, 0.374026 MCF/hr * operated hours.

Separator -- Serial Number: EL8G23401-04
Description: SEP,HORI,3PH ::: Separator burner pilot operated between October and March while well is flowing
Separator burner pilot rated at 0.005 mcf/h

Condensate Tank -- Serial Number: 8Y09401-01; Tank #: BRG112163;
Height: 15 feet; Capacity: 300 BBL
Description: TANK,CONDENSATE,300BBL :::
No heater specified for tank

Released to Imaging: 4/17/2025 9:38:52 AM




NEW MEXICO
OIL CONSERVATION COMMISSION

Gas Well Plat

Date May 20, 1955
El Paso Natural Gas Company Sunray 2-G
Operator Lease Well No.
Name of Producing Formation Mesa Verde Pool Blanco

No. Acres Dedicated to the Well 320Indicate land status and show ownership FederalSECTION 21 TOWNSHIP 31N RANGE 9W

		S F. 078386-A	



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

Name E. S. Olush
Position Petroleum Engineer
Representing El Paso Natural Gas Co
Address Box 997, Farmington, N.M.

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

PO Box 2088

Santa Fe, NM 87504-2088

District IV
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045- 33885	*Pool Code 72359	*Pool Name Blanco Pictured Cliffs
*Property Code 7569	*Property Name SUNRAY G	*Well Number 4
*GRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP	*Elevation 6495'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	21	31N	9W	(7)	1595	NORTH	1620	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres NE/4 157.88 ac.	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Joni Clark Printed Name Title Date 6/7/06	
	¹⁸ 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. Date of Survey: MARCH 13, 2006 Signature and Seal of Professional Surveyor JASON C. EDWARDS Certificate Number 15269	



August 27, 2024

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

Re: Application for Surface Commingling
Well(s): SUNRAY G #002 & SUNRAY G #004
API(s): 3004510584 & 3004533885
T31N - R09W - Section 21
San Juan County, NM

Ladies and Gentlemen:

Concerning Hilcorp Energy Company's application to surface commingle production in the subject wells, this letter serves to confirm that all working, royalty and overriding royalty interests are identical between the **Blanco Mesaverde (72319)**, as such relates to the prescribed E/314.96 spacing unit in the Sunray G #002 well, and the **Blanco Pictured Cliffs (72359)**, as such relates to the prescribed NE/157.88 spacing unit in the Sunray G #004 well.

The aforementioned spacing units are comprised of a federal lease. Thus, pursuant to Section 19.15.12.10 of the New Mexico Administrative Code, a copy of this letter and application have also been sent to the Bureau of Land Management.

If you have any questions or concerns regarding this matter, please do not hesitate to contact me at the email or number provided below.

Regards,

Hilcorp Energy Company

A handwritten signature in blue ink, appearing to read 'R. Carlson'.

Robert T. Carlson
Sr. Landman
(832) 839-4596
rcarlson@hilcorp.com

Hilcorp Energy Company requests permission to surface commingle the gas produced from the Sunray G 2 (3004510584) and the Sunray G 4 (3004533885). The gas production of the Sunray G 4 already benefits from the use of a compressor on the location. This surface commingle will add the production of the Sunray G 2 through this compressor, which will provide both wells extended economic life and lessen environmental impacts versus utilizing two separate compressors on the well pad.

Production to be surface comingled is sourced from the Blanco Mesaverde and the Blanco Pictured Cliffs pools, however, all interest types in the two wells is identical. Notification to owners is not required, and a letter attesting to the identical interest is attached. BLM has also been notified of this proposal by sundry.

API	Well Name	Pools	Lease
3004510584	SUNRAY G 2	Blanco Mesaverde - 72319	NMSF0078386A
3004533885	SUNRAY G 4	Blanco Pictured Cliffs - 72359	NMSF0078386A

Proposed Gas Allocation Methodology: Gas production from each well will be individually measured by an allocation meter. The MMBTU at the CDP meter will be allocated back to each well based on the MMBTU of the well's respective allocation meter. Additionally, fuel used at the CDP and any produced water recovered at the CDP will also be allocated back to each contributing well in proportion to each well's allocated gas MMBTU. This surface commingle excludes oil or condensate production.

Calculation of Ratio of CDP gas to each well

Each individual well's allocation meter MMBTU

CDP/FMP Meter MMBTU

=

Percentage of gas to allocate to well

Calculation of Ratio of CDP fuel gas to each well

Each individual well's allocation meter MMBTU

CDP Fuel Use (Upstream of FMP meter) MMBTU

=

Percentage of fuel to allocate to well

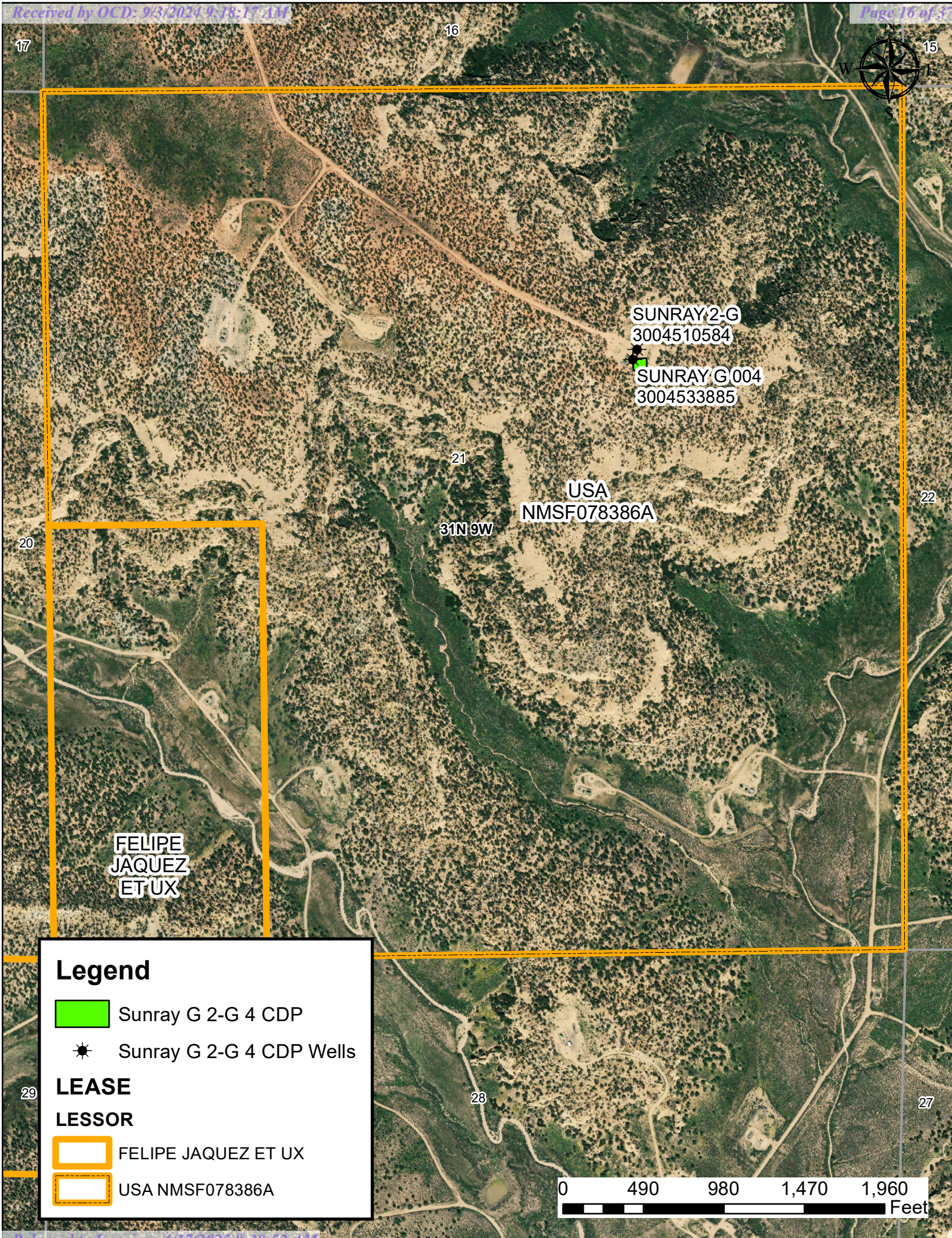
Hilcorp Energy requests the CDP meter (operated by Enterprise Products) to be the FMP, and the use between the well site allocation meters and the CDP meter approved as beneficial use. Metering will be maintained per 43 CFR Part 3170 - Subpart 3175 Measurement of Gas Regulations. Final metering details and FMP number will be provided in the subsequent sundry. A State Facility ID will be applied for the CDP facility upon approval of surface commingling pursuant to the NMAC 19.15.27 series.

Pool Commingling – Based on June 2024 Volume/Value



API	Well Name	Pools	BTU Content of Non-Commingled Production	Calculated BTU of Commingled Production	Value of Non-Commingled Production	Calculated Value of Commingled Production	Volumes of Non-Commingled Production	Calculated Volume of Commingled Production
30-045-10584	SUNRAY G 2	Blanco Mesaverde - 72319	1.148	1.163	705	3393.64	614	2918
30-045-33885	SUNRAY G 4	Blanco Pictured Cliffs - 72359	1.167		2690		2304	

Pool Commingling Value Statement

The Sunray G 2 (MV) and the Sunray G 4 (PC) both produce from the same pad on run 405. Both wells produce thru separate facilities and separate custody meters, but both wells gather downstream at Enterprise Hart 1 station. A test compressor was recently installed on the Sunray G 2 and demonstrated a rate bump from lowering the pressure on the well. Given that the Sunray G 4 is currently equipped with a compressor that can handle both wells, it is recommended to surface commingle both wells, post separation, and tie them into the existing Sunray G 4 compressor which will provide both wells extended economic life and lessen the environmental impacts versus utilizing two separate compressors on the well pad.





Legend

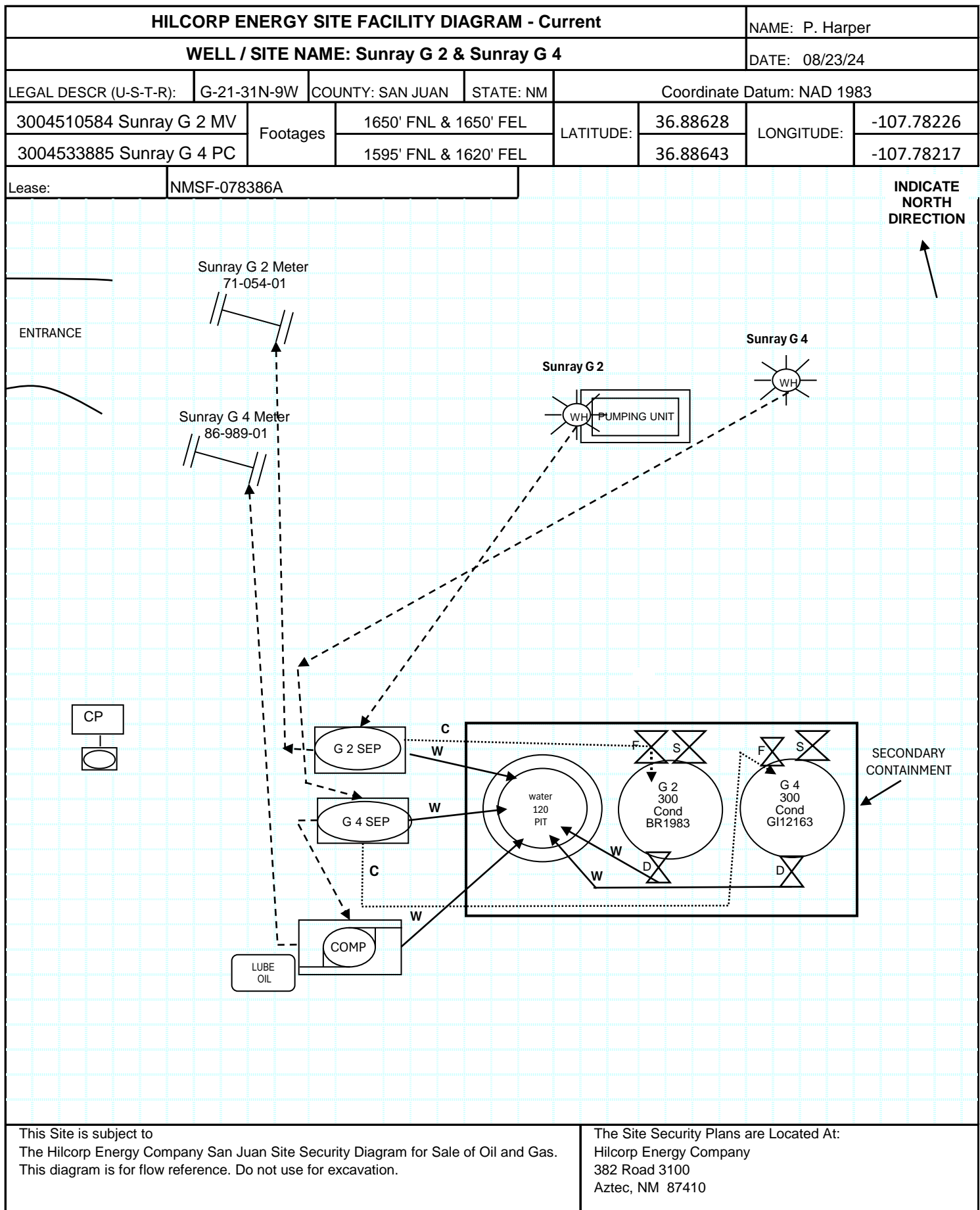
-  Sunray G 2-G 4 CDP
-  Sunray G 2-G 4 CDP Wells

LEASE

LESSOR

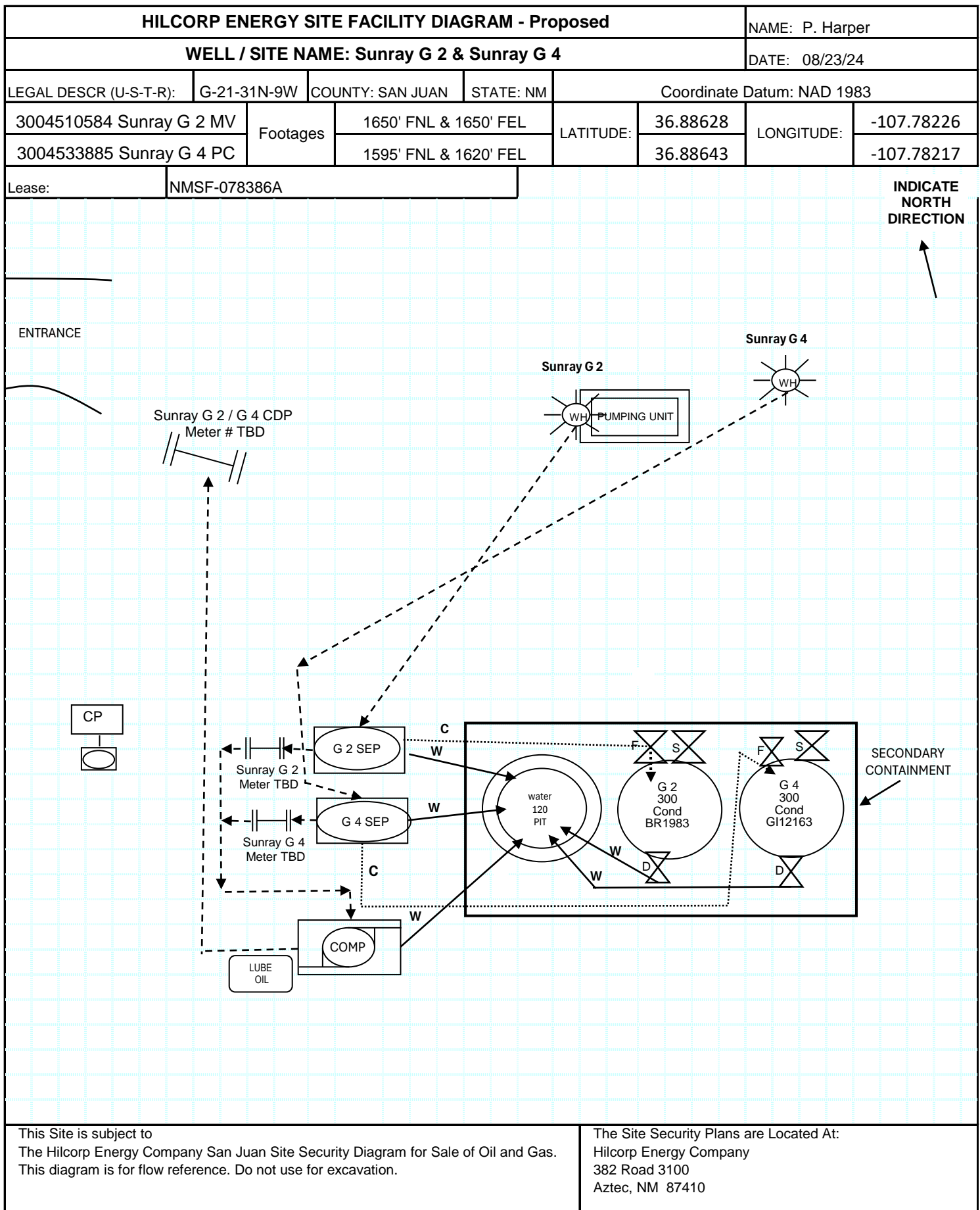
-  FELIPE JAQUEZ ET UX
-  USA NMSF078386A

0 490 980 1,470 1,960 Feet



This Site is subject to
The Hilcorp Energy Company San Juan Site Security Diagram for Sale of Oil and Gas.
This diagram is for flow reference. Do not use for excavation.

The Site Security Plans are Located At:
Hilcorp Energy Company
382 Road 3100
Aztec, NM 87410



Hilcorp Energy / BLM Site Security

API No.	Well Name	Well Num	Legals
3004510584			
3004510584	SUNRAY G 2		031N-009W-21-G

API Number

3004510584

Location Type

WELL

Well Name

SUNRAY G 2

Operator Name

James Wayne

Operator Phone

575.740.0959

Lease Number

NMSF078386A

Lease Type

Federal

CA Agmt Num

NMSF078386A

Latitude

36.88625

Twinned location?

No

Longitude

-107.78163

H2S on location?

No

Location (TRSU)

031N-009W-21-G

Legal Footage

1650' FNL & 1650' FEL

Water Disp Pri

SAN JUAN 32-9 UNIT 5 SWD

Water Disp Sec

VASALY 2 SWD

Sales / Allocation Meter

Meter ID	Meter Name	Gatherer	BLM Meter ID
71-054-01	SUNRAY G 2 MV	ENT	71-054-01

Search

Reload Data

HEC Info

Quit

Installed Equipment

Pumping Unit -- Serial #: L1394332-106895; Driver type: Electric Motor
No Fuel consumed (Electric Motor).

Separator -- Serial Number: 3127
Description: SEP,HORI,3PH ::: Separator burner pilot operated year-round while well is flowing
Separator burner pilot rated at 0.005 mcf/h

Pit Tank -- Serial #: 7043; Capacity: 120 BBL
Description:TANK,PIT,120BBL
Above/Below Grade: BELOW

Condensate Tank -- Serial Number: 1605; Tank #: BR1983; Height: 15 feet; Capacity: 300 BBL
Description: TANK,CONDENSATE,300BBL ::: Tank heater pilot operated between October and March while well is flowing
Tank heater pilot rated at 0.005 mcf/h

Hilcorp Energy / BLM Site Security

API No.	Well Name	Well Num	Legals
3004533885			
3004533885	SUNRAY G 4		031N-009W-21-G

API Number

3004533885

Location Type

WELL

Well Name

SUNRAY G 4

Operator Name

James Wayne

Operator Phone

575.740.0959

Lease Number

NMSF078386A

Lease Type

Federal

CA Agmt Num

NMSF078386A

Latitude

36.88641

Twinned location?

No

Longitude

-107.7815

H2S on location?

No

Location (TRSU)

031N-009W-21-G

Legal Footage

1595' FNL & 1620' FEL

Water Disp Pri

SAN JUAN 32-9 UNIT 5 SWD

Water Disp Sec

VASALY 2 SWD

Sales / Allocation Meter

Meter ID	Meter Name	Gatherer	BLM Meter ID
86-989-01	SUNRAY G 4 PC	ENT	86-989-01

Search

Reload Data

HEC Info

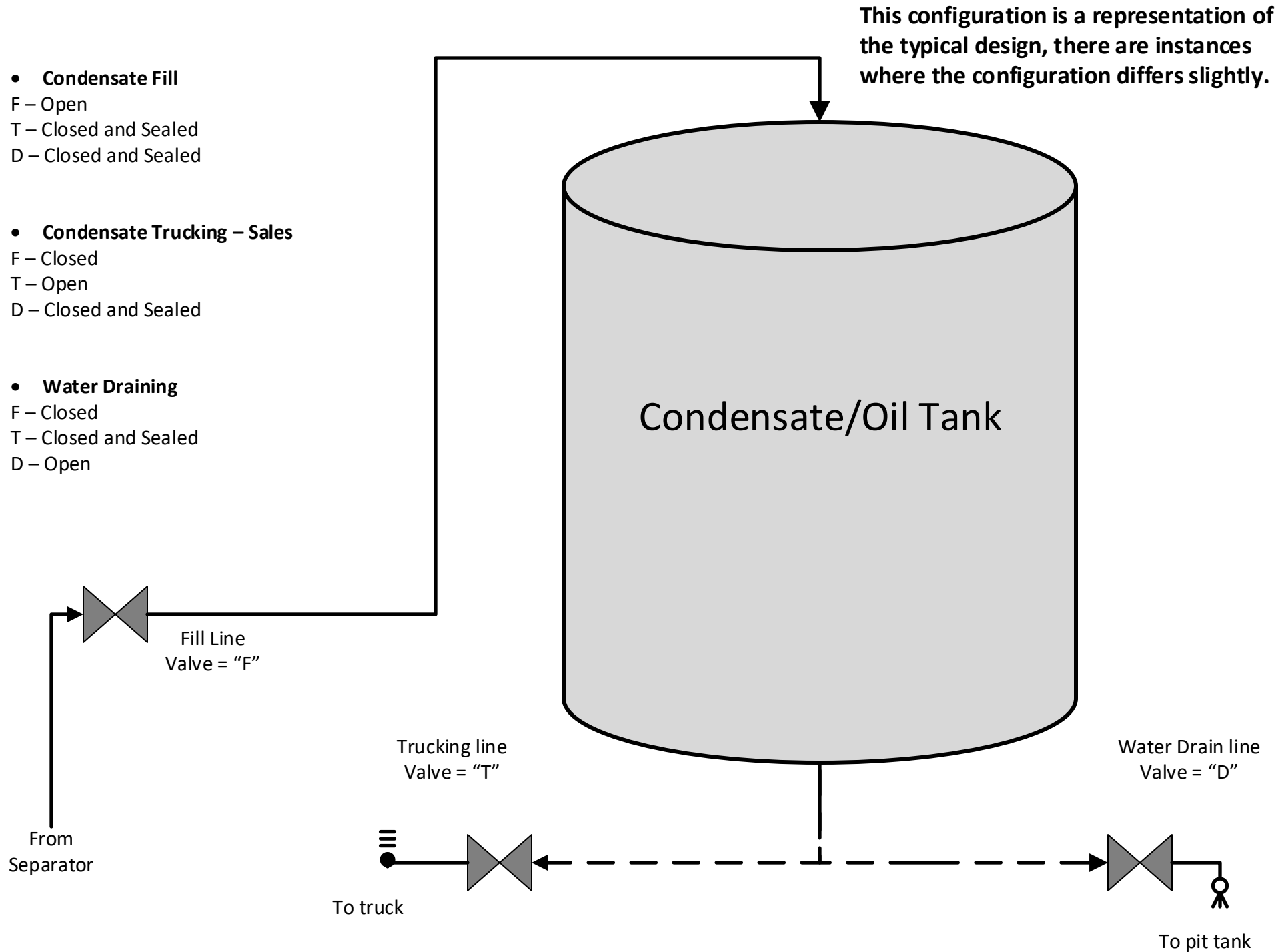
Quit

Installed Equipment

Compressor Package -- Serial Number: 1617; Driver type: Engine
Manufacturer fuel use when operated at 70% of rated maximum, 0.374026 MCF/hr * operated hours.

Separator -- Serial Number: EL8G23401-04
Description: SEP,HORI,3PH ::: Separator burner pilot operated between October and March while well is flowing
Separator burner pilot rated at 0.005 mcf/h

Condensate Tank -- Serial Number: 8Y09401-01; Tank #: BRG112163;
Height: 15 feet; Capacity: 300 BBL
Description: TANK,CONDENSATE,300BBL :::
No heater specified for tank





August 30, 2024

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

Re: Application for Surface Commingling
Well(s): SUNRAY G #002 & SUNRAY G #004
API(s): 3004510584 & 3004533885
T31N - R09W - Section 21
San Juan County, NM

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If you have any questions or concerns regarding this matter, please do not hesitate to contact me at the email or number provided below.

Regards,

Hilcorp Energy Company

A handwritten signature in blue ink, appearing to read 'R. Carlson'.

Robert T. Carlson
Sr. Landman
(832) 839-4596
rcarlson@hilcorp.com

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

Sundry Finder Information

Sundry ID	Sundry Type of Submission	Has SR?	Sundry Type of Action	Sundry Status	Well Number	Well Name	US Well Number	BLM Office
2808435	NOI	No	Commingling (Surface)	Received	4	SUNRAY G	3004533885	Farmington
2808435	NOI	No	Commingling (Surface)	Received	2	SUNRAY G	3004510584	Farmington

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: Hilcorp Energy Company **OGRID Number:** 372171
Well Name: Sunray G 2 and Sunray G 4 **API:** 3004510584 & 3004533885
Pool: Blanco Mesaverde & Blanco Pictured Cliffs **Pool Code:** 72319 & 72359

**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.

Jamie Olivarez

Print or Type Name

Date

8/30/24

113-289-2838

Phone Number

Signature

e-mail Address

j.Olivarez@hilcorp.com


NEW MEXICO
OIL CONSERVATION COMMISSION

Gas Well Plat

Date May 20, 1955
El Paso Natural Gas Company Sunray 2-G
Operator Lease Well No.
Name of Producing Formation Mesa Verde Pool Blanco

No. Acres Dedicated to the Well 320Indicate land status and show ownership FederalSECTION 21 TOWNSHIP 31N RANGE 9W

		S F. 078386-A	



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

Name E. S. Olush
Position Petroleum Engineer
Representing El Paso Natural Gas Co
Address Box 997, Farmington, N.M.

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

PO Box 2088

Santa Fe, NM 87504-2088

District IV
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045- 33885	*Pool Code 72359	*Pool Name Blanco Pictured Cliffs
*Property Code 7569	*Property Name SUNRAY G	*Well Number 4
*GRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP	*Elevation 6495'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	21	31N	9W	(7)	1595	NORTH	1620	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres NE/4 157.88 ac.	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Joni Clark Printed Name Title Date 6/7/06	
	¹⁸ 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. Date of Survey: MARCH 13, 2006 Signature and Seal of Professional Surveyor JASON C. EDWARDS Certificate Number 15269	

From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Jamie Olivarez](#)
Cc: [McClure, Dean, EMNRD](#); [Clelland, Sarah, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [Paradis, Kyle Q; David Mankiewicz](#)
Subject: Approved Administrative Order PC-1407
Date: Thursday, April 17, 2025 9:21:49 AM
Attachments: [PC1407 Order.pdf](#)

NMOCD has issued Administrative Order PC-1407 which authorizes Hilcorp Energy Company (372171) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-045-10584	Sunray G #2	E/2	21-31N-9W	72319
30-045-33885	Sunray G #4	NE/4	21-31N-9W	72359

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

From: [Jamie Olivarez](#)
To: [McClure, Dean, EMNRD](#)
Cc: [Clelland, Sarah, EMNRD](#)
Subject: RE: [EXTERNAL] Action ID: 379476; PC-1407
Date: Wednesday, March 26, 2025 2:37:40 PM
Attachments: [image001.png](#)

I clearly have not had enough coffee for today. Apologies for any confusion. You are correct in reference to the pool formations. I was thinking in terms of the BTU content being nearly identical.

I hereby certify that the surface commingling of production of the Sunray G 4, 30-045-33885, and Sunray G 2, 30-045-10584, provides no evidence or cause that will decrease the valuation of production. By surface commingling, Hilcorp Energy Company is ensuring the responsible use and conservation of oil and gas resources in New Mexico.

Jamie Olivarez, MLS
L48W Regulatory Advisor
Hilcorp Energy Company
Office: (713) 289-2838
Fax: (713) 289-2756
Cell: (361) 935-2795
jolivarez@hilcorp.com



From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Wednesday, March 26, 2025 2:41 PM
To: Jamie Olivarez <jolivarez@hilcorp.com>
Cc: Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>
Subject: RE: [EXTERNAL] Action ID: 379476; PC-1407

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

Jamie,

An applicant should feel free to provide supporting information with its certification as you have done below. However, Hilcorp will need to either: (A) certify that the commingling of production will not reduce its value; or (B) provide reasoning for why the Division should approve the commingling project despite the commingling of production causing its value to reduce.

A simple confirmation will suffice. Typically, this will be a single sentence, although I have seen applicants submit sales contract details as well. If you have any questions about what is required or am unsure what is meant by the request, then please feel free to reach out with any questions you may have.

Additionally, in your email below you reference that both wells are producing from the same formation. This is diverse to what is on record with the Division. Please confirm the formations from which the following 2 wells are producing:

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-045-10584	Sunray G #2	E/2	21-31N-9W	72319
30-045-33885	Sunray G #4	NE/4	21-31N-9W	72359

Dean McClure

Petroleum Engineer, Oil Conservation Division

New Mexico Energy, Minerals and Natural Resources Department

(505) 469-8211

From: Jamie Olivarez <jolivarez@hilcorp.com>

Sent: Wednesday, March 26, 2025 11:14 AM

To: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>

Cc: Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>

Subject: RE: [EXTERNAL] Action ID: 379476; PC-1407

Dean,

The wells produce out of the same formation and are literally commingled off location into the same flowline, albeit thru separate meters into Enterprise's system. If anything, this operation would allow us to compress the G2, which is currently uncompressed, and extend the reserve life on the well by lowering the wellhead pressure. This won't affect the G4 as it is currently compressed. Since the wells are producing from the same formation the gas is identical and there is no change to the valuation based on analysis. Enterprise therefore will not be affected by the commingling. This project will prevent us from having

to set a second compressor on site and incur additional fuel consumption, so it is, by default, better for the environment.

Jamie Olivarez, MLS
L48W Regulatory Advisor
Hilcorp Energy Company
Office: (713) 289-2838
Fax: (713) 289-2756
Cell: (361) 935-2795
jolivarez@hilcorp.com



From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Monday, March 24, 2025 5:13 PM
To: Jamie Olivarez <jolivarez@hilcorp.com>
Cc: Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>
Subject: RE: [EXTERNAL] Action ID: 379476; PC-1407

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

Hello Jamie,

Please confirm that the value of production will not be decreased due to the commingling. For gas, an example of the value of production being decreased is if one source has a high enough concentration of contaminants such as H₂S, N₂, and CO₂, that causes it to be docked by the purchaser.

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

From: Jamie Olivarez <jolivarez@hilcorp.com>
Sent: Monday, March 24, 2025 6:55 AM
To: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Cc: Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>
Subject: RE: [EXTERNAL] Action ID: 379476; PC-1407

Please see attached value statement.

Jamie Olivarez, MLS
L48W Regulatory Advisor
Hilcorp Energy Company
Office: (713) 289-2838
Fax: (713) 289-2756
Cell: (361) 935-2795
jolivarez@hilcorp.com



From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Sunday, March 23, 2025 9:49 AM
To: Jamie Olivarez <jolivarez@hilcorp.com>
Cc: Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>
Subject: [EXTERNAL] Action ID: 379476; PC-1407

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

To whom it may concern (c/o Jamie Olivarez for Hilcorp Energy Company),

The Division is reviewing the following application:

Action ID	379476
Admin No.	PC-1407
Applicant	Hilcorp Energy Company (372171)
Title	Sunray G 2 and Sunray G 4 (GAS)

Sub. Date	9/3/2024
------------------	----------

Please provide the following additional supplemental documents:

-

Please provide additional information regarding the following:

- Please confirm whether the commingling of this production will cause a decrease in the value of the production.

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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return email or telephone if the sender's phone number is listed above, then promptly and permanently delete this message.

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

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY HILCORP ENERGY COMPANY**

ORDER NO. PC-1407

ORDER

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

FINDINGS OF FACT

1. Hilcorp Energy Company (“Applicant”) submitted a complete application to surface commingle the gas production from the pools, leases, and wells as described in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the gas production to the pools, leases, and wells to be commingled.
3. Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7 B. NMAC.
4. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
5. Applicant certified the commingling of gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the gas production to less than if it had remained segregated.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
7. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10 A.(2) NMAC, 19.15.12.10 C.(4)(c) NMAC, and 19.15.12.10 C.(4)(e) NMAC, as applicable.
8. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9 A.(5) NMAC and 19.15.23.9 A.(6) NMAC, as applicable.
9. Applicant’s proposed method of allocation, as modified herein, complies with 19.15.12.10 B.(1) NMAC or 19.15.12.10 C.(1) NMAC, as applicable.

10. Commingling of gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10 B.(3) NMAC and 19.15.12.10 C.(4)(h) NMAC.
11. 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 surface commingle gas production from the pools, leases, and wells as described in Exhibit A.
2. The gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
3. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8 B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8 E. NMAC.
4. Applicant shall calibrate the meters used to measure or allocate gas production in accordance with 19.15.12.10 C.(2) NMAC.
5. If the commingling of gas production from any pool, lease, or well reduces the value of the commingled 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 surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose gas production 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.
6. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
7. 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).
8. 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: 4/9/2025

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **PC-1407**
Operator: **Hilcorp Energy Company (372171)**
Central Tank Battery: **Sunray G 2 and G 4 Battery**
Central Tank Battery Location: **UL G, Section 21, Township 31 North, Range 9 West**
Gas Title Transfer Meter Location: **UL G, Section 21, Township 31 North, Range 9 West**

Pools

Pool Name	Pool Code
BLANCO-MESAVERDE (PRORATED GAS)	72319
BLANCO PICTURED CLIFFS (GAS)	72359

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
NMNM 105320178 (NMSF 0078386A)	E/2	21-31N-9W

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-045-10584	Sunray G #2	E/2	21-31N-9W	72319
30-045-33885	Sunray G #4	NE/4	21-31N-9W	72359

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

General Information
Phone: (505) 629-6116

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

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

CONDITIONS

Action 379476

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 379476
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

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 email us at OCD.Engineer@emnrd.nm.gov .	4/17/2025