

ID NO. 546034

DHC - 5554

RECEIVED: 01/26/26	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

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.

Date

Print or Type Name

Dawnash Deao
Signature

Signature

Date

Phone Number

e-mail Address

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised August 1, 2011

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

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

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

District III
1000 Rio Brazos Road, Aztec, NM 87410

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

APPLICATION FOR DOWNHOLE COMMINGLING

Hilcorp Energy Company Operator 382 Road 3100, Aztec, NM 87410 Address

SAN JUAN 28-5 UNIT Lease 42N Well No. J,31,28N,05W Unit Letter-Section-Township-Range RIO ARRIBA County

OGRID No. 372171 Property Code 318708 API No. 30-039-27705 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BASIN FRUITLAND COAL (GAS POOL)	TAPACITO PICTURED CLIFFS	BLANCO MESAVERDE (PRORATED GAS)	BASIN DAKOTA (PRORATED GAS)
Pool Code	71629	85920	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	~2876'-3191'	~3191'-785'	4152'-5528'	7410'-7610'
Method of Production (Flowing or Artificial Lift)	ARTIFICIAL LIFT	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)	66 BHP	90 BHP	405 BHP	769 BHP
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1102 BTU	1163 BTU	1256 BTU	1072 BTU
Producing, Shut-In or New Zone	NEW ZONE	NEW ZONE	PRODUCING	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: Oil: Gas: Water:	Date: Rates: Oil: Gas: Water:	Date: 11/1/2025 Rates: Oil: 0 BBL Gas: 2,899 MCF Water: 0 BBL	Date: 11/1/2025 Rates: Oil: 2 BBL Gas: 395 MCF Water: 0 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 %	Oil Gas %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No X
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes X No

Are all produced fluids from all commingled zones compatible with each other? Yes X No

Will commingling decrease the value of production? Yes No X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes X No

NMOCED 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 Dawn Nash Deal TITLE Operations/Regulatory Technician DATE 12/12/2025

TYPE OR PRINT NAME DAWN NASH-DEAL TELEPHONE NO. (346) 237-2143

E-MAIL ADDRESS DNASH@HILCORP.COM

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

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

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

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

AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039- 27705		² Pool Code 72319/71599	³ Pool Name Blanco Mesaverde/Basin Dakota
⁴ Property Code 7460	⁵ Property Name SAN JUAN 28-5 UNIT		⁶ Well Number 42N
⁷ GRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP		⁹ Elevation 6389'

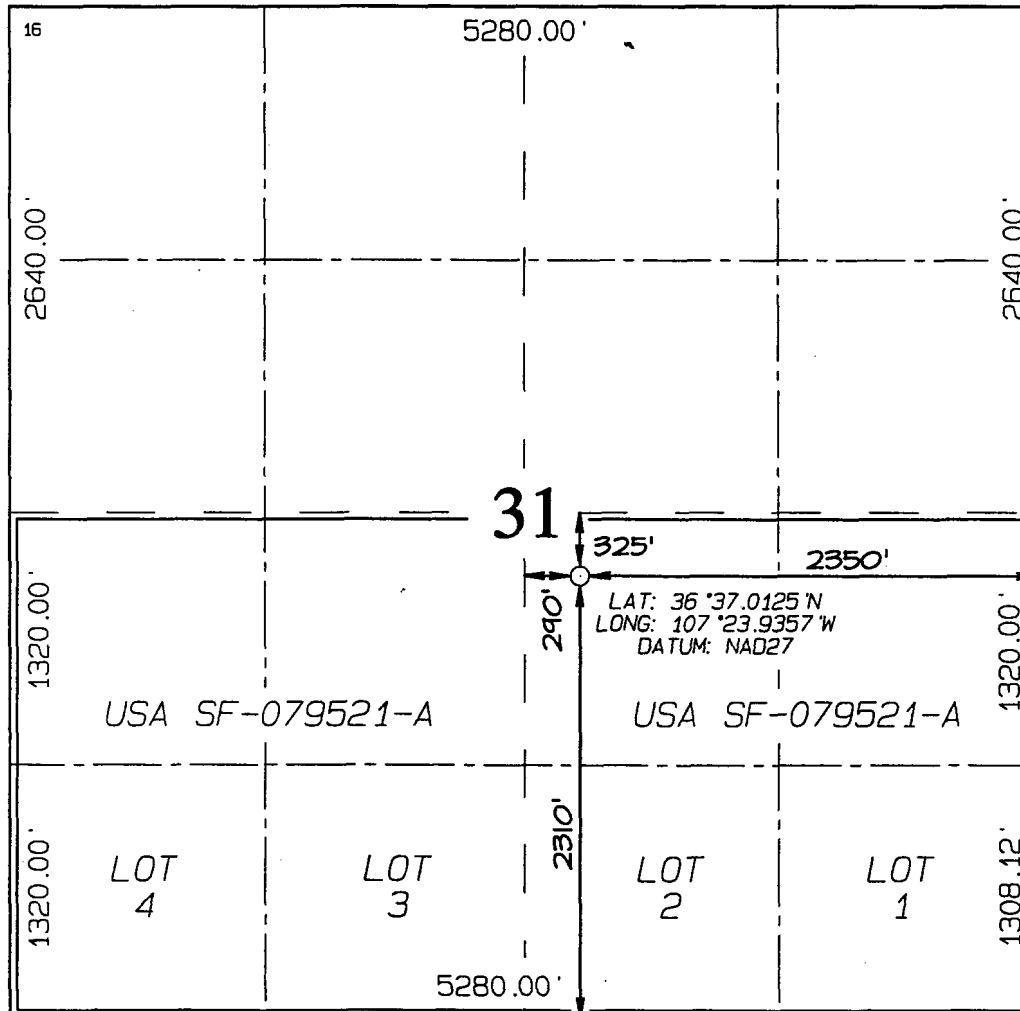
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	31	28N	5W		2310	SOUTH	2350	EAST	RIO ARRIBA

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 MV-S/319.28 DK-S/319.28					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



¹⁷ OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Nancy Oltmanns
 Signature

Nancy Oltmanns
 Printed Name

Senior Staff Specialist
 Title

3-16-04
 Date

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: JULY 22, 2003

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
 Certificate Number 15269

Water Compatibility in the San Juan Basin
 - The San Juan basin has productive siliciclastic reservoirs (Pictured Cliffs, Blanco Mesaverde, Basin Dakota, etc.) and a productive coalbed methane reservoir (Basin Fruitland Coal).
 - These siliciclastic and coalbed methane reservoirs are commingled extensively throughout the basin in many different combinations with no observed damage from clay swelling due to differing formation waters.
 - The samples below all show fresh water with low TDS.
 - 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.

Well Name	API
SAN JUAN 28-5 UNIT 42N	3003927705

FRC Offset (2.78 MILES)		PC Offset (10.49 MILES)		MV Offset (1.13 MILES)		DK Offset (1.22 MILES)	
API	3003930948	API	3003925897	API	3003907307	API	3003982383
Property	SAN JUAN 28-6 UNIT NP 433S	Property	SAN JUAN 29-7 UNIT 166	Property	SAN JUAN 28-5 UNIT 9	Property	SAN JUAN 28-5 UNIT 59
CationBarium	0	CationBarium	0.00	CationBarium	0	CationBarium	0.02
CationBoron	0	CationBoron	0	CationBoron	0	CationBoron	0
CationCalcium	1.6	CationCalcium	80.00	CationCalcium	7.24	CationCalcium	2.21
CationIron	5.9	CationIron	62.10	CationIron	0.02	CationIron	63.62
CationMagnesium	0.63	CationMagnesium	19.50	CationMagnesium	1.12	CationMagnesium	0.97
CationManganese	0.1	CationManganese	1.98	CationManganese	0.37	CationManganese	0.71
CationPhosphorus	0	CationPhosphorus	0	CationPhosphorus	0	CationPhosphorus	0
CationPotassium	0	CationPotassium	0	CationPotassium	0	CationPotassium	0
CationStrontium	0	CationStrontium	0.00	CationStrontium	0.67	CationStrontium	0.02
CationSodium	644	CationSodium	762.80	CationSodium	425.76	CationSodium	6.93
CationSilica	0	CationSilica	0	CationSilica	0	CationSilica	0
CationZinc	0	CationZinc	0	CationZinc	0	CationZinc	0
CationAluminum	0	CationAluminum	0	CationAluminum	0	CationAluminum	0
CationCopper	0	CationCopper	0	CationCopper	0	CationCopper	0
CationLead	0	CationLead	0	CationLead	0	CationLead	0
CationLithium	0	CationLithium	0	CationLithium	0	CationLithium	0
CationNickel	0	CationNickel	0	CationNickel	0	CationNickel	0
CationCobalt	0	CationCobalt	0	CationCobalt	0	CationCobalt	0
CationChromium	0	CationChromium	0	CationChromium	0	CationChromium	0
CationSilicon	0	CationSilicon	0	CationSilicon	0	CationSilicon	0
CationMolybdenum	0	CationMolybdenum	0	CationMolybdenum	0	CationMolybdenum	0
AnionChloride	900	AnionChloride	1200.00	AnionChloride	339.37	AnionChloride	2.35
AnionCarbonate	0	AnionCarbonate	0.00	AnionCarbonate	0	AnionCarbonate	0
AnionBicarbonate	158.6	AnionBicarbonate	427	AnionBicarbonate	0	AnionBicarbonate	24
AnionBromide	0	AnionBromide	0	AnionBromide	0	AnionBromide	0
AnionFluoride	0	AnionFluoride	0	AnionFluoride	0	AnionFluoride	0
AnionHydroxyl	0	AnionHydroxyl	0	AnionHydroxyl	0	AnionHydroxyl	0
AnionNitrate	0	AnionNitrate	0	AnionNitrate	0	AnionNitrate	0
AnionPhosphate	716	AnionPhosphate	0	AnionPhosphate	0	AnionPhosphate	0
AnionSulfate	20	AnionSulfate	80.00	AnionSulfate	0	AnionSulfate	1.59
phField	6.67	phField	0	phField	6.03	phField	9.36
phCalculated	6.76	phCalculated	6.83	phCalculated	0	phCalculated	0
TempField	0	TempField	0	TempField	79.70	TempField	62
TempLab	0	TempLab	0	TempLab	0	TempLab	0
OtherFieldAlkalinity	2077.4	OtherFieldAlkalinity	342.16	OtherFieldAlkalinity	0	OtherFieldAlkalinity	0
OtherSpecificGravity	0	OtherSpecificGravity	0	OtherSpecificGravity	1	OtherSpecificGravity	1
OtherTDS	1638	OtherTDS	2435.00	OtherTDS	1044.39	OtherTDS	102.42
OtherCaCO3	0	OtherCaCO3	0	OtherCaCO3	0	OtherCaCO3	0
OtherConductivity	0	OtherConductivity	0	OtherConductivity	1631.86	OtherConductivity	160.04
DissolvedCO2	250	DissolvedCO2	0	DissolvedCO2	172.00	DissolvedCO2	108
DissolvedO2	0	DissolvedO2	0	DissolvedO2	0	DissolvedO2	0
DissolvedH2S	38	DissolvedH2S	13.00	DissolvedH2S	0.74	DissolvedH2S	3
GasPressure	0	GasPressure	0	GasPressure	120	GasPressure	165
GasCO2	8	GasCO2	4.00	GasCO2	1	GasCO2	1
GasCO2PP	0	GasCO2PP	0	GasCO2PP	1.20	GasCO2PP	1.65
GasH2S	0	GasH2S	0.00	GasH2S	0	GasH2S	0
GasH2SPP	0	GasH2SPP	0	GasH2SPP	0.00	GasH2SPP	0
PitzerCaCO3_70	0	PitzerCaCO3_70	0	PitzerCaCO3_70	0	PitzerCaCO3_70	-0.57
PitzerBaSO4_70	0	PitzerBaSO4_70	0	PitzerBaSO4_70	0	PitzerBaSO4_70	-1.84
PitzerCaSO4_70	0	PitzerCaSO4_70	0	PitzerCaSO4_70	0	PitzerCaSO4_70	-4.65
PitzerSrSO4_70	0	PitzerSrSO4_70	0	PitzerSrSO4_70	0	PitzerSrSO4_70	-4.98
PitzerFeCO3_70	0	PitzerFeCO3_70	0	PitzerFeCO3_70	0	PitzerFeCO3_70	0
PitzerCaCO3_220	0	PitzerCaCO3_220	0	PitzerCaCO3_220	0	PitzerCaCO3_220	-0.71
PitzerBaSO4_220	0	PitzerBaSO4_220	0	PitzerBaSO4_220	0	PitzerBaSO4_220	-2.3
PitzerCaSO4_220	0	PitzerCaSO4_220	0	PitzerCaSO4_220	0	PitzerCaSO4_220	-4.1
PitzerSrSO4_220	0	PitzerSrSO4_220	0	PitzerSrSO4_220	0	PitzerSrSO4_220	-4.13
PitzerFeCO3_220	0	PitzerFeCO3_220	0	PitzerFeCO3_220	0	PitzerFeCO3_220	0

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.
- 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.

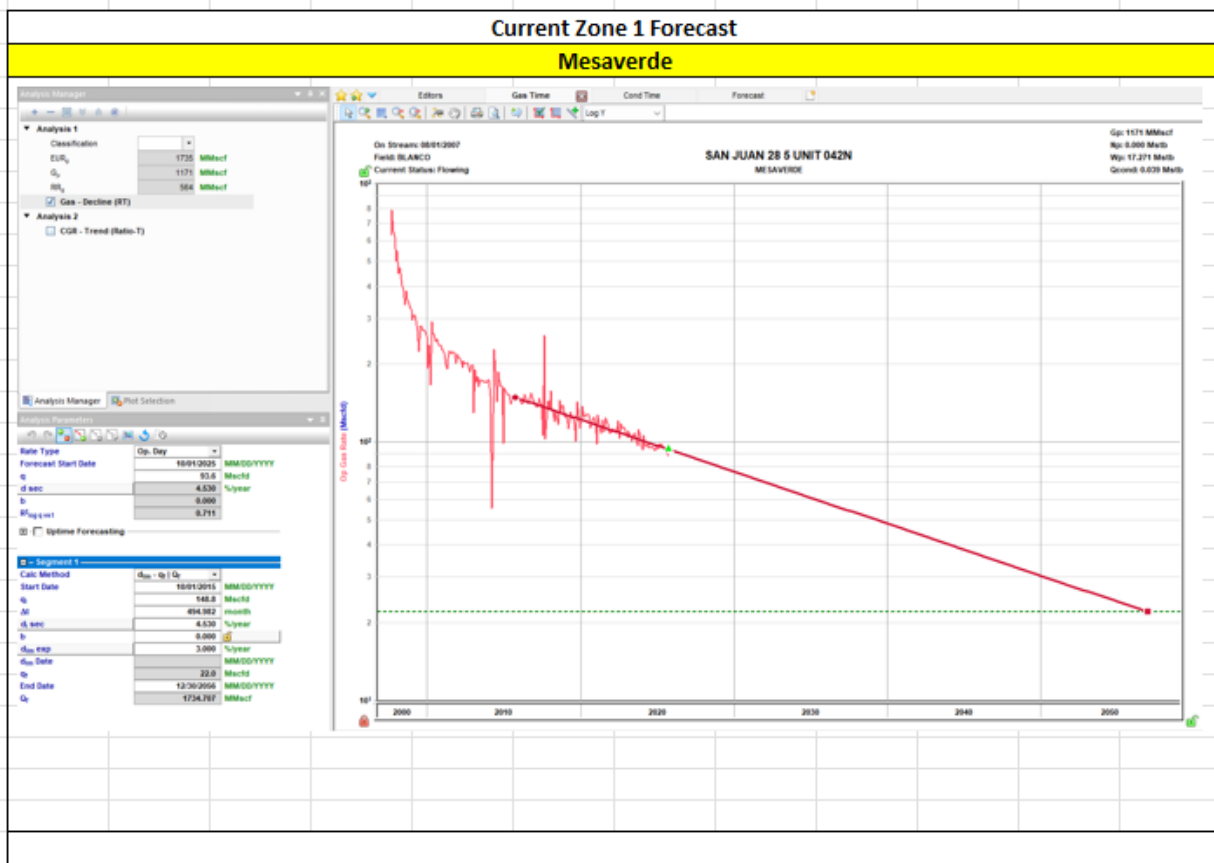
Well Name	API
SAN JUAN 28-5 UNIT 42N	3003927705

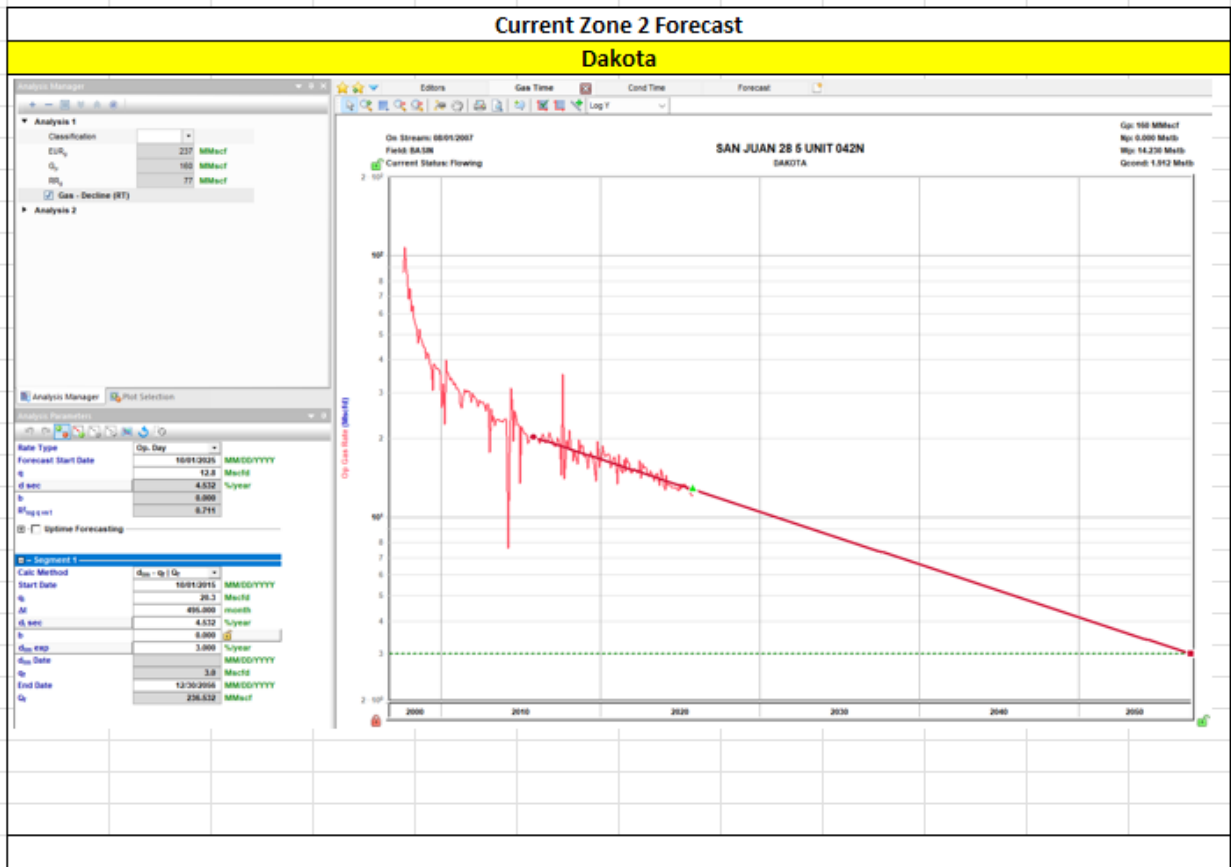
FRC Offset (2.21 MILES)		PC Offset (2.26 MILES)		MV Offset (2.29 MILES)		DK Offset (1.91 MILES)	
AssetCode	3003925019	AssetCode	3003920601	AssetCode	3003907336	AssetCode	3003920310
AssetName	SAN JUAN 28-6 UNIT NP 433	AssetName	SAN JUAN 28-6 UNIT 173	AssetName	SAN JUAN 28-6 UNIT 45	AssetName	SAN JUAN 28-6 UNIT 150
CO2	0.01	CO2	0.01	CO2	0.01	CO2	0.01
N2	0	N2	0	N2	0	N2	0
C1	0.88	C1	0.88	C1	0.78	C1	0.92
C2	0.06	C2	0.06	C2	0.1	C2	0.04
C3	0.03	C3	0.03	C3	0.06	C3	0.01
ISOC4	0	ISOC4	0.01	ISOC4	0.01	ISOC4	1/0/1900 12:00:00 AM
NC4	0.01	NC4	0.01	NC4	0.02	NC4	1/0/1900 12:00:00 AM
ISOC5	0	ISOC5	0	ISOC5	0.01	ISOC5	0
NC5	0	NC5	0	NC5	0.01	NC5	0.00
NEOC5	0	NEOC5	0	NEOC5	0	NEOC5	0
C6	0	C6	0.01	C6	0.01	C6	0
C6_PLUS	0	C6_PLUS	0	C6_PLUS	0	C6_PLUS	0
C7	0	C7	0	C7	0	C7	0
C8	0	C8	0	C8	0	C8	0
C9	0	C9	0	C9	0	C9	0
C10	0	C10	0	C10	0	C10	0
AR	0	AR	0	AR	0	AR	0
CO	0	CO	0	CO	0	CO	0
H2	0	H2	0	H2	0	H2	0
O2	0	O2	0	O2	0	O2	0
H20	0	H20	0	H20	0	H20	0
H2S	0	H2S	0	H2S	0	H2S	0.00
HE	0	HE	0	HE	0	HE	0
C_O_S	0	C_O_S	0	C_O_S	0	C_O_S	0
CH3SH	0	CH3SH	0	CH3SH	0	CH3SH	0
C2H5SH	0	C2H5SH	0	C2H5SH	0	C2H5SH	0
CH2S3_2CH3S	0	CH2S3_2CH3S	0	CH2S3_2CH3S	0	CH2S3_2CH3S	0
CH2S	0	CH2S	0	CH2S	0	CH2S	0
C6HV	0	C6HV	0	C6HV	0	C6HV	0
CO2GPM	0	CO2GPM	0	CO2GPM	0	CO2GPM	0
N2GPM	0	N2GPM	0	N2GPM	0	N2GPM	0
C1GPM	0	C1GPM	0	C1GPM	0	C1GPM	0
C2GPM	1.57	C2GPM	0	C2GPM	0	C2GPM	0
C3GPM	0.81	C3GPM	0	C3GPM	0	C3GPM	0
ISOC4GPM	0.16	ISOC4GPM	0	ISOC4GPM	0	ISOC4GPM	0
NC4GPM	0.16	NC4GPM	0	NC4GPM	0	NC4GPM	0
ISOC5GPM	0.06	ISOC5GPM	0	ISOC5GPM	0	ISOC5GPM	0
NC5GPM	0.04	NC5GPM	0	NC5GPM	0	NC5GPM	0
C6_PLUSGPM	0.09	C6_PLUSGPM	0	C6_PLUSGPM	0	C6_PLUSGPM	0

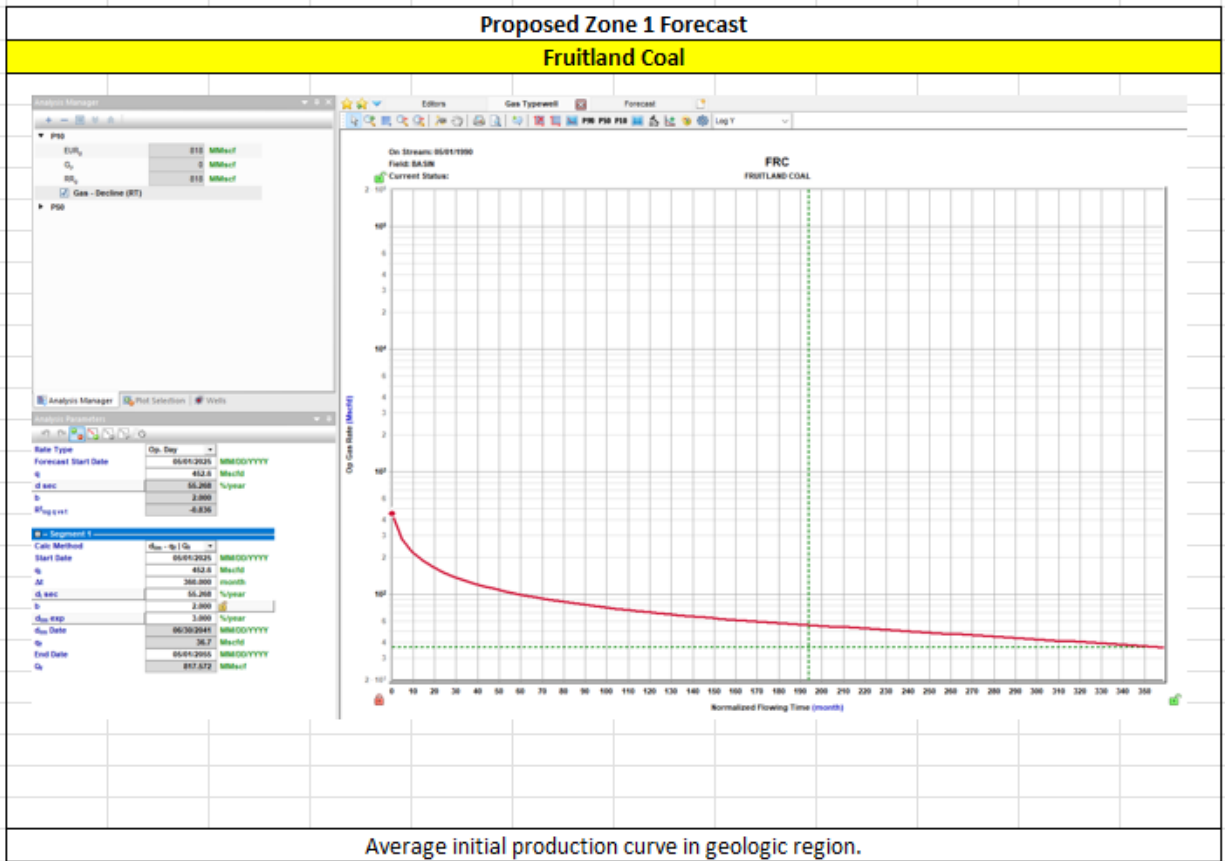
The near wellbore shut-in bottom hole pressures of the above reservoirs are much lower than the calculated far-field stabilized reservoir pressured due to the low permeability of the reservoirs. Based on pressure transient analysis performed in the San Juan Basin, it would take 7-25 years for shut-in bottom hole pressures to build up to the calculated far-field reservoir pressure. Our observation is that even for areas of high static reservoir pressures, the low permeability of the reservoir rock results in rapid depletion of the near-fracture region, quickly enough that the wells are unable to produce without the aid of a plunger. Given low permeabilities and low wellbore flowing pressures in the above reservoirs, loss of reserves due to cross-flow is not an issue during producing or shut-in periods. Given low shut-in bottom hole pressures, 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.

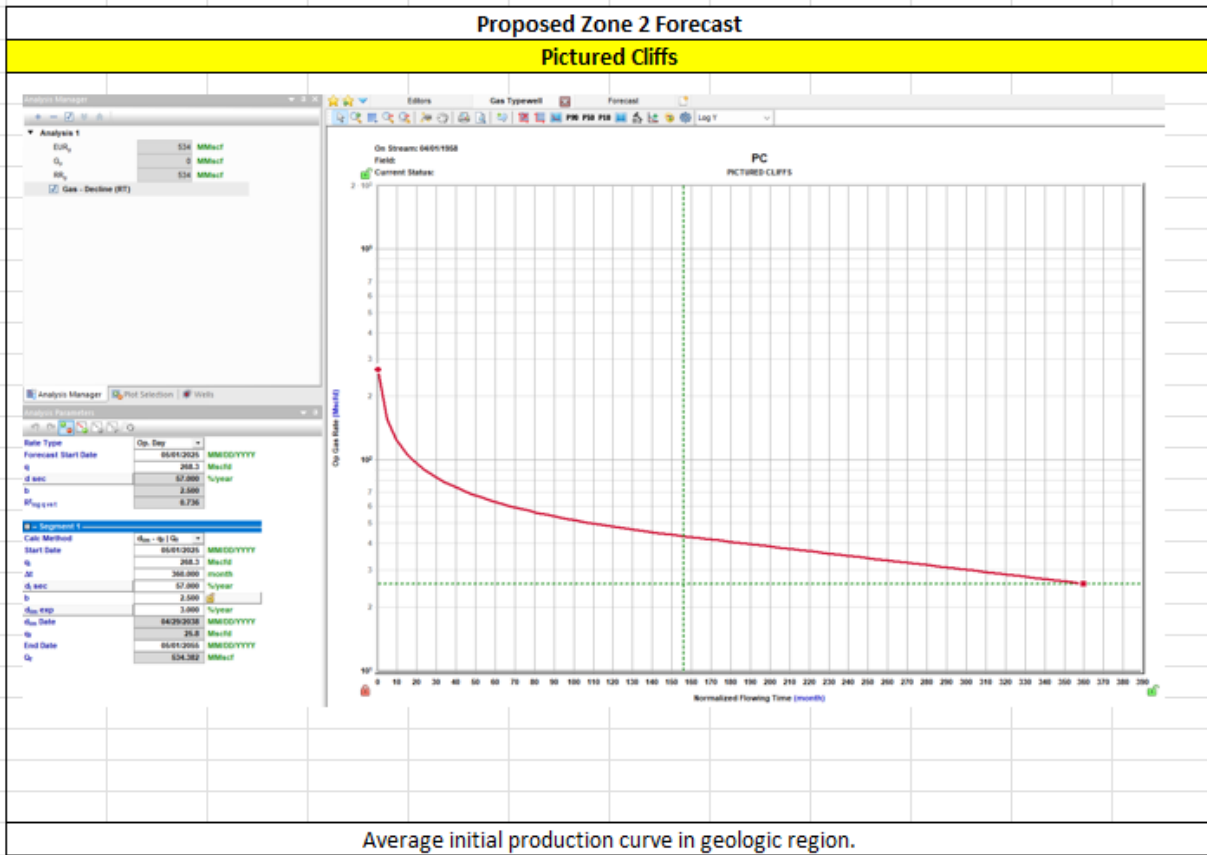
<p>Shut in pressures were calculated for operated offset standalone wells in each of the zones being commingled in the well in question via the following process:</p> <ol style="list-style-type: none"> 1) Wells were shut in for 24 hours 2) Echometer was used to obtain a fluid level 3) Shut in BHP was calculated for the proposed commingled completion 		
API	Well Name	Formation
List of wells used to calculate BHPs for the Project:		
3003924923	San Juan 27-5 Unit NP 223	FRC
3003923052	San Juan 27-5 Unit 199	PC
3003925814	San Juan 27-5 Unit 21B	MV
3003907157	San Juan 27-5 Unit NP 84	DK
<p>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.</p>		

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.









HEC Comments

The production forecasts 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.

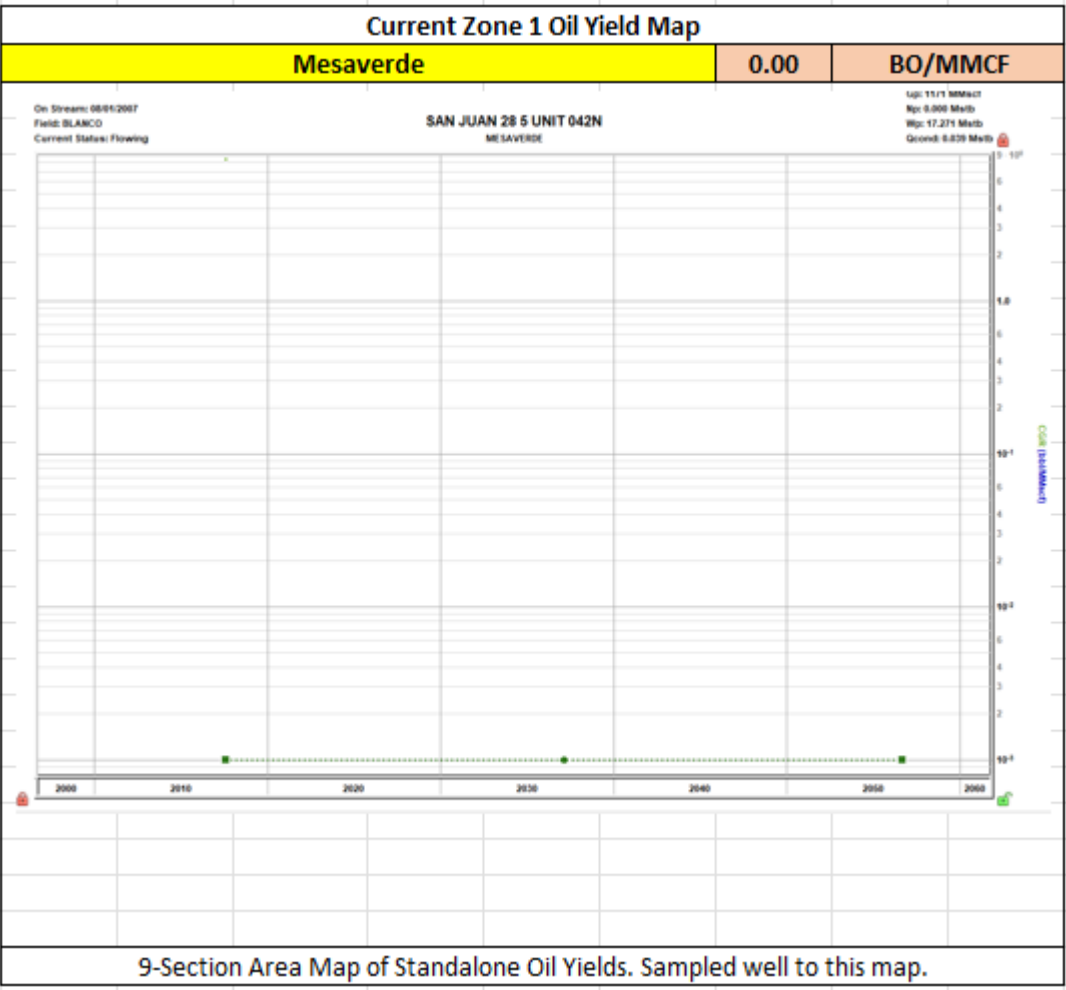
The BHPs of all zones, producing and non-producing, were estimated based upon basinwide Moving-Domain Material Balance models that have proven to approximate the pressure in the given reservoirs well in this portion of the basin. These models were constructed incorporating reservoir dynamics and physics,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

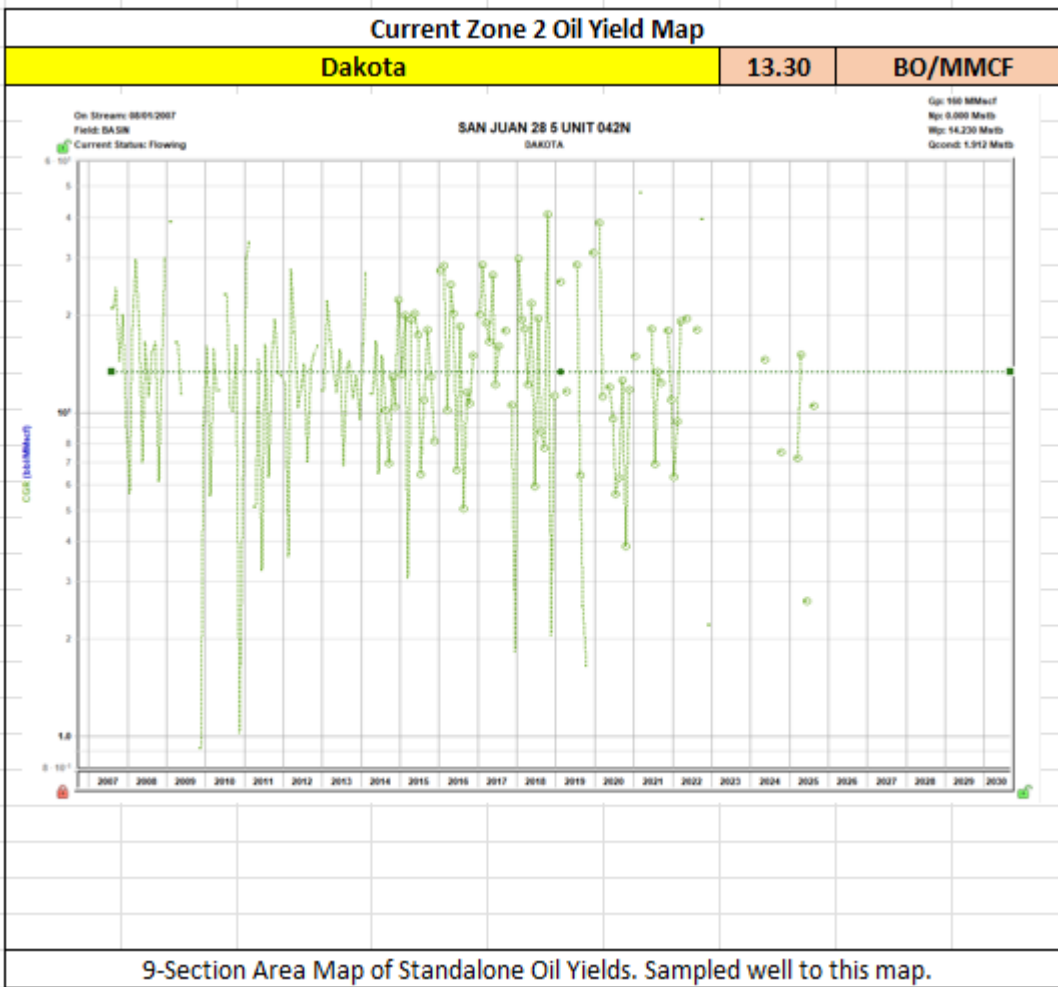
Production Allocation Method - Subtraction

Gas Allocation:

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

Formation	Remaining Reserves (MMcf)	% Gas Allocation
FRC	818	61%
PC	534	39%

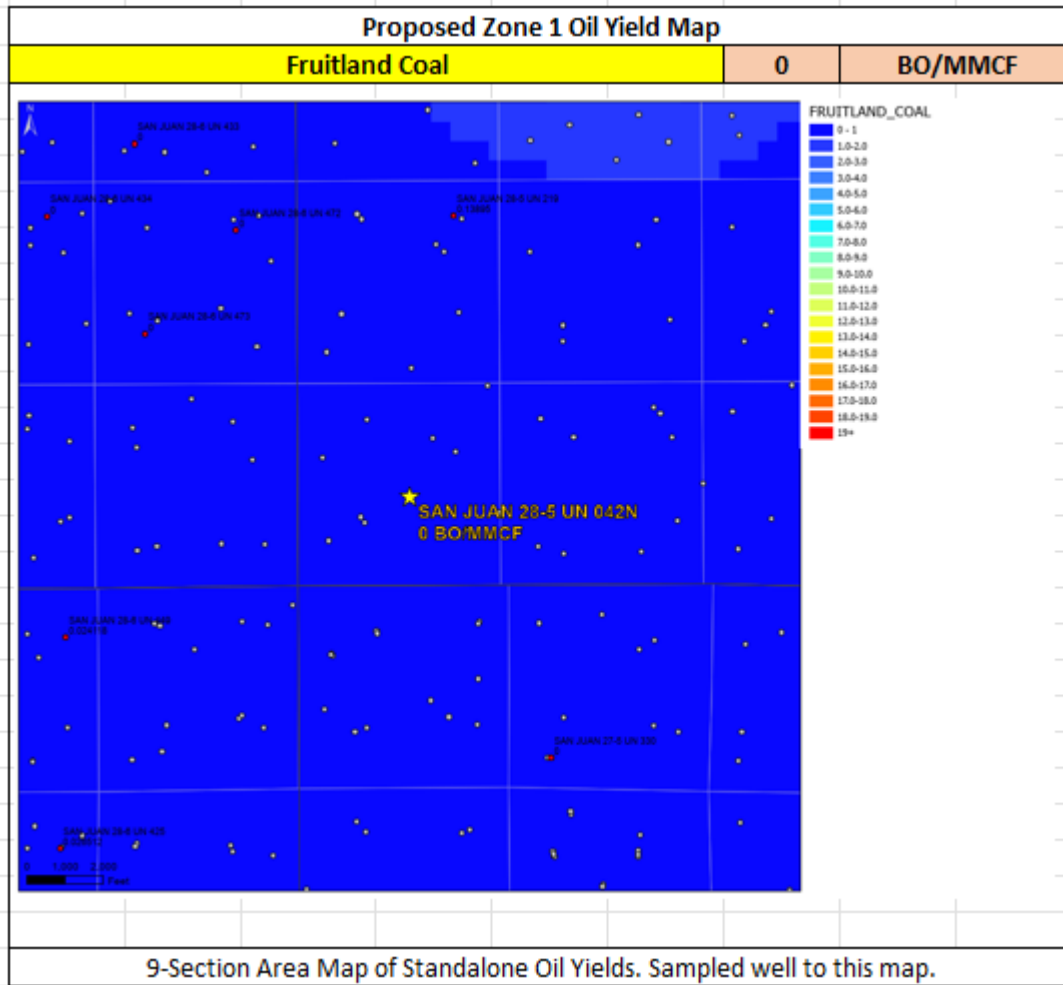


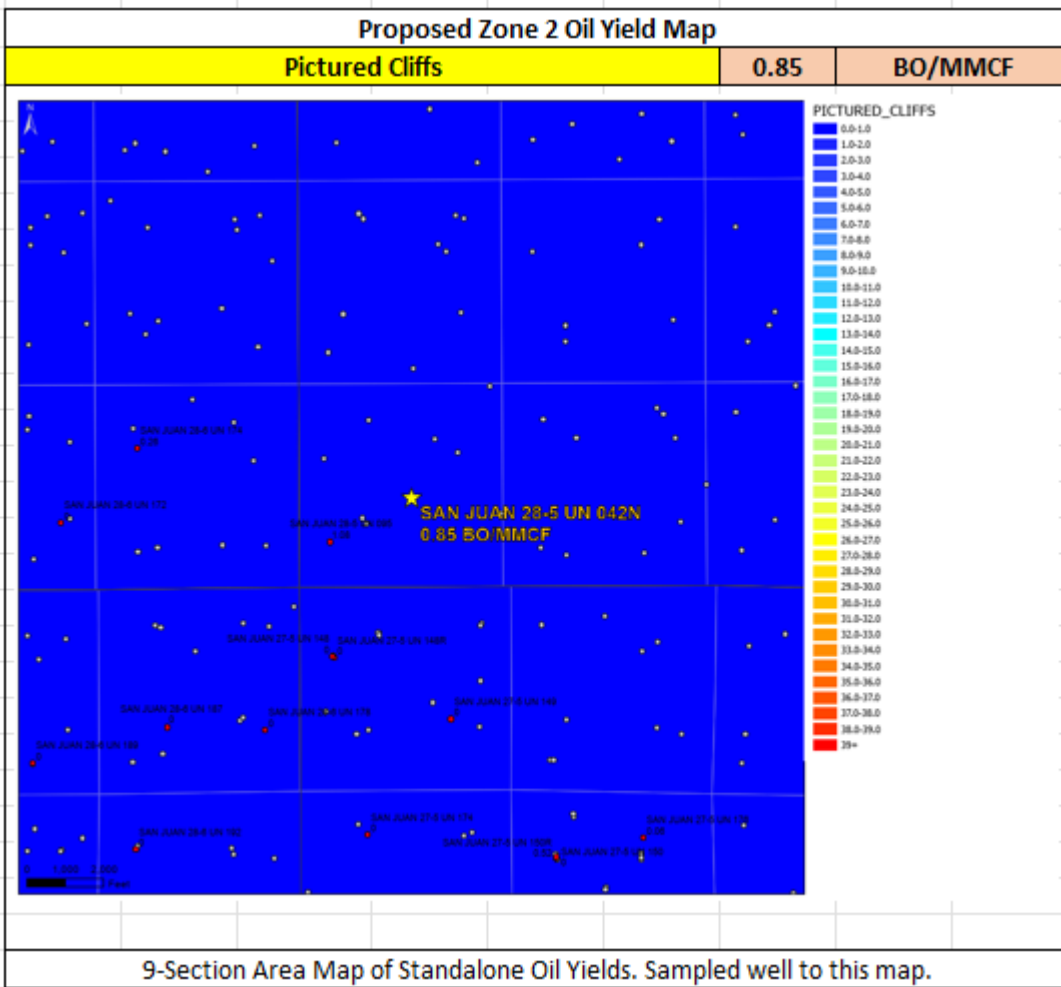


Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years.

After 4 years oil will be reevaluated and adjust as needed based on average formation yields and new fixed gas allocation.

Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Oil Allocation
MV	0.00	564	0%
DK	13.30	77	69%
FRC	0.00	818	0%
PC	0.85	534	31%
			100%





Well Name: SAN JUAN 28-5 UNIT	Well Location: T28N / R5W / SEC 31 / NWSE / 36.6168 / -107.399571	County or Parish/State: RIO ARRIBA / NM
Well Number: 42N	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF079521A	Unit or CA Name: SAN JUAN 28-5 UNIT--DK, SAN JUAN 28-5 UNIT--MV	Unit or CA Number: NMNM78411A, NMNM78411B
US Well Number: 3003927705	Operator: HILCORP ENERGY COMPANY	

Notice of Intent

Sundry ID: 2881565

Type of Submission: Notice of Intent

Type of Action: Workover Operations

Date Sundry Submitted: 11/05/2025

Time Sundry Submitted: 11:21

Date proposed operation will begin: 11/19/2025

Procedure Description: Hilcorp Energy Company requests permission to recompleate the subject well in the Fruitland Coal/Pictured Cliffs and downhole commingle with the existing Mesaverde/Dakota. Please see the attached procedure, current and proposed wellbore diagram, plat and natural gas management plan. A closed loop system will be used. Hilcorp will contact the FFO Surface group within 90 days after the well has been recompleated, before any interim reclamation work, to conduct the onsite. A reclamation plan will be submitted after the onsite.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

San_Juan_28_5_Unit_42N_RC_NOI_20251105112148.pdf

Well Name: SAN JUAN 28-5 UNIT

Well Location: T28N / R5W / SEC 31 / NWSE / 36.6168 / -107.399571

County or Parish/State: RIO ARRIBA / NM

Well Number: 42N

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMSF079521A

Unit or CA Name: SAN JUAN 28-5 UNIT--DK, SAN JUAN 28-5 UNIT--MV

Unit or CA Number: NMNM78411A, NMNM78411B

US Well Number: 3003927705

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: DAWN NASH-DEAL

Signed on: NOV 05, 2025 11:21 AM

Name: HILCORP ENERGY COMPANY

Title: Operations Regulatory Tech

Street Address: 1111 TRAVIS ST

City: HOUSTON State: TX

Phone: (505) 324-5132

Email address: DNASH@HILCORP.COM

Field

Representative Name:

Street Address:

City: State: Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742

BLM POC Email Address: krennick@blm.gov

Disposition: Approved

Disposition Date: 11/12/2025

Signature: Kenneth Rennick

Form 3160-5
(October 2024)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well

Oil Well Gas Well Other

8. Well Name and No.

2. Name of Operator

9. API Well No.

3a. Address

3b. Phone No. (include area code)

10. Field and Pool or Exploratory Area

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)

11. Country or Parish, State

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

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

Location of Well

0. SHL: NWSE / 2310 FSL / 2350 FEL / TWSP: 28N / RANGE: 5W / SECTION: 31 / LAT: 36.6168 / LONG: -107.399571 (TVD: 0 feet, MD: 0 feet)

BHL: NWSE / 2310 FSL / 2350 FEL / TWSP: 28N / SECTION: / LAT: 36.6168 / LONG: 107.399571 (TVD: 0 feet, MD: 0 feet)



HILCORP ENERGY COMPANY
San Juan 28-6 Unit 42N
RECOMPLETION SUNDRY

Prepared by:	Shammy Hisham
Preparation Date:	October 31, 2025

WELL INFORMATION			
Well Name:	San Juan 28-6 Unit 42N	State:	NM
API #:	3003927705	County:	Arriba
Area:	13	Location:	
Route:	1301	Latitude:	36.616875
Spud Date:	June 25, 2007	Longitude:	-107.398917

PROJECT DESCRIPTION
Perforate, fracture, and comingle the Fruitland Coal and Pictured Cliffs formations with the existing zones.

CONTACTS			
Title	Name	Office Phone #	Cell Phone #
Engineer	Shammy Hisham		832-672-1170
Area Foreman			
Lead			
Artificial Lift Tech			
Operator			



HILCORP ENERGY COMPANY
San Juan 28-6 Unit 42N
RECOMPLETION SUNDRY

JOB PROCEDURES
<ol style="list-style-type: none"> 1. MIRU service rig and associated equipment; test BOP. 2. TOOH with 2-3/8" tubing set at 7578'. 3. Set a 4-1/2" plug at +/- 4127' to isolate the Dakota and Mesa verde. 4. Will not pull CBL. Sufficient cement based on CBL 11/14/2006. 5. Load the hole and pressure test the casing. 6. N/D BOP, N/U frac stack and pressure test frac stack. 7. Perforate and frac the Fruitland Coal from 2,876'-3,191' and the Pictured Cliffs from 3,191'-3,785'. 8. Nipple down frac stack, nipple up BOP and test. 9. TIH with a mill and drill out top isolation plug and Fruitland Coal/Pictured Cliffs frac plugs. 10. Clean out to Dakota/Mesa Verde isolation plug. 11. Drill out Dakota/Mesa Verde isolation plug and cleanout to PBTD of 7,638'. TOOH. 12. TIH and land production tubing. Get a comingled Dakota/Mesa Verde/Pictured Cliffs/Fruitland Coal flow rate.



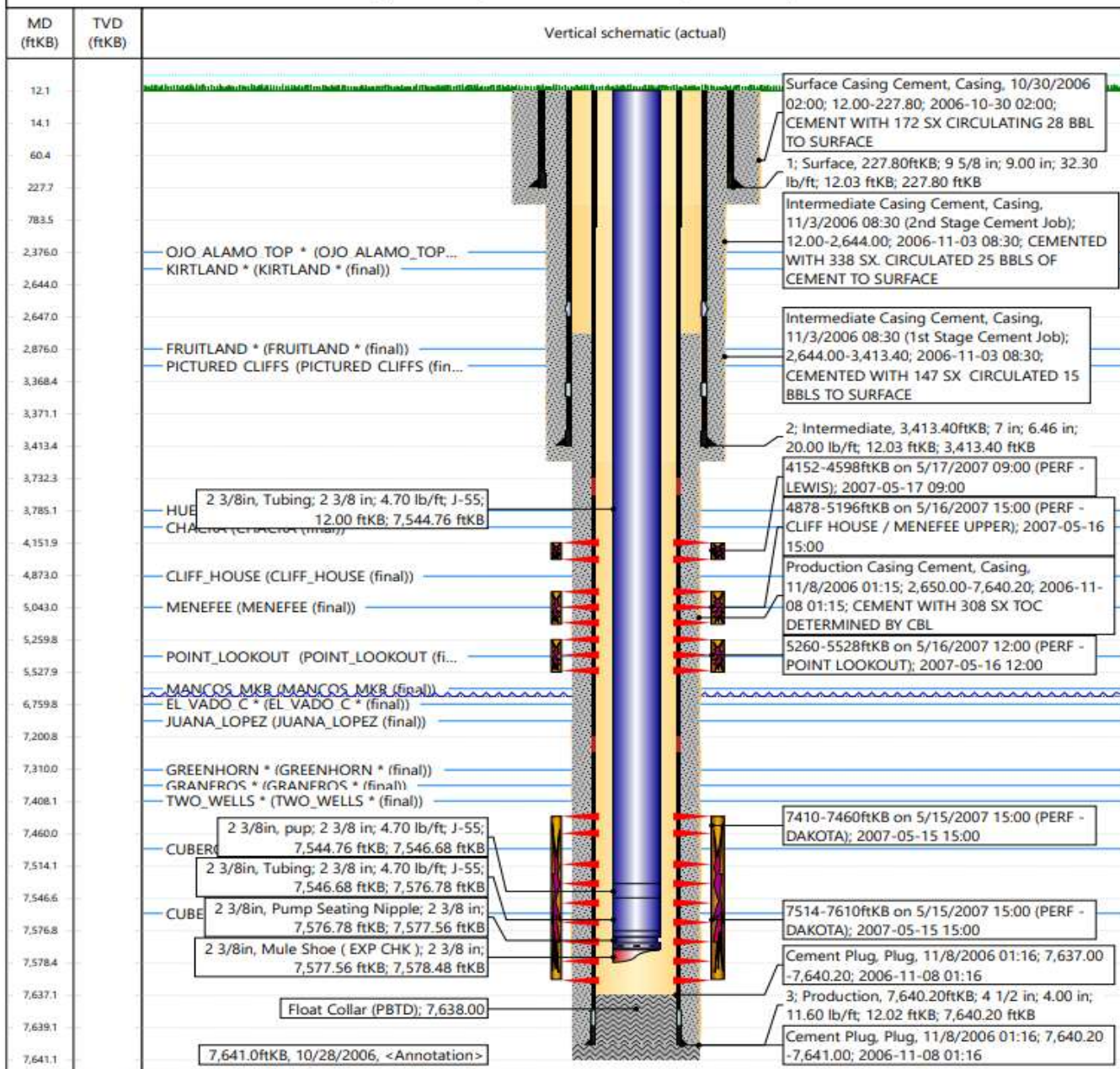
HILCORP ENERGY COMPANY
San Juan 28-6 Unit 42N
RECOMPLETION SUNDRY

San Juan 28-6 Unit 42N - CURRENT WELLBORE SCHEMATIC

Well Name: **SAN JUAN 28-5 UNIT #42N**

API / UWI 3003927705	Surface Legal Location 031-028N-005W-J	Field Name BASIN DAKOTA (PRORATED GAS)	Route 1301	State/Province NEW MEXICO	Well Configuration Type VERTICAL
Ground Elevation (ft) 6,389.00	Original KB/RT Elevation (ft) 6,401.00	Tubing Hanger Elevation (ft)	RKB to GL (ft) 12.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
Tubing Strings					
Run Date 6/25/2007 12:00	Set Depth (ftKB) 7,578.48	String Max Nominal OD (in) 2 3/8	String Min Nominal ID (in) 2.00	Weight/Length (lb/ft) 4.70	Original Spud Date 10/29/2006 16:00

Original Hole, 30039277050000 [VERTICAL]





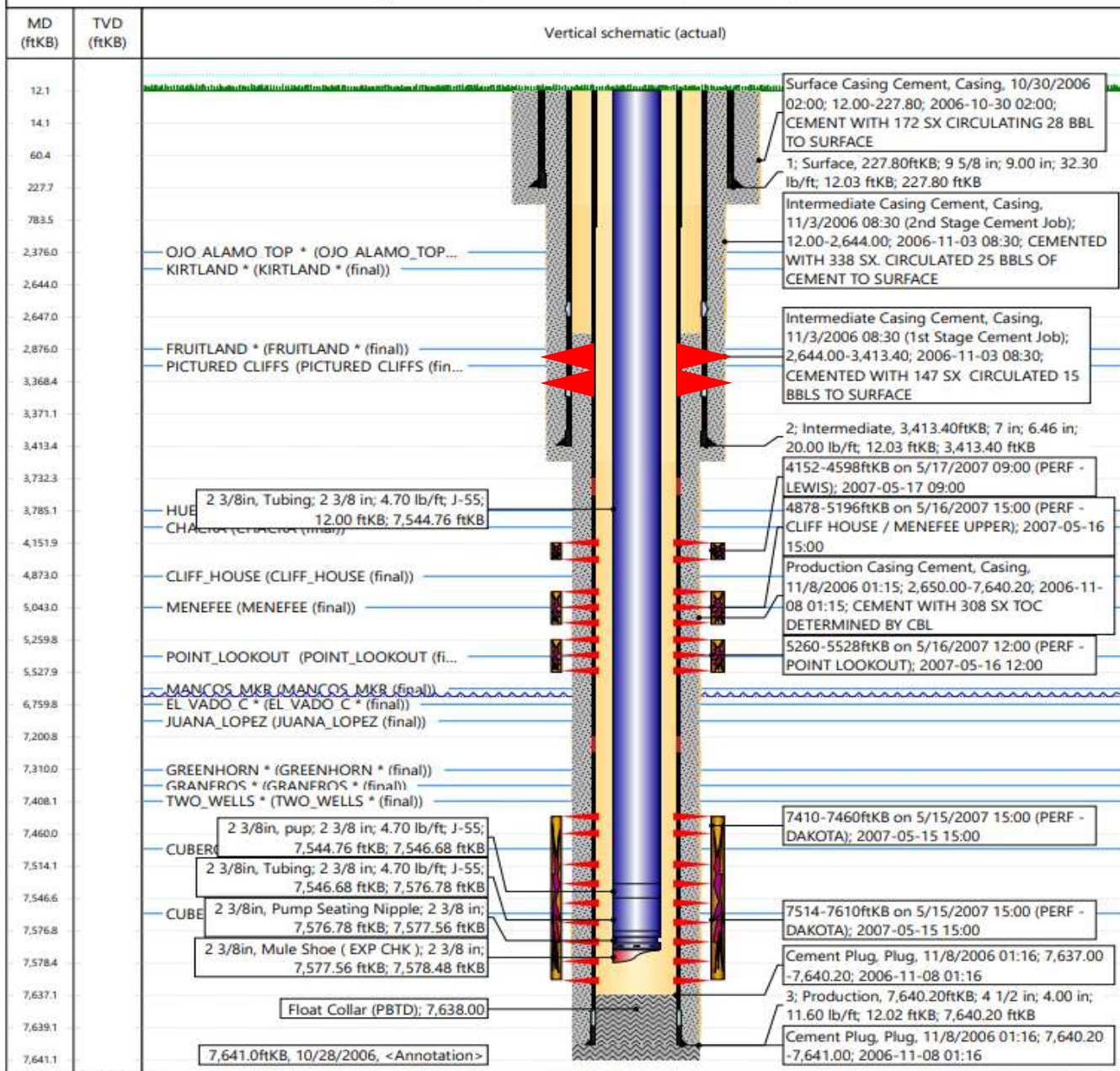
HILCORP ENERGY COMPANY
San Juan 28-6 Unit 42N
RECOMPLETION SUNDRY

San Juan 28-6 Unit 42N - Proposed Schematic

Well Name: **SAN JUAN 28-5 UNIT #42N**

API / UWI 3003927705	Surface Legal Location 031-028N-005W-J	Field Name BASIN DAKOTA (PRORATED GAS)	Route 1301	State/Province NEW MEXICO	Well Configuration Type VERTICAL
Ground Elevation (ft) 6,389.00	Original KB/RT Elevation (ft) 6,401.00	Tubing Hanger Elevation (ft)	RKB to GL (ft) 12.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
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Run Date 6/25/2007 12:00	Set Depth (ftKB) 7,578.48	String Max Nominal OD (in) 2 3/8	String Min Nominal ID (in) 2.00	Weight/Length (lb/ft) 4.70	Original Spud Date 10/29/2006 16:00

Original Hole, 30039277050000 [VERTICAL]



Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116 Online Phone Directory Visit: https://www.emnrd.nm.gov/ocd/contact-us/	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	C-102 Revised July 9, 2024 Submit Electronically via OCD Permitting
		Submittal Type: <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number 30-039-27705	Pool Code 71629	Pool Name BASIN FRUITLAND COAL
Property Code 318708	Property Name SAN JUAN 28-5 UNIT	Well Number 42N
OGRID No. 372171	Operator Name Hilcorp Energy Company	Ground Level Elevation 6389'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
J	31	28N	05W		2310' FSL	2350' FEL	36.616806	-107.3995361	RIO ARRIBA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
J	31	28N	05W		2310' FSL	2350' FEL	36.616806	-107.3995361	RIO ARRIBA

Dedicated Acres 320.00	Infill or Defining Well Defining	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code U
Order Numbers. N/A			Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

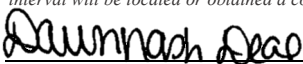
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

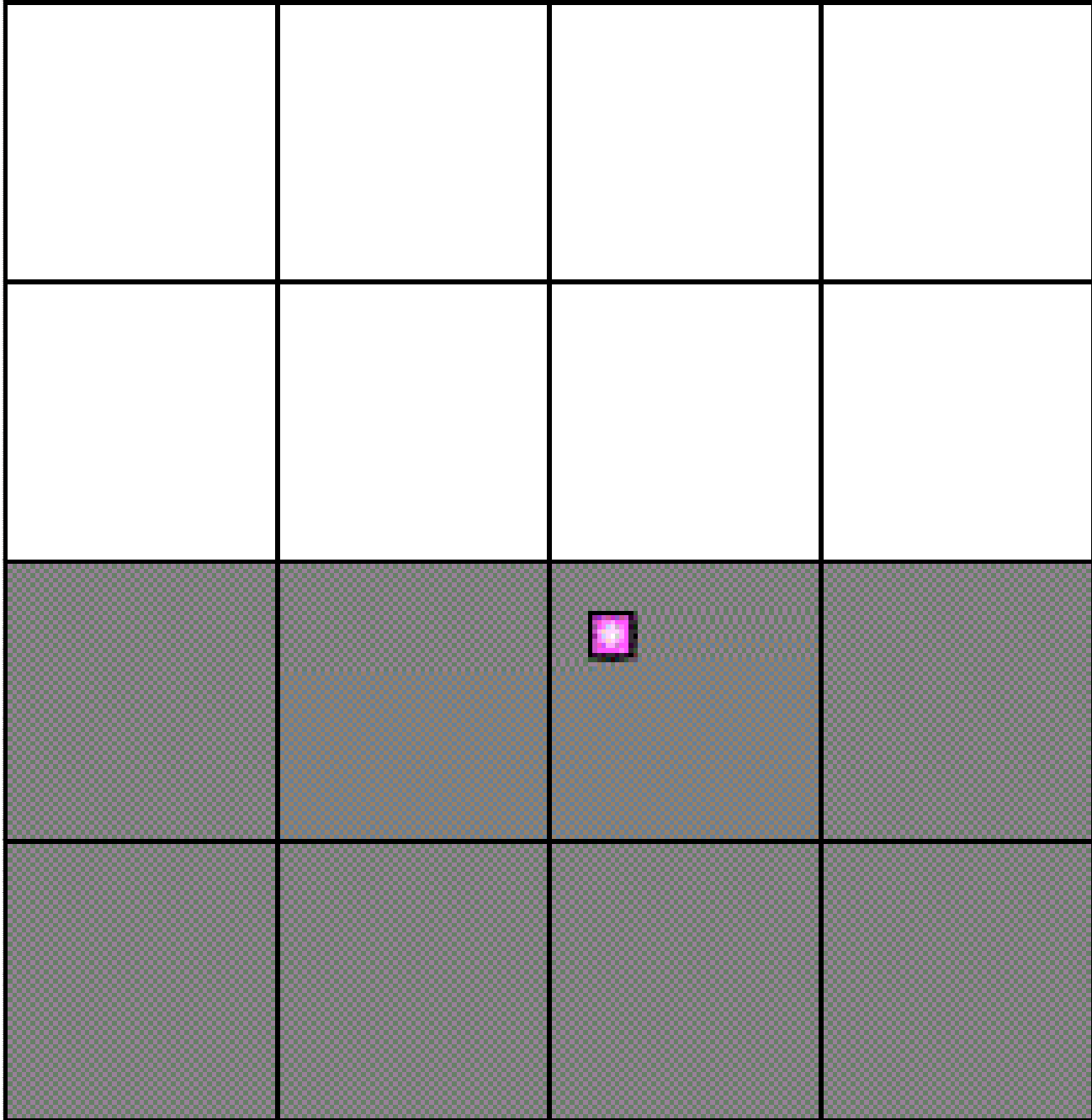
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input checked="" type="checkbox"/> Vertical	Ground Floor Elevation: 6389'
---	--	----------------------------------

<p>OPERATOR CERTIFICATIONS</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p> 11/4/2025</p> <p>Signature Date</p> <p>Dawn Nash-Deal</p> <p>Printed Name</p> <p>Dnash@hilcorp.com</p> <p>Email Address</p>	<p>SURVEYOR CERTIFICATIONS</p> <p><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></p> <p>Jason C. Edwards</p> <p>Signature and Seal of Professional Surveyor</p> <p>15269 7/22/2003</p> <p>Certificate Number Date of Survey</p>
--	--

Note: 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.

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116 Online Phone Directory Visit: https://www.emnrd.nm.gov/ocd/contact-us/	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	C-102 Revised July 9, 2024 Submit Electronically via OCD Permitting
		Submittal Type: <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number 30-039-27705	Pool Code 85920	Pool Name TAPACITO PICTURED CLIFFS
Property Code 318708	Property Name SAN JUAN 28-5 UNIT	Well Number 42N
OGRID No. 372171	Operator Name Hilcorp Energy Company	Ground Level Elevation 6389'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
J	31	28N	05W		2310' FSL	2350' FEL	36.616806	-107.3995361	RIO ARRIBA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
J	31	28N	05W		2310' FSL	2350' FEL	36.616806	-107.3995361	RIO ARRIBA

Dedicated Acres 160.00	Infill or Defining Well Infill	Defining Well API 30-039-22232	Overlapping Spacing Unit (Y/N) N	Consolidation Code U
Order Numbers. N/A			Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

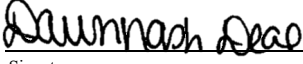
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

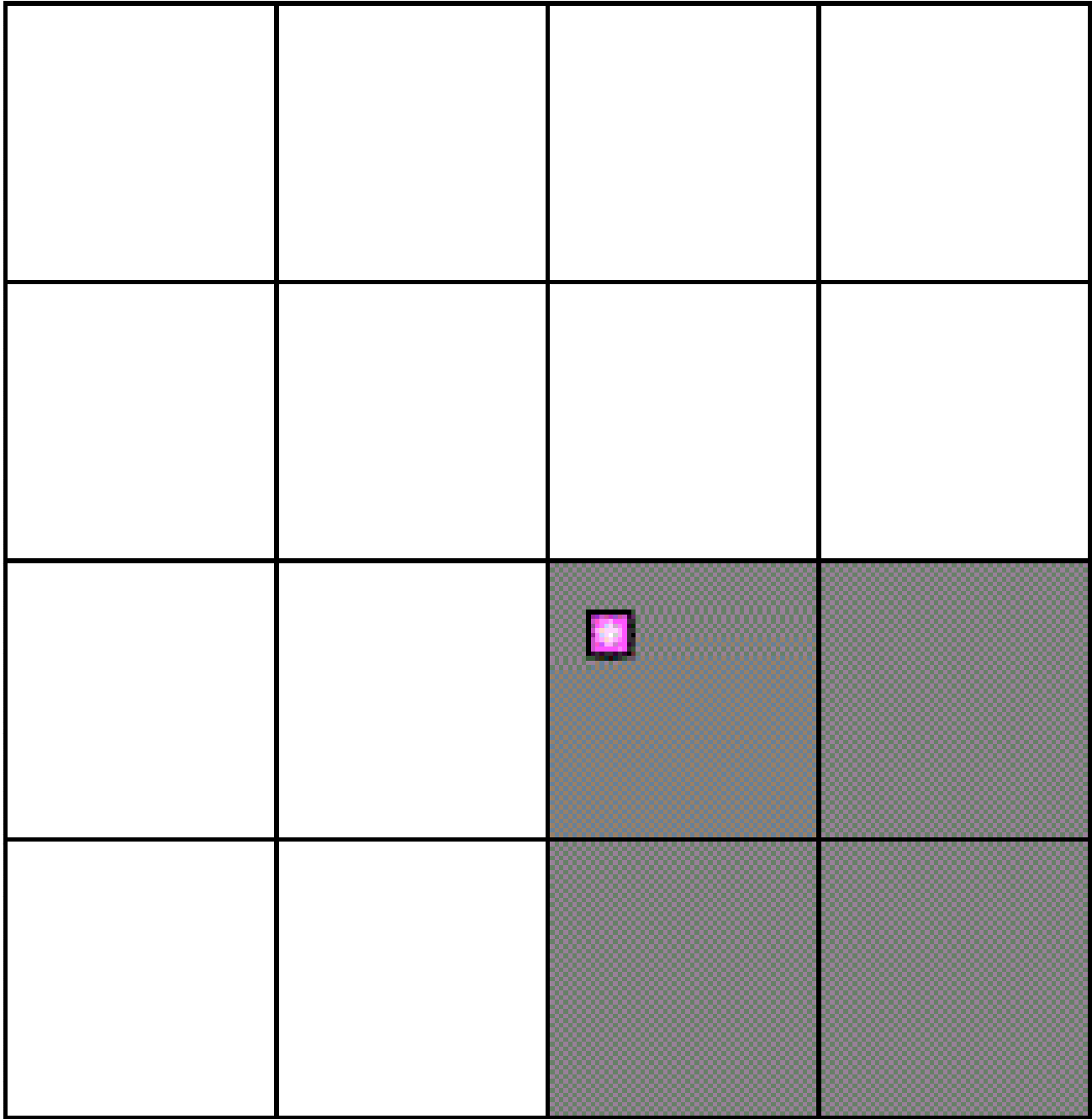
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input checked="" type="checkbox"/> Vertical	Ground Floor Elevation: 6389'
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--	--

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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:** 10/30/2025

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
SJ 28-5 UNIT 42N	30-039-27705	J,31,28N,05W	1500' FNL & 880' FEL	0 BBL	300 MCF	5 BBL

IV. Central Delivery Point Name: CHACO-BLANCO PROC PLANTS (NON-OP) [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
SJ 28-5 UNIT 42N	30-039-27705					

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: <i>Dawnash Deal</i>
Printed Name: DAWN NASH-DEAL
Title: OPERATIONS REGULATORY TECHNICIAN
E-mail Address: DNASH@HILCORP.COM
Date: 10/30/2025
Phone: 346-237-2143
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 recompleting project. HEC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the recompleting 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 recompleting operations.

VII. Operational Practices:

1. Subsection (A) Venting and Flaring of Natural Gas
 - o 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
 - o This gas capture plan isn't for a well being drilled.
3. Subsection (C) Venting and flaring during completion or recompleting
 - o 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.
 - o 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
 - o 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.
 - o 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.
 - o 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
 - o All tanks and separation equipment are designed for maximum throughput and pressure to minimize waste.
 - o 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.
 - o 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 19, 2026

Mailed Certified with Electronic Return Receipt

To: All Interest Owners

RE: Application to Downhole Commingle Production
Well: SAN JUAN 28-5 UNIT 42N
API: 30-039-27705
Section 31, Township 28 North, Range 05 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 (“NMOCD”) for approval to downhole commingle production from the **Basin Fruitland Coal and Tapacito Pictured Cliffs**, formations Hilcorp soon intends to perforate, with existing production from the **Basin Dakota and Blanco Mesaverde** formations. 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.

Any objections or requests for hearing must be submitted to the NMOCD’s Santa Fe office, in writing, within twenty (20) days from the date the NMOCD receives the subject application.

Sincerely,

A handwritten signature in blue ink that reads 'G. Brown'.

Gatewood D. Brown
Landman
713.289.2767
gabrown@hilcorp.com

GDB:adb
Enclosures

92148969009997901853066349	, OFFICE OF NATURAL RESOURCES REVENUE, LAKEWOOD ACCTG CENT ONSHORE, DENVER, CO, 80225-0627 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066356	, ROY G and OPAL BARTON SR REV TR, ROY G BARTON JR TRUSTEE, HOBBS, NM, 88240-2712 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066363 Request Signature via Email	, PROVIDENCE MINERALS LLC, , DALLAS, TX, 75248 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066370	, JABCO LLP, C/O PROSPER ENERGY MANAGEMENT LLC, FRISCO, TX, 75034-8108 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066387 Request Signature via Email	, CROSS TIMBERS ENERGY LLC, C/O DRILLINGINFO MAIL, DALLAS, TX, 75266-9226 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066394	, DUGAN PRODUCTION CORP, , FARMINGTON, NM, 87499 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066400	, MCKAY OIL and GAS LLC, , CHANDLER, AZ, 85226 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066417	, OMIMEX PETROLEUM, , FORT WORTH, TX, 76244 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026

92148969009997901853066424	, T H MCELVAIN OIL and GAS LLP, , LAKEWOOD, CO, 80401 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066431	, JOSE E GOMEZ TRUST DTD 9/8/2004, JOSE E GOMEZ JR TRUSTEE, DULCE, NM, 87528-1053 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066448 Request Signature via Email	, JandM RAYMOND LTD, RAYMOND and SONS I LLC GEN PARTNER, KERRVILLE, TX, 78029-1445 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066455	, RUTH ZIMMERMAN TRUST, , MCPHERSON, KS, 67460 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066462	, ATKO PARTNERS LTD, , HUNTSVILLE, TX, 77340 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066479	, GREGORY MYER, , OVERLAND PARK, KS, 66211 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066486 Request Signature via Email	, NATHAN D MYER, , DALLAS, TX, 75229 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066493	, JOAN E MYER, , LAWRENCE, KS, 66049-4127 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026

92148969009997901853066509	, DEVERE C MYER II, , LAWRENCE, KS, 66049 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066516	, MAURICIO E GOMEZ and MARY M GOMEZ REV, TRUST FEB 2 1998 MARY M GOMEZ TRTEE, DELRAY BEACH, FL, 33446 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066523	, JUAN C GOMEZ JR FAMILY LTD CO, DIA FELIZ HILLMAN and AMANDA HANO- MA, AZTEC, NM, 87410 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066530	, CELSO GOMEZ JR, , BLANCO, NM, 87412 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066547	, GOMEZ MINERALS LLC, , AZTEC, NM, 87410 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066554	, KRIS ANN SHINE, , ALBUQUERQUE, NM, 87120 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066561	, RICHARD ARNOLD, , BLOOMFIELD, NM, 87413 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066578	, DEANNA M BARTON, , BRAZORIA, TX, 77422 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066585	, CHAVEZ OIL and GAS INVESTMENTS LLC, , AZTEC, NM, 87410 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026

92148969009997901853066592	, WALTER K HOWARD ESTATE, FIRST NATL BANK IN OLNEY EXEC, OLNEY, IL, 62450-0100 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066608	, JAQUEZ ROYALTIES LLC, , AZTEC, NM, 87410 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066615	, LORRINE G LUCERO, , SPARKS, NV, 89436 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066622	, TINMIL A NM LLC, , ALBUQUERQUE, NM, 87102 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066639	, THOMAS P TINNIN, , ALBUQUERQUE, NM, 87107 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066646	, RACHEL A WALKER, , NEW BRAUNFELS, TX, 78132 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066653	, KAREN F WALKER, , GREENBANK, WA, 98253 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066660	, ARLIE V WALKER, , LINDALE, TX, 75771 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066677	, MAR OIL and GAS CORPORATION, , SANTA FE, NM, 87502 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026

92148969009997901853066684	, VERDIA L MCGUIRE ESTATE, US TREASURY IRS LEVY 2011, ENGLEWOOD, CO, 80112 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066691	, CARROLL D MYER TRUST 7 13 2011, CARROLL D MYER TRUSTEE, OVERLAND PARK, KS, 66211 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066707	, NAVATEX ENERGY LP, MARTINDALE CONSULTS INC AGENT, OKLAHOMA CITY, OK, 73112-2311 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066714	, KENNETH ROBERT SCHMIDT, , FAIR OAKS, CA, 95628 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066721	, MONSIGNOR LEO GOMEZ TR 04/10/03, MONSIGNOR LEO L GOMEZ TTEE, DULCE, NM, 87528 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066738	, CELSO GOMEZ IRREV TR FOR GRANDCHILD, FBO GARRETT GOMEZ, BLANCO, NM, 87412 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066745	, MANUEL S and BERNADETTE GOMEZ, LVG TR 4 29 97, DULCE, NM, 87528 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026

92148969009997901853066752	, GOMEZ TRUST DTD FEB 20 1997, ROSEANN D GOMEZ SURVIVING TRUSTEE, SACRAMENTO, CA, 95835-2136 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066769	, LANGDON D HARRISON REVOC TRUST B, JACQUELINE M HARRISON SUC TTEE, OKLAHOMA CITY, OK, 73112-2311 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066776	, LEOLA S LUCHETTI, , ALAMOSA, CO, 81101 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066783	, VAUGHAN-MCELVAIN ENERGY INC, , KENNETT SQUARE, PA, 19348 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066790 Request Signature via Email	, MCELVAIN OIL COMPANY, DAVID P MCELVAIN, DALLAS, TX, 75380-1888 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066806	, GENEVIEVE A RINERSON, , FARMINGTON, NM, 87402 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066813	, G ELEANOR TRUJILLO, , OLYMPIA, WA, 98501 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066820	, GERALD G WILLIAMS and, ALTA JANE WILLIAMS LVG TR 9 12 91, AZTEC, NM, 87410 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026

92148969009997901853066837	, JOHN PATRICK WILLIAMS LVG TRUST, 8 26 03 JOHN PATRICK WILLIAMS TTEE, AZTEC, NM, 87410 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066844	, LINDA JANE WILLIAMS LIVING TRUST, 8 26 2003 LINDA JANE WILLIAMS TTEE, AZTEC, NM, 87410 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066851 Request Signature via Email	, WOODBINE FINANCIAL CORP, , TULSA, OK, 74152 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066868	, PATRICIA ELLEN ELLSWORTH, , CLOVIS, NM, 88101 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066875	, GARCIA FAMILY TRUST, PRECILIANO M GARCIA and REFAELITA G, ALBUQUERQUE, NM, 87111 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066882	, BEATRICE G RODRIGUEZ FAMILY LLC, , ALBUQUERQUE, NM, 87109 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066899	, KATHERYN L ARNOLD, , BLOOMFIELD, NM, 87413 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066905 Request Signature via Email	, CASA GRANDE ROYALTY CO INC, , KEMAH, TX, 77565 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026

92148969009997901853066912	, RIO ARIBAGAS LTD, , DALLAS, TX, 75206 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066929	, RIO ARRIBA LIMITED PARTNERSHIP, , CHANDLER, AZ, 85249 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066936	, CHARLES R ARNOLD, , DE BEQUE, CO, 81630 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066943	, TANNIE E ARNOLD, , COOS BAY, OR, 97420 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066950	, WEBBER D ARNOLD, , MOLINA, CO, 81646 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066967	, BENNETT ARNOLD, , BAYFIELD, CO, 81122 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066974 Request Signature via Email	, JULIANNE DEAN, , SPRING, TX, 77393 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066981	, CHRISTINE E FIETEK, , ALBUQUERQUE, NM, 87110 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853066998	, BRADFORD K FERRAN, , ALBUQUERQUE, NM, 87113 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026

92148969009997901853067001	, CELENE M BARELA, , ALBUQUERQUE, NM, 87104 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067018	, AGAPITA M HOPKINS, , ALBUQUERQUE, NM, 87193 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067025	, LUCY J PURTELL, , ALBUQUERQUE, NM, 87112 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067032	, ANITA J ENDRES, , EDMOND, OK, 73013 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067049	, J PAYNE GROUP LLC SCC 2825115, , ALBUQUERQUE, NM, 87114 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067056	, BRAD RUBEN GOMEZ, , BLOOMFIELD, NM, 87413 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067063	, KORY DON HART, , BLOOMFIELD, NM, 87413 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067070 Request Signature via Email	, CAROL LYNN HARE, , SPRING, TX, 77386 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067087	, LACEY ELIZABETH CAREY, , COEUR D ALENE, ID, 83814 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026

92148969009997901853067094	, SIMCOE, LLC, , Durango, CO, 81301 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067100	, DONALD LEO AND MYRNA JANE MANGUM, FAMILY TRUST, HUGO, OK, 74743 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067117	, MICHAEL A LUCERO, , ALBUQUERQUE, NM, 87123 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067124	, ANDREA Z GRIEGO, , ALBUQUERQUE, NM, 87120 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067131	, FELIPE ZABALZA TRUST, ANDREA Z GRIEGO TTEE, ALBUQUERQUE, NM, 87120 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067148	, RICK HALL, , SALEM, MO, 65560 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067155 Request Signature via Email	, MAYBOLE COMPANY LLC, , DALLAS, TX, 75225 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067162 Request Signature via Email	, COMMUNITY MINERALS II LLC, , HOUSTON, TX, 77098 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026

92148969009997901853067179	, JUAN C MARTINEZ, , SACRAMENTO, CA, 95842-2636 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067186	, RUBIE PELTON, , HIGHLANDS, CA, 95660 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067193	, MICHAEL A MARTINEZ, , SACRAMENTO, CA, 95864 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067209	, PAUL H MARTINEZ, , VACAVILLE, CA, 95687 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067216	, JOSEPH D MARTINEZ, , SAN DIEGO, CA, 92128 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067223	, TIM C GOMEZ, , BLOOMFIELD, NM, 87413 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067230	, JOSEPH GOMEZ, , FLORA VISTA, NM, 87415 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067247 Request Signature via Email	, PHILIP GOMEZ, , GUTHRIE, OK, 73044 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067254	, MARIA ABEYTA GARCIA, , DULCE, NM, 87528 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026

92148969009997901853067261	, MICHAEL A and GLORIA WILLIAMS LVG TR, GLORIA WILLIAMS TTEE, BLOOMFIELD, NM, 87413 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067278	, MICHAEL CHAVEZ, , SAN ANTONIO, TX, 78253 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067285	, GABRIEL CHAVEZ, , ALISO VIEJO, CA, 92656 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067292	, STEPHANIE R LEWIS, , RIVERSIDE, CA, 92506 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067308	, HOWARD JAMES GRIMES AND CECILIA, JEAN GRIMES LIVING TRUST, BOERNE, TX, 78015 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067315	, HERMAN D JAQUEZ, , TILLAMOOK, OR, 97141 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067322	, STEVEN M JAQUEZ, , AZTEC, NM, 87410 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067339	, HENRY ROBERT JAQUEZ, , FARMINGTON, NM, 87402 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067346	, CHRISTINE A MONTOYA, , FARMINGTON, NM, 87401 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026

92148969009997901853067353	, TERESA PERKINS, , FARMINGTON, NM, 87499 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067360	, GENEVIEVE CANDELARIA REV TR DTD 7.1, PABLO LENNY CANDELARIA AND JUAN, BLANCO, NM, 87412 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067377	, DAVID S HOLT, , ATLANTA, GA, 30308-1282 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026
92148969009997901853067384	, HEE JOON KIM HOLT, , CHESAPEAKE, VA, 23320 Code: DHC Notice - SJ 28-5 Unit 42N	1/19/2026

BALLANTINE COMMUNICATIONS

Campaign No. 32996
 Today's Date 19 Jan 2026
 P.O. Number _____
 Sales Rep Odette Capistrano-Zenizo

This is a quote for approval, not an invoice. Advanced payments may be accepted.

bill-to

Hilcorp Energy Company
 1111 Travis Street
 HOUSTON, TX 77002
 Tel: 832 839-4570
 Account No: 109863

advertiser

Hilcorp Energy Company
 1111 Travis Street
 HOUSTON, TX 77002
 Tel: 832 839-4570
 Account No: 109863

campaign summary

Description San Juan 28-5 Unit 42N
 Start Date 1/21/2026
 End Date 1/21/2026
 Currency _____

cost summary

Base Amount \$76.50
 Adjustments \$14.50
 Gross Amount \$91.00
 Agency Commission \$0.00
 Net Amount \$91.00
 Estimated Tax \$7.45
Total \$98.45

Pre-Payment Details

Pre-Payment Amount	Pre-Payment Date	Pre-Payment Card No.
--------------------	------------------	----------------------

No Pre-Payments on this order

print lines

Line No.	Product	Description	Issue / Run Date	Quantity	Rate	Adjusted Rate	Amount
68641	Tri-City Record	TCR Private Legal	1/21/2026	1	91.00	76.50	91.00
--- ADJUSTMENT -					<u>TCR Legal Affidavit Charge</u>	<u>8.00</u>	
--- ADJUSTMENT -					<u>TCR Legal Online Charge</u>	<u>6.50</u>	

32996
Notice by Hilcorp Energy Company for Downhole Commingling, Rio Arriba County, New Mexico.
 Pursuant to Paragraph (2) of Subsection C of 19.15.12.11 NMAC, Hilcorp Energy Company, as Operator, has

Line No.	Product	Description	Issue / Run Date	Quantity	Rate	Adjusted Rate	Amount
		<p>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 (71629) and Tapacito Pictured Cliffs (85920) with existing production from the Basin Dakota (71599) and Blanco Mesaverde (72319) in the San Juan 28-5 Unit 42N well (API No. 30-039-27705) located in Unit J, Section 31, Township 28 North, Range 05 West, NMPM, Rio Arriba 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 New Mexico Oil Conservation Division’s Santa Fe office.</p> <p>Published in Tri-City Record January 21, 2026</p>					

digital lines

Line No.	Product	Description	Start	End	Quantity	Rate	Amount
-- No Line Items --							

other lines

Line No.	Product	Description	Start	End	Quantity	Rate	Amount
68642	TCR 4C Marketplace Online	Class Liner Non-Recruitment	1/21/2026	1/21/2026	1	0.00	0.00

**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-5554

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 all produced fluids from all the Pools are compatible with each other.
4. Applicant has certified that downhole commingling the Pools will not decrease the value of the oil and gas production.
5. 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.
6. 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

7. 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.
8. 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.
9. 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.

10. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.11(A)(8) NMAC.
11. 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.
12. 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. This Order supersedes Order DHC-2124.
3. 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 pool (pool ID: 71629);
 - b. thirty-one percent (31%) shall be allocated to the Tapacito Pictured Cliffs pool (pool ID: 85920); and
 - c. zero percent (0%) shall be allocated to the Blanco Mesaverde pool (pool ID: 72319).
 - d. sixty-nine percent (69%) shall be allocated to the Basin Dakota pool (pool ID: 71599).

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 pool (pool ID: 71629); and
- b. the Tapacito Pictured Cliffs pool (pool ID: 85920).

The current pool(s) are:

- a. the Blanco Mesaverde pool (pool ID: 72319); and
- b. the Basin Dakota pool (pool ID: 71599).

Until a different plan to allocate gas production is approved by OCD, of the gas production allocated to the new pools:

- a. sixty-one percent (61%) shall be allocated to the Basin Fruitland Coal pool (pool ID: 71629); and
- b. thirty-nine percent (39%) shall be allocated to the Tapacito Pictured Cliffs pool (pool ID: 85920).

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.

4. 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.
5. 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.
6. 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.
7. 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.
8. 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.
9. 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).
10. 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**

Albert Chang

DATE: 03/20/2026

**ALBERT CHANG
DIVISION DIRECTOR**

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **DHC-5554**

Operator: **Hilcorp Energy Company**

Well Name: **San Juan 28 5 Unit Well No. 42N**

Well API: **30-039-27705**

Pool Name: **Basin Fruitland Coal**

Upper Zone	Pool ID: 71629	Current:	New: X
	Allocation:	Oil: 0.0%	Gas: 61.0%
		Top: 2,876	Bottom: 3,191

Pool Name: **Tapacito Pictured Cliffs**

Intermediate Zone	Pool ID: 85920	Current:	New: X
	Allocation:	Oil: 31.0%	Gas: 39.0%
		Top: 3,191	Bottom: 3,785

Bottom of Interval within 150% of Upper Zone's Top of Interval: **YES**

Pool Name: **Blanco Mesaverde**

Intermediate Zone 2	Pool ID: 72319	Current: X	New:
	Allocation: Subtraction	Oil: 0.0%	Gas: SUBT
		Top: 4,152	Bottom: 5,528

Bottom of Interval within 150% of Upper Zone's Top of Interval: **NO**

Pool Name: **Basin Dakota**

Lower Zone	Pool ID: 71599	Current: X	New:
	Allocation: Subtraction	Oil: 69.0%	Gas: SUBT
		Top: 7,410	Bottom: 7,610

Bottom of Interval within 150% of Upper Zone's Top of Interval: **NO**

Top of Queen Formation:

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 546034

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 546034
	Action Type: [C-107] Down Hole Commingle (C-107A)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	3/12/2026