

ID NO. 536486

DHC - 5574

RECEIVED: 12/19/25	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: Quigley 1A **API:** 30-045-22445
Pool: Basin Fruitland Coal (Gas) / Blanco Pictured Cliffs (Gas) **Pool Code:** 71629 / 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

<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.

Amanda Walker

Print or Type Name

Amanda Walker

Signature

12/16/2025
Date

346.237.2177
Phone Number

mwalker@hilcorp.com
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 382 Road 3100, Aztec, NM 87410
Operator Address
Quigley **1A** **F, Sec.06, T30N, R 09W** **San Juan**
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 372171 Property Code 318666 API No. 30-045-22445 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Basin Fruitland Coal (Gas)	Blanco Pictured Cliffs (Gas)	Blanco Mesaverde (Prorated Gas)
Pool Code	71629	72359	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Est. 2,914' – 3,270'	Est. 3,271' – 3,492'	4817' – 5852'
Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift	Artificial Lift
Bottomhole Pressure <small>(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)</small>	24 psi	81 psi	56 psi
Oil Gravity or Gas BTU <small>(Degree API or Gas BTU)</small>	1105 BTU	1159 BTU	1224 BTU
Producing, Shut-In or New Zone	New Zone	New Zone	Producing
Date and Oil/Gas/Water Rates of Last Production. <small>(Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)</small>	Date: Rates: Oil: Gas: Water:	Date: Rates: Oil: Gas: Water:	Date: 10/1/2025 Rates: Oil: 0 bbl Gas: 2436 mcf Water: 0 bbl
Fixed Allocation Percentage <small>(Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)</small>	Oil Gas % %	Oil Gas % %	Oil Gas % %

ADDITIONAL DATA

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

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

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

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

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

SIGNATURE  TITLE Operations/Regulatory Technician Sr. DATE 12/16/2025

TYPE OR PRINT NAME Amanda Walker TELEPHONE NO. (346) 237-2177

E-MAIL ADDRESS mwalker@hilcorp.com

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section.

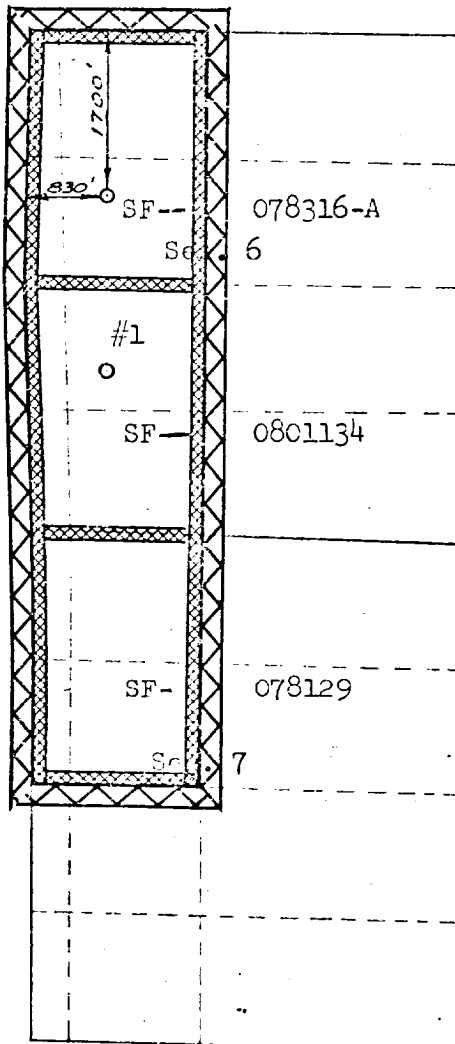
Operator EL PASO NATURAL GAS COMPANY		Lease QUIGLEY (SF-078316-A)		Well No. 1A
Unit Letter F	Section 6	Township 30-N	Range 9-W	County SAN JUAN
Actual Footage Location of Well: 1700 feet from the NORTH line and 830 feet from the WEST line				
Ground Level Elev. 6527	Producing Formation MESA VERDE	Pool BLANCO MESA VERDE	Dedicated Acreage: 299.87 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1" = 2,000'



CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Original Signed by D. G. Brisco	
Name	
Position	
Company	
Date	
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.	
Date Surveyed	MARCH 17, 1977
Registered Professional Engineer and/or Land Surveyor	<i>[Signature]</i>
Certificate No.	1760

The near wellbore shut-in bottom hole pressures of the above reservoirs are much lower than the calculated far-field stabilized reservoir 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.

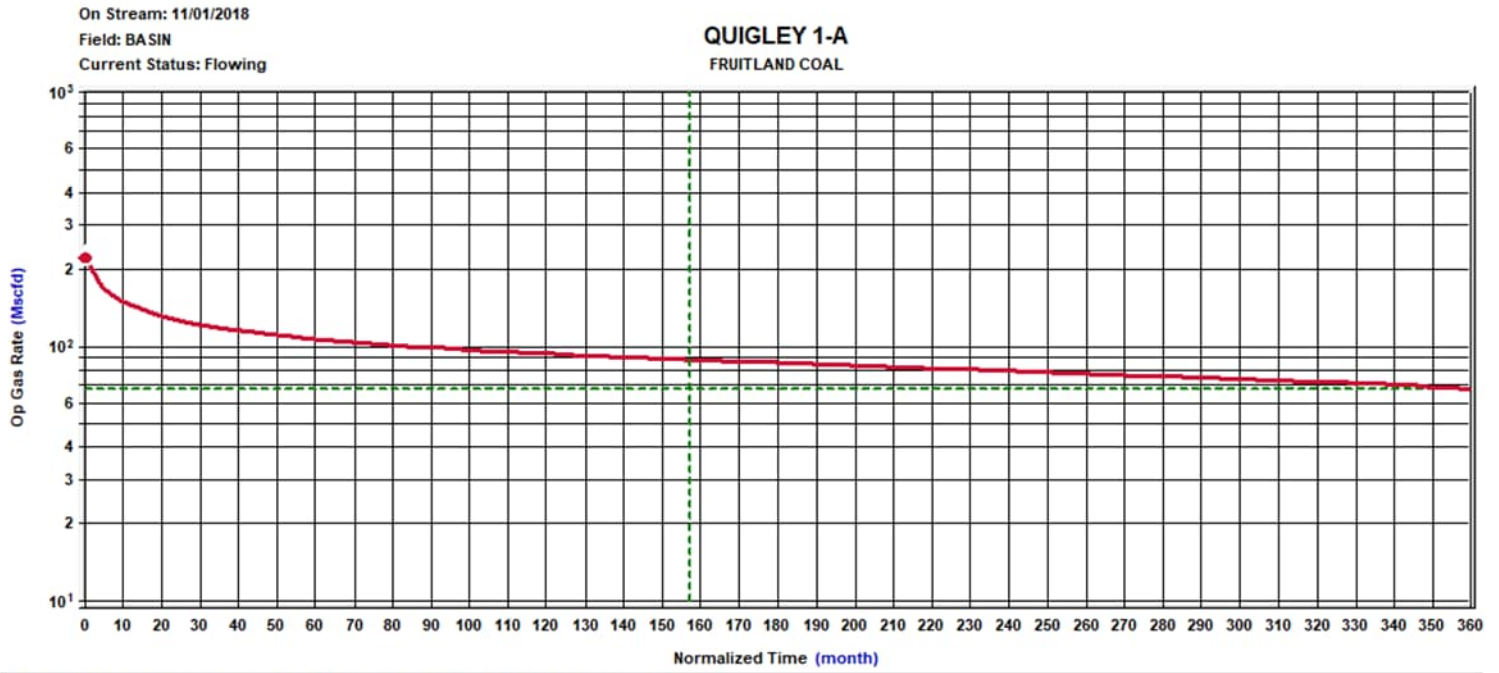
Shut in pressures were calculated for operated offset standalone wells in each of the zones being commingled in the well in question via the following process:

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

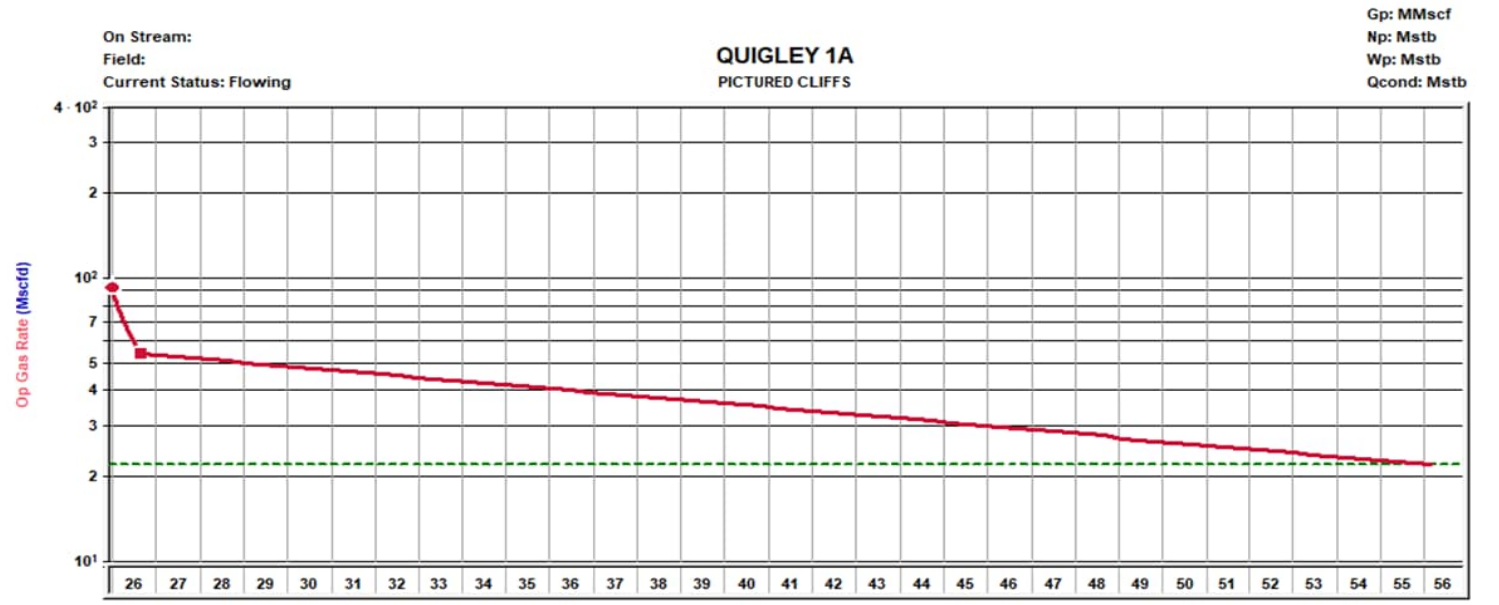
List of wells used to calculate BHPs for the Project:		
3004528921	JOHNSTON FEDERAL 28R	FRC
3004528615	WALKER 2	PC
3004523061	RIDDLE C LS 1A	MV

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

"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."



Analysis Name	Class	EUR _g MMscf	G _p MMscf	RR _g MMscf	Start Date MM/DD/YYYY	q _i Mscfd	Δt year	d, sec %/year	b	d _{im} exp %/year	q _i Mscfd	End Date MM/DD/YYYY
Type Curve		1022	0	1022	07/01/2025	225.0	30.66	35.500	5.000	1.500	68.0	02/25/2056



Analysis Name	Class	EUR _g MMscf	G _p MMscf	RR _g MMscf	Start Date MM/DD/YYYY	q _i Mscfd	Δt year	d, sec %/year	b	d _{im} exp %/year	q _i Mscfd	End Date MM/DD/YYYY
TYPECURVE		401	0	401	01/01/2026	92.0	0.67	50.000	1.500	3.000	54.0	09/02/2026
TYPECURVE		401	0	401	09/02/2026	54.0	29.48	3.000	0.000		22.0	02/25/2056

Quigley 1A – Production Allocation

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

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

Production Allocation Method - Subtraction

Gas Allocation:

Production for the downhole commingle will be allocated using the subtraction method in agreement with local agencies. The base formation is the **Mesaverde** and the added 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 formations. After 3 years production will stabilize.

New zones will be allocated using a fixed allocation. Forecasted rates and ultimate recoveries for FRC/PC are based on offsets well performance. The split between FRC/PC is based on the ratio of forecasted reserves as shown in the table below.

Formation	Remaining Reserves (MMcf)	% Gas Allocation
FRC	1022	72%
PC	401	28%

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.

On Stream: 01/01/1978
 Field: BLANCO
 Current Status: Flowing

QUIGLEY 001A
 MESAVERDE

Gp: 4885 MMscf
 Np: 0.000 Mstb
 Wp: 3.522 Mstb
 Qcond: 14.288 Mstb



Analysis Name	Class	EUR ₀ MMscf	G _p MMscf	RR ₀ MMscf	Start Date MM/DD/YYYY	q _i Mscfd	Δt year	d, sec %/year	b	d _{lim} exp %/year	q _i Mscfd	End Date MM/DD/YYYY
Analysis 1		5282	4885	397	10/30/2025	77.8	30.88	5.877	0.000		12.0	09/08/2058

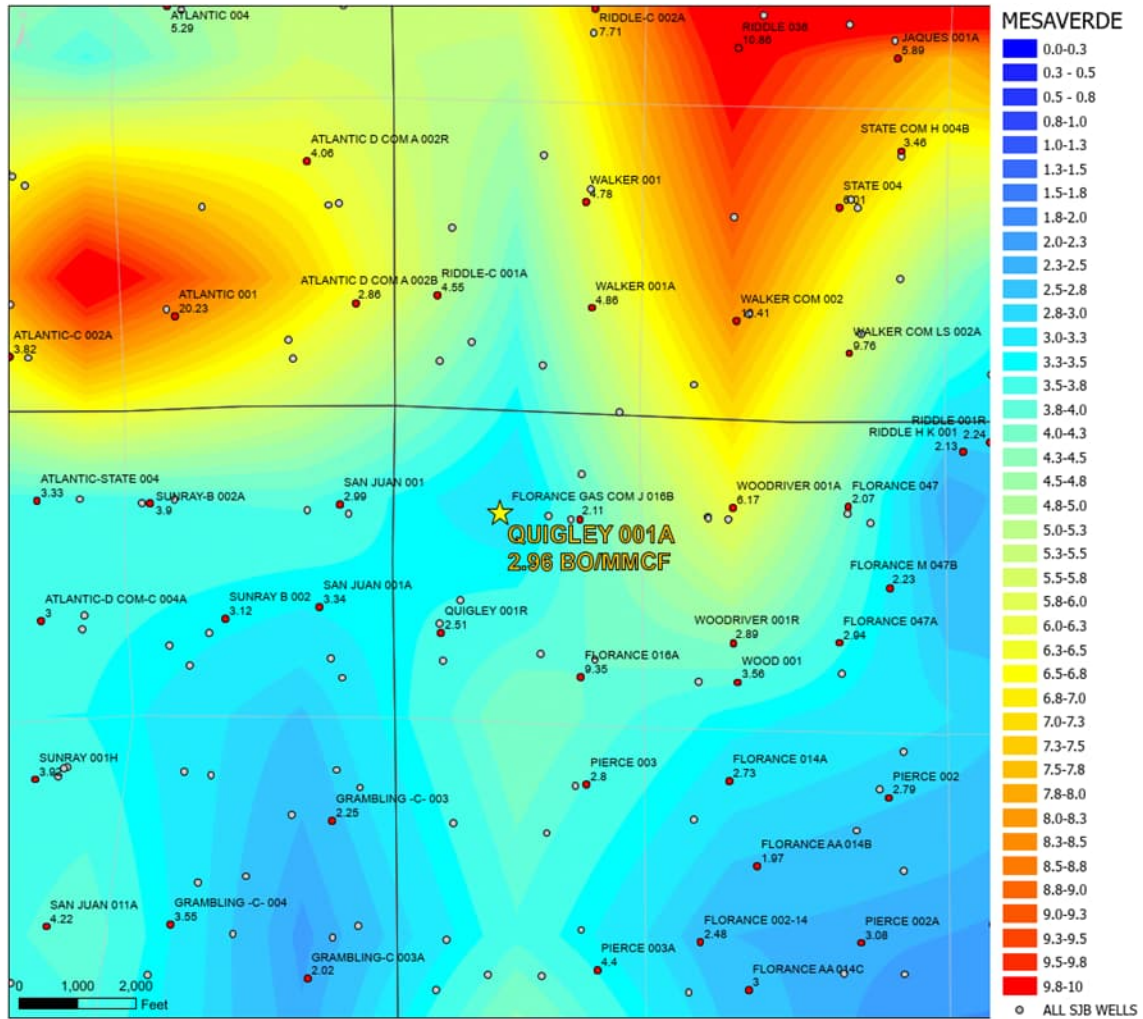
Oil Allocation:

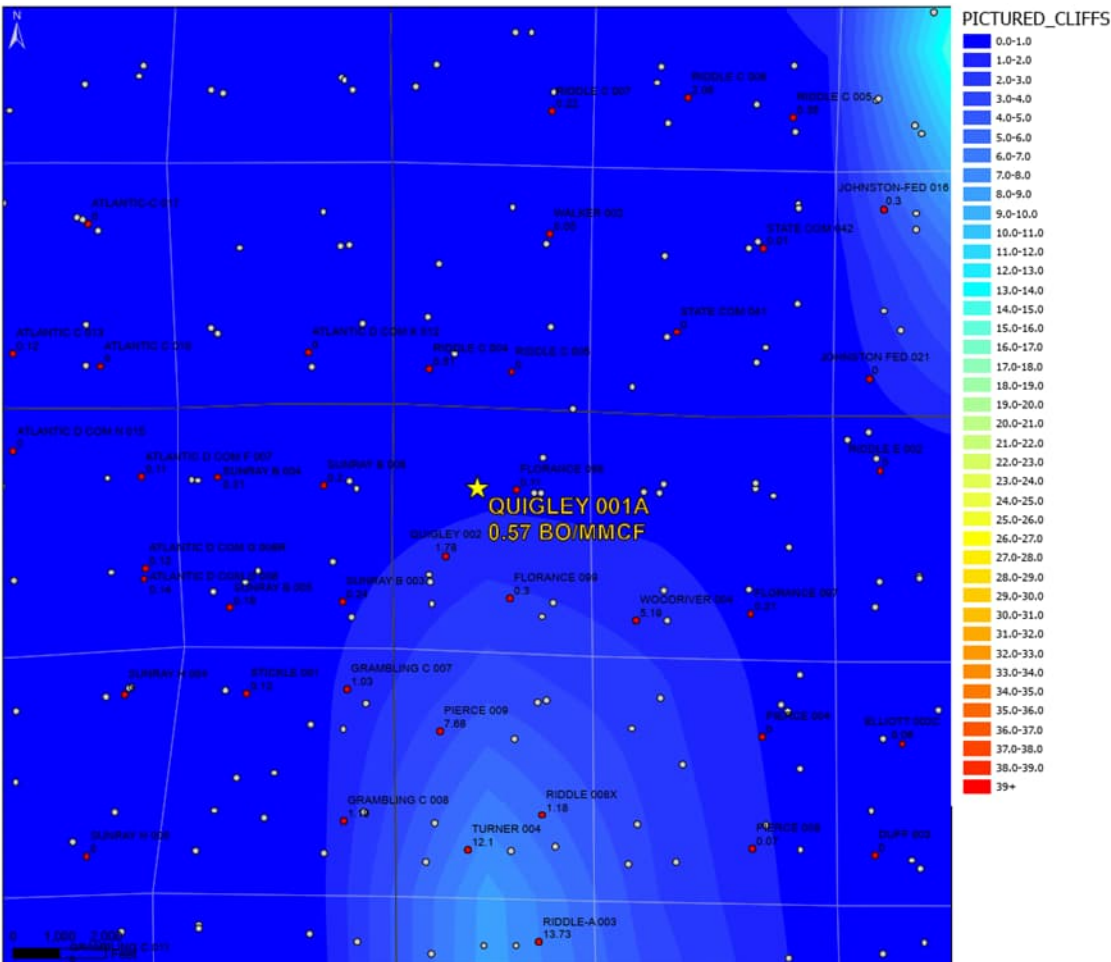
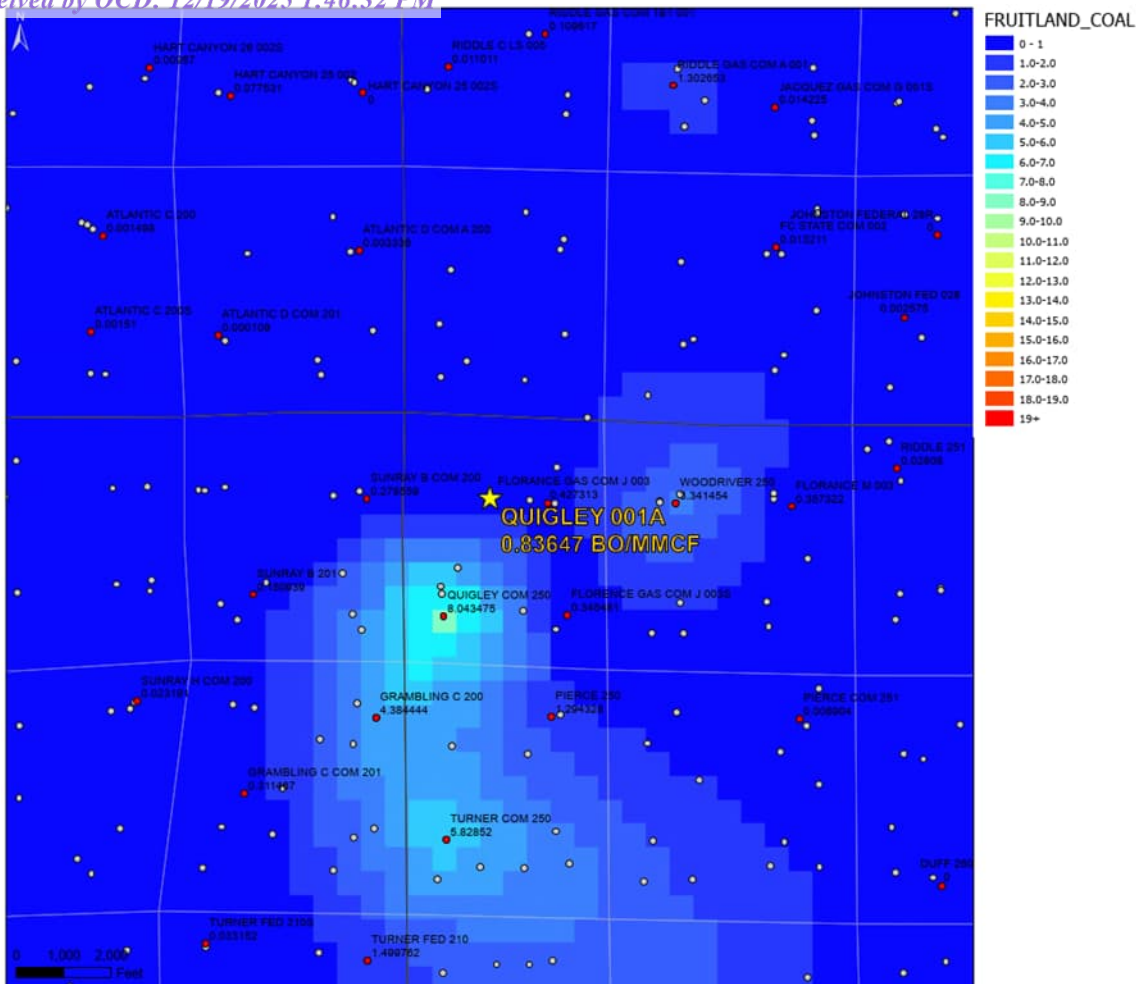
Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years.

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

Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Oil Allocation
MV	2.96	397	52%
FRC	0.83647	1022	38%
PC	0.57	401	10%
			100%

All documentation will be submitted to NMOCD.





Water Compatibility in the San Juan Basin

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

Well Name	QUIGLEY 1-A
API	3004522445

FRC Offset (0.74 miles)		PC Offset (1.87 miles)		MV Offset (1.03 miles)	
API	3004526938	API	3004521120	API	3004510157
Property	WOODRIVER 250	Property	GRAMBLING C 10	Property	WALKER 1
CationBarium	0	CationBarium	0.04	CationBarium	0.4
CationBoron		CationBoron		CationBoron	
CationCalcium	1.69	CationCalcium	1.88	CationCalcium	2.71
CationIron	6.76	CationIron	61.91	CationIron	368
CationMagnesium	0.44	CationMagnesium	0.11	CationMagnesium	0.74
CationManganese	0.21	CationManganese	0.48	CationManganese	5.84
CationPhosphorus		CationPhosphorus		CationPhosphorus	
CationPotassium		CationPotassium		CationPotassium	20
CationStrontium	0	CationStrontium	0.01	CationStrontium	2
CationSodium	139.82	CationSodium	9.65	CationSodium	20
CationSilica		CationSilica		CationSilica	5.96
CationZinc		CationZinc		CationZinc	2
CationAluminum		CationAluminum		CationAluminum	
CationCopper		CationCopper		CationCopper	
CationLead		CationLead		CationLead	2
CationLithium		CationLithium		CationLithium	
CationNickel		CationNickel		CationNickel	
CationCobalt		CationCobalt		CationCobalt	
CationChromium		CationChromium		CationChromium	
CationSilicon		CationSilicon		CationSilicon	10
CationMolybdenum		CationMolybdenum		CationMolybdenum	
AnionChloride	17.02	AnionChloride	2.39	AnionChloride	14.6
AnionCarbonate	0	AnionCarbonate	0	AnionCarbonate	10
AnionBicarbonate	122.2	AnionBicarbonate	24.4	AnionBicarbonate	24
AnionBromide		AnionBromide		AnionBromide	
AnionFluoride		AnionFluoride		AnionFluoride	
AnionHydroxyl		AnionHydroxyl	0	AnionHydroxyl	10
AnionNitrate		AnionNitrate		AnionNitrate	
AnionPhosphate		AnionPhosphate		AnionPhosphate	
AnionSulfate	0	AnionSulfate	2.68	AnionSulfate	3.93
phField		phField	6.8	phField	6.2
phCalculated	5.92	phCalculated		phCalculated	5.5
TempField		TempField	84	TempField	47.6
TempLab		TempLab		TempLab	
OtherFieldAlkalinity	122.2	OtherFieldAlkalinity		OtherFieldAlkalinity	120
OtherSpecificGravity	1	OtherSpecificGravity	1	OtherSpecificGravity	1
OtherTDS	378.14	OtherTDS	103.54	OtherTDS	20
OtherCaCO3	6.03	OtherCaCO3		OtherCaCO3	6.77
OtherConductivity		OtherConductivity	161.78	OtherConductivity	96
DissolvedCO2	90	DissolvedCO2	76	DissolvedCO2	160
DissolvedO2		DissolvedO2		DissolvedO2	
DissolvedH2S	0	DissolvedH2S	0	DissolvedH2S	
GasPressure		GasPressure	150	GasPressure	
GasCO2	4	GasCO2	1	GasCO2	
GasCO2PP		GasCO2PP	1.5	GasCO2PP	
GasH2S	0	GasH2S	0.25	GasH2S	
GasH2SPP		GasH2SPP	0	GasH2SPP	
PitzerCaCO3_70		PitzerCaCO3_70	-3.12	PitzerCaCO3_70	
PitzerBaSO4_70		PitzerBaSO4_70	-1.32	PitzerBaSO4_70	
PitzerCaSO4_70		PitzerCaSO4_70	-4.49	PitzerCaSO4_70	
PitzerSrSO4_70		PitzerSrSO4_70	-4.96	PitzerSrSO4_70	
PitzerFeCO3_70		PitzerFeCO3_70		PitzerFeCO3_70	
PitzerCaCO3_220		PitzerCaCO3_220	-2.29	PitzerCaCO3_220	
PitzerBaSO4_220		PitzerBaSO4_220	-1.84	PitzerBaSO4_220	
PitzerCaSO4_220		PitzerCaSO4_220	-4.33	PitzerCaSO4_220	
PitzerSrSO4_220		PitzerSrSO4_220	-4.73	PitzerSrSO4_220	
PitzerFeCO3_220		PitzerFeCO3_220		PitzerFeCO3_220	

Gas Compatibility in the San Juan Basin

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

Well Name	QUIGLEY 1-A
API	3004522445

FRC Offset (0.74 miles)		PC Offset (1.26 miles)		MV Offset (1.03 miles)	
AssetCode	3004526938	AssetCode	3004520762	AssetCode	3004510157
AssetName	WOODRIVER 250	AssetName	STICKLE 1	AssetName	WALKER 1
CO2	0.03	CO2	0.02	CO2	0.02
N2	0	N2	0	N2	0
C1	0.87	C1	0.86	C1	0.82
C2	0.06	C2	0.06	C2	0.09
C3	0.03	C3	0.03	C3	0.04
ISOC4	0	ISOC4	0.01	ISOC4	0.01
NC4	0	NC4	0.01	NC4	0.01
ISOC5	0	ISOC5	0	ISOC5	0
NC5	0	NC5	0	NC5	0
NEOC5		NEOC5		NEOC5	
C6		C6		C6	
C6_PLUS	0	C6_PLUS	0.01	C6_PLUS	0.01
C7		C7		C7	
C8		C8		C8	
C9		C9		C9	
C10		C10		C10	
AR		AR		AR	
CO		CO		CO	
H2		H2		H2	
O2		O2		O2	
H2O		H2O		H2O	
H2S	0	H2S	0	H2S	0
HE		HE		HE	
C_O_S		C_O_S		C_O_S	
CH3SH		CH3SH		CH3SH	
C2H5SH		C2H5SH		C2H5SH	
CH2S3_2CH3S		CH2S3_2CH3S		CH2S3_2CH3S	
CH2S		CH2S		CH2S	
C6HV		C6HV		C6HV	
CO2GPM	0	CO2GPM	0	CO2GPM	0
N2GPM	0	N2GPM	0	N2GPM	0
C1GPM	0	C1GPM	0	C1GPM	0
C2GPM	1.74	C2GPM	1.66	C2GPM	2.32
C3GPM	0.7	C3GPM	0.81	C3GPM	0.99
ISOC4GPM	0.16	ISOC4GPM	0.2	ISOC4GPM	0.24
NC4GPM	0.1	NC4GPM	0.25	NC4GPM	0.32
ISOC5GPM	0.04	ISOC5GPM	0.12	ISOC5GPM	0.15
NC5GPM	0.02	NC5GPM	0.08	NC5GPM	0.12
C6_PLUSGPM	0.06	C6_PLUSGPM	0.32	C6_PLUSGPM	0.45

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Well Name: QUIGLEY	Well Location: T30N / R9W / SEC 6 / SENW / 36.843353 / -107.824112	County or Parish/State: SAN JUAN / NM
Well Number: 1A	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078316A	Unit or CA Name: QUIGLEY	Unit or CA Number: NMNM73241
US Well Number: 3004522445	Operator: HILCORP ENERGY COMPANY	

Notice of Intent

Sundry ID: 2886729

Type of Submission: Notice of Intent

Type of Action: Recompletion

Date Sundry Submitted: 12/12/2025

Time Sundry Submitted: 08:47

Date proposed operation will begin: 04/01/2026

Procedure Description: Hilcorp Energy Company requests to revise the previously approved NOI to recomplete the subject well in the Fruitland Coal, to now include the Pictured Cliffs and downhole commingle with the existing Mesaverde. Please see the attached revised 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 recompleted, 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

Quigley_1A_FRC_PC_Recomplete_NOI_2026_20251212084711.pdf

Well Name: QUIGLEY

Well Location: T30N / R9W / SEC 6 /
SEW / 36.843353 / -107.824112

County or Parish/State: SAN
JUAN / NM

Well Number: 1A

Type of Well: CONVENTIONAL GAS
WELL

Allottee or Tribe Name:

Lease Number: NMSF078316A

Unit or CA Name: QUIGLEY

Unit or CA Number:
NMNM73241

US Well Number: 3004522445

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: AMANDA WALKER

Signed on: DEC 12, 2025 08:47 AM

Name: HILCORP ENERGY COMPANY

Title: Operations/Regulatory Technician

Street Address: 1111 TRAVIS ST

City: HOUSTON

State: TX

Phone: (346) 237-2177

Email address: MWALKER@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: 12/15/2025

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.	NMSF078316A
6. If Indian, Allottee or Tribe Name	

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No. QUIGLEY/NMNM73241
2. Name of Operator HILCORP ENERGY COMPANY		8. Well Name and No. Hilcorp Energy Company
3a. Address mwalker@hilcorp.com	3b. Phone No. (include area code) (713) 209-2400	9. API Well No. 3004522445
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) SEC 6/T30N/R9W/NMP		10. Field and Pool or Exploratory Area BASIN/BLANCO MESAVERDE
		11. Country or Parish, State SAN JUAN/NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 checked="" 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.)

Hilcorp Energy Company requests to revise the previously approved NOI to recomplete the subject well in the Fruitland Coal, to now include the Pictured Cliffs and downhole commingle with the existing Mesaverde. Please see the attached revised 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 recompleted, before any interim reclamation work, to conduct the onsite. A reclamation plan will be submitted after the onsite.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) AMANDA WALKER / Ph: (346) 237-2177	Title Operations/Regulatory Technician
Signature (Electronic Submission)	Date 12/16/2025

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by KENNETH G RENNICK / Ph: (505) 564-7742 / Approved	Title Petroleum Engineer	Date 12/15/2025
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office FARMINGTON

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

(Instructions on page 2)

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: SENW / 1700 FNL / 1830 FWL / TWSP: 30N / RANGE: 9W / SECTION: 6 / LAT: 36.843353 / LONG: -107.824112 (TVD: 0 feet, MD: 0 feet)

BHL: SENW / 1700 FNL / 1830 FWL / TWSP: 30N / RANGE: 9W / SECTION: 6 / LAT: 36.843353 / LONG: 107.824112 (TVD: 0 feet, MD: 0 feet)



HILCORP ENERGY COMPANY
QUIGLEY 1A
FRUITLAND COAL & PICTURE CLIFFS RECOMPLETION SUNDRY

Prepared by:	Whitney Majetich
Preparation Date:	December 9, 2025

WELL INFORMATION			
Well Name:	QUIGLEY 1A	State:	NM
API #:	3004522445	County:	SAN JUAN
Area:	11	Location:	1700' FNL & 830' FWL - Unit F - Section 06 - T 030N - R 009W
Route:	1106	Latitude:	36.843578 N
Spud Date:	7/15/1977	Longitude:	-107.82421 W

PROJECT DESCRIPTION
Isolate the Mesaverde, run a CBL, perform cement remediation (if necessary), perforate and stimulate the UPE Fruitland Coal and Picture Cliffs in 2-3 stages down the csg. Commingle the Fruitland Coal / Picture Cliffs production with the existing Mesaverde production. Strip facilities if necessary; repair production eqmt as needed, upgrade automation, and install pumping unit.

CONTACTS			
Title	Name	Office Phone #	Cell Phone #
Engineer	Whitney Majetich		281-467-2130
Area Foreman	Matthew Valdez		505-320-5207
Lead	Ramon Florez		505-320-2506
Artificial Lift Tech	Roman Lucero		505-360-0086
Rover	Brian Van Caster		505-215-4358
Compression Lead	Scott Wagner		505-402-9255
Operator	Bryan Roberds		505-215-4326



HILCORP ENERGY COMPANY
QUIGLEY 1A
FRUITLAND COAL & PICTURE CLIFFS RECOMPLETION SUNDRY

JOB PROCEDURES

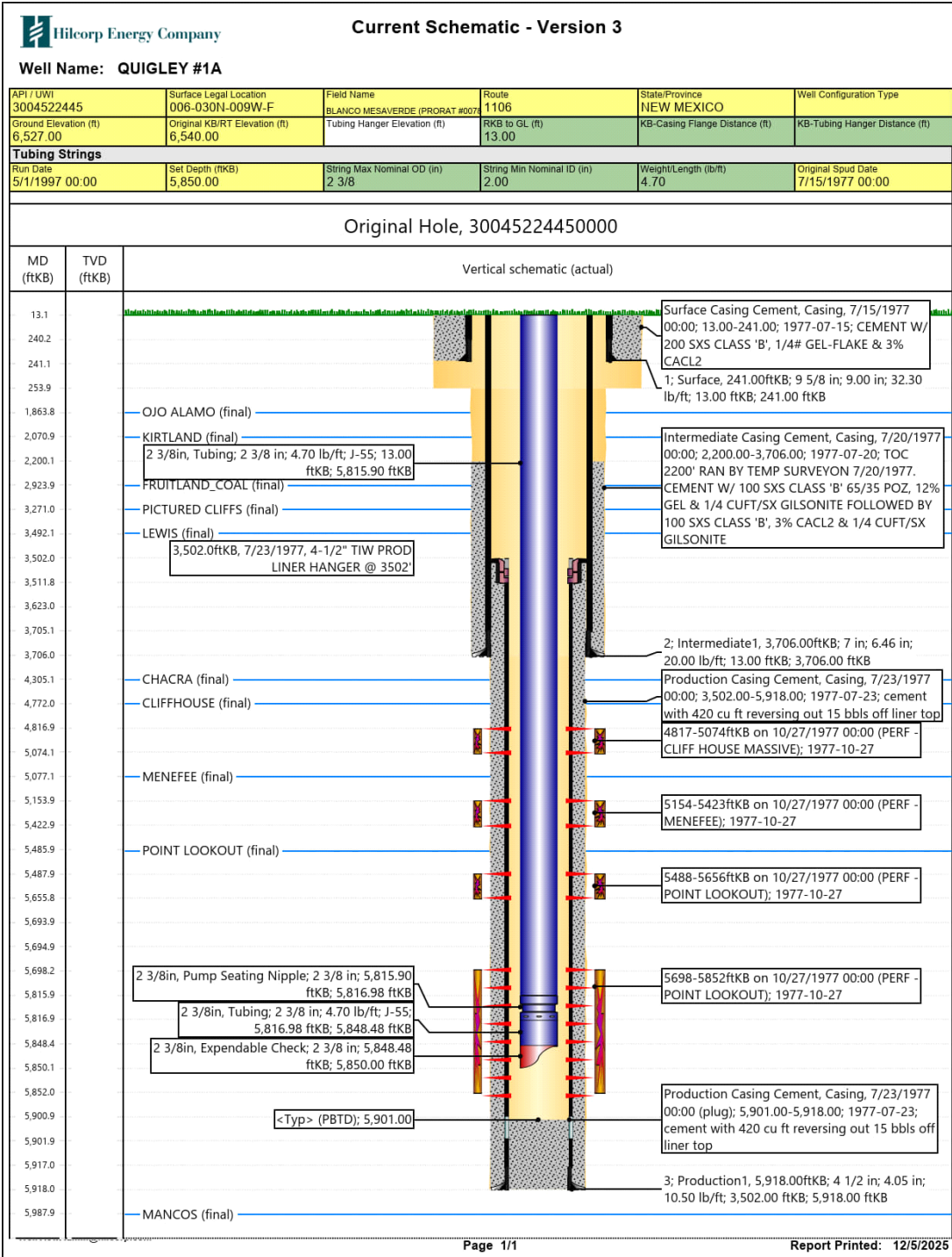
- NMOCD **Contact OCD 24 hrs prior to MIRU. Record and document all casing pressures daily, including BH, IC (if present) and**
 BLM **PC. Comply with all NMOCD, BLM, and HEC safety and environmental regulations.**

1. MIRU service rig and associated equipment.
2. Nipple down wellhead, nipple up and test BOPs per HEC, State, and Federal guidelines.
3. TOOH with 2-3/8" tubing
4. **Set a 4-1/2" bridge plug at 4,770'** to isolate the Mesaverde formation. The BP must be set within 50 ft of the top MV perforation.
5. RU pressure test truck. Perform a Mechanical Integrity Test on the wellbore above the plug at 4,770'. Chart record the MIT test (notify BLM and NMOCD +24hr before actual test).
6. Note: A **Temp log on the initial 7" cement job was run indicating 2200' TOC**. Prior to perforating - a modern CBL will be run and reviewed with engineering and regulatory agencies. Perform cmt remediation as required, after obtaining necessary approvals.
7. **If frac will be pumped down casing:** ND BOP, NU frac stack and test frac stack and casing to frac pressure.
8. RU E-Line Crew. Perforate the **Fruitland Coal from 2,914' to 3,270'** and **Picture Cliffs from 3,271' to 3,492'**.
9. **If frac will be pumped down a frac string:** RIH w/ frac string and packer. Set packer within 80' of top perforation. ND BOP, NU frac stack. Pressure test frac string and frac stack to frac pressure.
10. RDMO service rig. RU Stimulation crew. Frac the Fruitland Coal and Picture Cliffs in one or more stages. Set plugs in between stages, if necessary
11. MIRU service rig. Nipple down frac stack, nipple up BOP and test. Kill well with fluid, if necessary
12. If frac was performed down frac string: POOH w/ frac string and packer.
13. **Pending C107A approval**, drill out stage plugs and Mesaverde isolation plug. Clean out to PBTD at **5,901'**. TOOH w/cleanout assembly
14. TIH and land 2-3/8" production tubing. Run pump and rods, install pumping unit.
15. **Flowback well thru flowback separator and sand trap. Get a trimmingle Fruitland Coal / Picture Cliffs / Mesaverde flow rate.**



**HILCORP ENERGY COMPANY
QUIGLEY 1A
FRUITLAND COAL & PICTURE CLIFFS RECOMPLETION SUNDRY**

QUIGLEY 1A - CURRENT WELLBORE SCHEMATIC



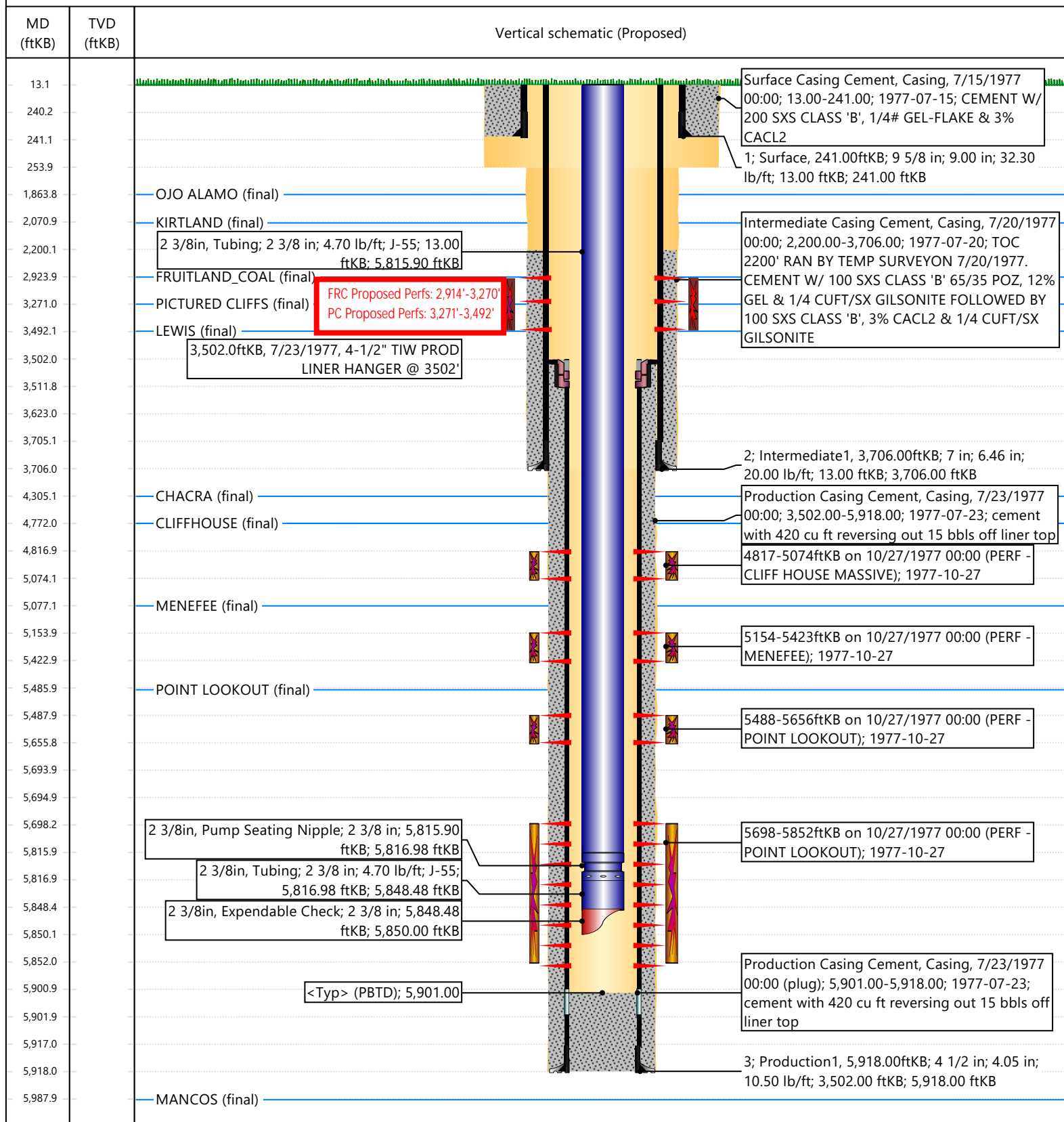


Proposed Schematic - Version 3

Well Name: **QUIGLEY #1A**

API / UWI 3004522445	Surface Legal Location 006-030N-009W-F	Field Name BLANCO MESAVERDE (PRORAT #0078	Route 1106	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 6,527.00	Original KB/RT Elevation (ft) 6,540.00	Tubing Hanger Elevation (ft) 2 3/8	RKB to GL (ft) 13.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
Tubing Strings					
Run Date 5/1/1997 00:00	Set Depth (ftKB) 5,850.00	String Max Nominal OD (in) 2 3/8	String Min Nominal ID (in) 2.00	Weight/Length (lb/ft) 4.70	Original Spud Date 7/15/1977 00:00

Original Hole, 30045224450000



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 30-045-22445	Pool Code 71629	Pool Name Basin Fruitland Coal (Gas)
Property Code 318666	Property Name Quigley	Well Number 1A
OGRID No. 372171	Operator Name Hilcorp Energy Company	Ground Level Elevation 6527
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 F	Section 06	Township 30N	Range 09W	Lot	Ft. from N/S 1700' N	Ft. from E/W 830' W	Latitude 36.8434296	Longitude -107.8244858	County San Juan
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Bottom Hole Location

UL F	Section 06	Township 30N	Range 09W	Lot	Ft. from N/S 1700' N	Ft. from E/W 830' W	Latitude 36.8434296	Longitude -107.8244858	County San Juan
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Dedicated Acres 299.85	Infill or Defining Well Infill	Defining Well API 30-045-09846	Overlapping Spacing Unit (Y/N) No	Consolidation Code Com
Order Numbers. NSP R-8899			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
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First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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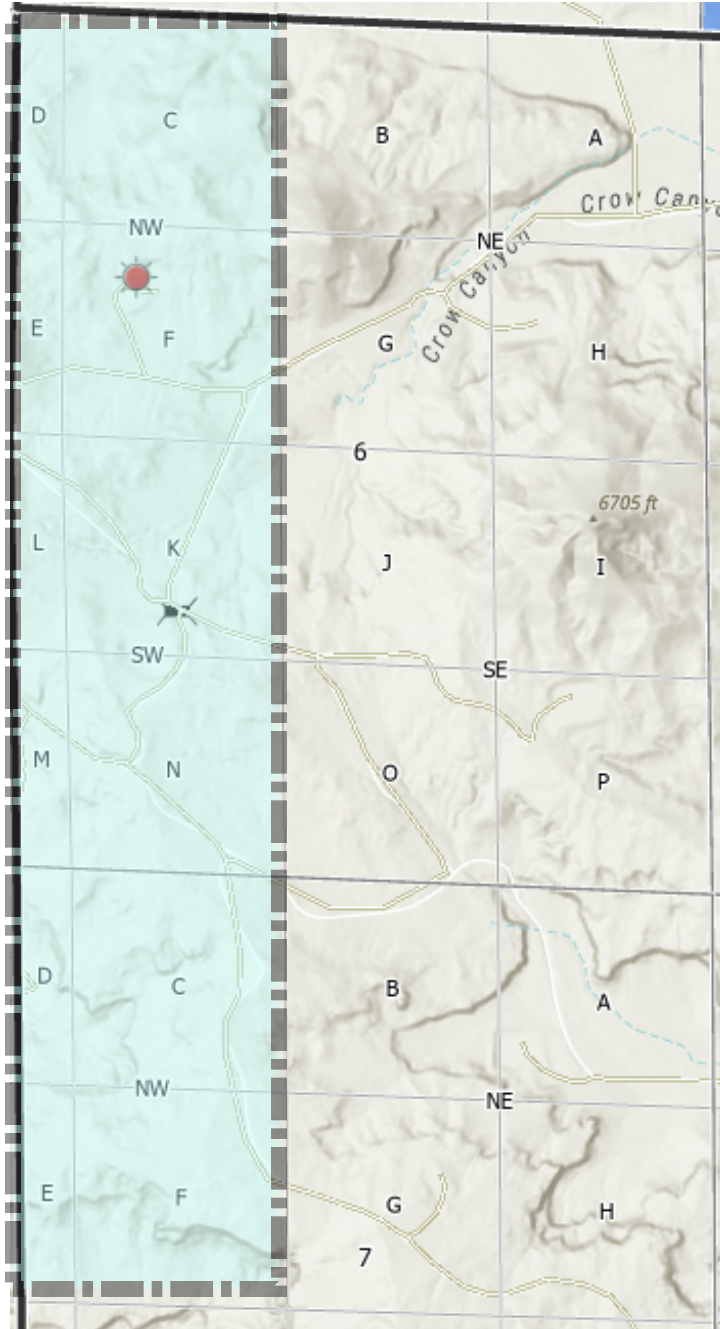
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p>OPERATOR CERTIFICATIONS</p> <p><i>I hereby certify that the information contained herein is 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> _____ Signature Date 5/5/2025</p> <p>Amanda Walker Printed Name</p> <p>mwalker@hilcorp.com 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>David Vilven Signature and Seal of Professional Surveyor</p> <p>1760 _____ Certificate Number Date of Survey March 17, 1977</p>
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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 30-045-22445	Pool Code 72359	Pool Name BlancoPictured Cliffs (Gas)
Property Code 318666	Property Name Quigley	Well Number 1A
OGRID No. 372171	Operator Name Hilcorp Energy Company	Ground Level Elevation 6527
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 F	Section 06	Township 30N	Range 09W	Lot	Ft. from N/S 1700' N	Ft. from E/W 830' W	Latitude 36.8434296	Longitude -107.8244858	County San Juan
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Bottom Hole Location

UL F	Section 06	Township 30N	Range 09W	Lot	Ft. from N/S 1700' N	Ft. from E/W 830' W	Latitude 36.8434296	Longitude -107.8244858	County San Juan
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Dedicated Acres 148.69	Infill or Defining Well Infill	Defining Well API 30-045-20480	Overlapping Spacing Unit (Y/N) N	Consolidation Code Com
Order Numbers. NSP R-3669			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
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First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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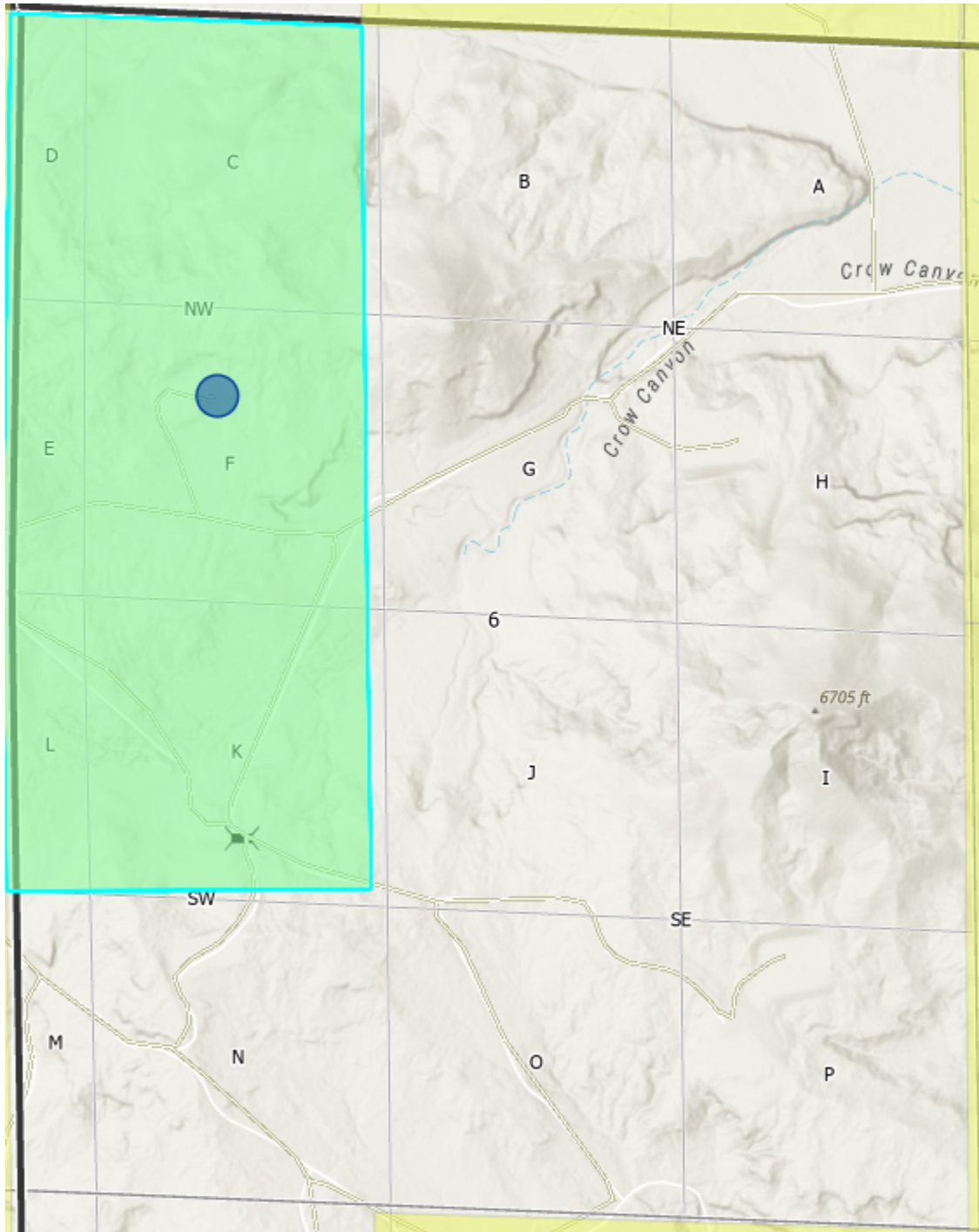
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input checked="" type="checkbox"/> Vertical	Ground Floor Elevation:
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<p>OPERATOR CERTIFICATIONS</p> <p><i>I hereby certify that the information contained 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> _____ Signature Date 12/8/2025</p> <p>Amanda Walker Printed Name</p> <p>mwalker@hilcorp.com 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>David Vilven Signature and Seal of Professional Surveyor</p> <p>1760 _____ Certificate Number Date of Survey March 17, 1977</p>
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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.

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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:** 12/9/2025

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
Quigley 1A	3004522445	F, 06, 30N, 09W	1700' FNL & 830' FWL	0	400	1

IV. Central Delivery Point Name: Chaco-Blanco Processing Plant [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Quigley 1A	3004522445				2026	2026

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: 
Printed Name: Amanda Walker
Title: Operations Regulatory Tech Sr.
E-mail Address: mwalker@hilcorp.com
Date: 12/9/2025
Phone: 346-237-2177
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

VI. Separation Equipment:

Hilcorp Energy Company (HEC or Operator) production facilities include separation equipment designed to efficiently separate gas from liquid phases to optimize gas capture based on projected and estimated volumes from the targeted pool of our recomplete project. HEC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the recomplete to optimize gas capture and send gas to sales or flare based on analytical composition. HEC operates facilities that are typically one-well facilities. Production separation equipment is upgraded prior to well being completed, if determined to be undersized or inadequate. This equipment is already on-site and tied into our sales gas lines prior to the recomplete operations.

VII. Operational Practices:

1. Subsection (A) Venting and Flaring of Natural Gas
 - 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 recompletion
 - 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.



December 16, 2025

Mailed Certified / Return Receipt Requested

To: ALL INTEREST OWNERS

RE: Application to Downhole Commingle Production
Well: QUIGLEY #001A
API: 30-045-22445
Township 30 North, Range 9 West, Section 6
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 **Fruitland Coal** and **Pictured Cliffs**, formations Hilcorp soon intends to perforate, with existing production from the **Mesaverde** formation, and allocate production between these formations using the subtraction allocation method; a method prescribed by the NMOCD.

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 file an objection to this application.

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, appearing to read 'Rob Carlson'.

Rob Carlson, CPL
Sr. Landman

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

2148969009997901852466874	Cole Gorman	OFFICE OF NATURAL RESOURCES REVENUE , LAKEWOOD ACCTG CENT ONSHORE, P O BOX 25627, DENVER, CO, 80225-0627 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852466881	Cole Gorman	FREDERICKSBURG ROYALTY LTD , , PO BOX 1481, SAN ANTONIO, TX, 78295-1481 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852466898	Cole Gorman	KENNEDY MINERALS LTD , , 223 WEST WALL STREET SUITE 700, MIDLAND, TX, 79701 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852466904	Cole Gorman	BHCH MINERAL LTD , , P O BOX 1817, SAN ANTONIO, TX, 78296-1817 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852466911	Cole Gorman	GROVER FAMILY LP , , PO BOX 3666, MIDLAND, TX, 79702-3666 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852466928	Cole Gorman	FLORENCIA EXPLORATION INC , , PO BOX 1817, SAN ANTONIO, TX, 78296-1817 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852466935	Cole Gorman	DESERT PARTNERS III LP , , PO BOX 3579, MIDLAND, TX, 79702 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852466942	Cole Gorman	CYNTHIA MART SPILLAR , , 25918 LAKE LAWN, SPRING, TX, 77380 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852466959	Cole Gorman	JAMES R LEETON JR , , PO BOX 10561, MIDLAND, TX, 79702 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852466966	Cole Gorman	NANCY O MABE TRUST DTD 9/21/1994 , CYNTHIA BLANSIT TTEE, PO BOX 112, TONGANOXIE, KS, 66086 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852466973	Cole Gorman	BEN HOWELL LANGFORD , , 6248 LOS ALTOS, EL PASO, TX, 79912 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852466980	Cole Gorman	CARA CATHLEEN HOWELL LIND , , 3583 W FRANKFURT DR, CHANDLER, AZ, 85226 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852466997	Cole Gorman	PICO PROPERTIES LLC , , 221 N KANSAS SUITE 1100, EL PASO, TX, 79901 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467000	Cole Gorman	JERRY ANN WALKER WYNN , , 314 WOODLAWN DR, LEXINGTON, NC, 27292 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467017	Cole Gorman	MARILYN A JAMES TRUST , , 10621 S DRAKE AVE, CHICAGO, IL, 60655-2505 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467024	Cole Gorman	ANNA CELIA HOWELL HILTON , , 1009 N SHERIDAN AVE, COLORADO SPRINGS, CO, 80909 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467031	Cole Gorman	NELSON MINERALS LLC , , 4901 CRESTWOOD DR, FARMINGTON, NM, 87402 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467048	Cole Gorman	PATRICIA PARKER , LIFE ESTATE, 3900 CAPRICORN CT, PLANO, TX, 75023-1112 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467055	Cole Gorman	TED E DUFF TRUST , TED E DUFF TRUSTEE, PO BOX 398, RUIDOSO, NM, 88355-0398 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467062	Cole Gorman	LOUANN H FEUILLE , C/O WESTSTAR WEALTH MANAGEMENT, PO BOX 99102, EL PASO, TX, 79999 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467079	Cole Gorman	FHW OIL and GAS LTD , , PO BOX 221020, EL PASO, TX, 79913 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467086	Cole Gorman	ELIZABETH H LUND ROYALTY TRUST , BARBARA LUND TRUSTEE, 7138 GLENORA AVE, DALLAS, TX, 75230 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467093	Cole Gorman	BIG LAKE FISHING LLC , , 17430 CAMPBELL RD STE 111, DALLAS, TX, 75252-5297 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467109	Cole Gorman	RICHARD PARKER LANGFORD , , 6513 TARASCAS DR, EL PASO, TX, 79912 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467116	Cole Gorman	LANCE REEMTSMA , , 2601 GRANT ST, BERKELEY, CA, 94703 Code: Quigley 1A DHC	12/16/2025	Signature Pending

92148969009997901852467123	Cole Gorman	DIRK VANHORN REEMTSMA , , 556 CRESTWOOD DR, OCEANSIDE, CA, 92058 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467130	Cole Gorman	EMILIE M HARDIE , ROYALTY TRUST, 1065 LOS JARDINES, EL PASO, TX, 79912-1942 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467147	Cole Gorman	MARY ELIZABETH HARDIE , ROYALTY TRUST, 3904 MARQUETTE ST, DALLAS, TX, 75225 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467154	Cole Gorman	MUIRFIELD RESERVES LLC , , 17430 CAMPBELL RD SUITE 111, DALLAS, TX, 75252-5297 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467161	Cole Gorman	DAVID PIERCE and MAXINE PIERCE REV TR , DAVID PIERCE and MAXINE PIERCE TTEES, PO BOX 4140, FARMINGTON, NM, 87499-4140 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467178	Cole Gorman	ROGERS FAMILY TRUST , DAVID A ROGERS TRTEE, PO BOX 12825, EL PASO, TX, 79913 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467185	Cole Gorman	MABELLE H SOWERS , ROYALTY TRUST, 5026 AUGUSTA CIR, COLLEGE STATION, TX, 77845-8983 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467192	Cole Gorman	WILLIAM WALKER WINTER 2009 TRUST , WALKER WINTER SUCC TRUSTEE, 800 SAWYER ST, HOUSTON, TX, 77007 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467208	Cole Gorman	JEREMIAH C DUFF-LEACH , DBA JCDL OIL and GAS COMPANY LLC, PO BOX 30396, ALBUQUERQUE, NM, 87190 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467215	Cole Gorman	JOSEPH C JASTRZEMBSKI , , 911 1ST ST NE, MINOT, ND, 58703-2426 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467222	Cole Gorman	RESERVATION LAKE RESOURCES LLC , , 1200 CERRITO ALLEGRE, EL PASO, TX, 79912 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467239	Cole Gorman	TRIANGLE H ENTERPRISES LLC , , PO BOX 40, MESILLA, NM, 88046 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467246	Cole Gorman	DAVID A JENNINGS , BILLY EDWARDS AIF, PO BOX 117, ABILENE, TX, 79604 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467253	Cole Gorman	CLINTON C CARNEY JR TR DTD 4/24/95 , JOAQUIN C CARNEY TTEE, 8512 RANCHO SANTA FE, ALBUQUERQUE, NM, 87113 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467260	Cole Gorman	SWEARINGEN LLC , , 2503 KENCHESTER LOOP, WESLEY CHAPEL, FL, 33543-5345 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467277	Cole Gorman	BLUE MESA MINERALS LLC , , 3549 ARBUCKLE DR, PLANO, TX, 75075 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467284	Cole Gorman	NANCY O MABE TRUST DTD 9/21/1994 , CYNTHIA KAY BLANSIT SUCCESSOR TTEE, PO BOX 112, TONGANOXIE, KS, 66086 Code: Quigley 1A DHC	12/16/2025	Signature Pending
92148969009997901852467291	Cole Gorman	LOUANN H FEUILLE ESTATE , WESTSTAR BANK and ROBERT R FEUILLE, PO BOX 99102, EL PASO, TX, 79999 Code: Quigley 1A DHC	12/16/2025	Signature Pending

BALLANTINE COMMUNICATIONS

AFFIDAVIT OF PUBLICATION

COPY OF ADVERTISEMENT

STATE OF NEW MEXICO

County of San Juan

Odette Zerunzo, the undersigned, authorized Representative of the Tri-City Record, on oath states that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Law of 1937, that payment therefore has been made of assessed as court cost; and that the notice, copy of which is hereto attached, was published in said paper in the regular daily edition, for 1 time(s) on the following date(s):

12/19/2025

Sworn and subscribed before me, a notary public in and for the county of La Plata and the State of Colorado, 12-19-25

Gail Lynn Vitarius
Notary Public

PRICE: \$ 107.54

Statement to come at the end of the month.

ACCOUNT NUMBER: 109863

GAIL LYNN VITARIUS
Notary Public
State of Colorado
Notary ID # 20254005989
My Commission Expires 02-12-2029

32458
Notice by Hilcorp Energy Company for Downhole Commingling, San Juan County, New Mexico.
Pursuant to 19.15.12.11 NMAC, Hilcorp Energy Company, 1111 Travis St., Houston, Tx, 77002, as Operator, has filed form C-107-A 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 Gas Pool (71629) and Blanco-Pictured Cliffs Gas Pool (72359) with existing production from the Blanco-Mesaverde Gas Pool (72319) in the QUIGLEY 001A well (API No. 30-045-22445) located in Unit F, Section 6, Township 30 North, Range 9 West, NMPM, San Juan County, New Mexico. The depth intervals applicable to perforations by zone are as follows: Fruitland Coal = 2,914' – 3,270' / Pictured Cliffs = 3,271' – 3,492' / Mesaverde = 4,817' – 5,852'. This publication serves to notify certain unlocatable interest owner(s) in the aforementioned well of this

filing, as required. Should you (the interest owner(s) for which this notice is intended) wish to file an objection or request for hearing, such must occur in writing and be received by the NMOCD Santa Fe office within twenty (20) days from the date of this publication. Commingling will not reduce the value of production. The allocation of production between zones will occur via subtraction method. Hilcorp Owner Relations is available at (713) 209-2457 to update your physical address and field inquiries.

Published in Tri-City Record
December 19, 2025

**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-5574

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. 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. thirty-eight percent (38%) shall be allocated to the Basin Fruitland Coal pool (pool ID: 71629);
 - b. ten percent (10%) shall be allocated to the Blanco Pictured Cliffs pool (pool ID: 72359); and
 - c. fifty-two percent (52%) shall be allocated to the Blanco Mesaverde pool (pool ID: 72319).

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

- a. the Basin Fruitland Coal pool (pool ID: 71629); and
- b. the Blanco Pictured Cliffs pool (pool ID: 72359).

The current pool(s) are:

- a. the Blanco Mesaverde pool (pool ID: 72319).

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

- a. seventy-two percent (72%) shall be allocated to the Basin Fruitland Coal pool (pool ID: 71629); and
- b. twenty-eight percent (28%) shall be allocated to the Blanco Pictured Cliffs pool (pool ID: 72359).

Applicant shall calculate the oil and gas production average during the fourth year after the commencement of commingling, which shall be used to establish a fixed percentage of the total oil and gas production that shall be allocated to each of the Pools ("fixed percentage allocation plan"). No later than ninety (90) days after the fourth year, Applicant shall submit a Form C-103 to the OCD Engineering Bureau that includes the fixed percentage allocation plan and all data used to determine it. If Applicant fails to do so, this Order shall terminate

on the following day. If OCD denies the fixed percentage allocation plan, this Order shall terminate on the date of such action. If OCD approves the percentage allocation plan with or without modifications, then the approved percentage allocation plan shall be used to determine oil and gas allocation starting on the date of such action until the Well is plugged and abandoned.

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

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

Albert Chang

**ALBERT CHANG
DIVISION DIRECTOR**

DATE: 05/01/2026

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **DHC-5574**

Operator: **Hilcorp Energy Company**

Well Name: **Quigley Well No. 1A**

Well API: **30-045-22445**

	Pool Name: Basin Fruitland Coal		
Upper Zone	Pool ID: 71629	Current:	New: X
	Allocation: Fixed Percent	Oil: 38.0%	Gas: 72.0%
		Top: 2,914	Bottom: 3,270

	Pool Name: Blanco Pictured Cliffs		
Intermediate Zone	Pool ID: 72359	Current:	New: X
	Allocation: Fixed Percent	Oil: 10.0%	Gas: 28.0%
		Top: 3,271	Bottom: 3,492
	Bottom of Interval within 150% of Upper Zone's Top of Interval:		YES

	Pool Name: Blanco Mesaverde		
Lower Zone	Pool ID: 72319	Current: X	New:
	Allocation: Subtraction	Oil: 52.0%	Gas: SUBT
		Top: 4,817	Bottom: 5,852
	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 536486

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 536486
	Action Type: [C-107] Down Hole Commingle (C-107A)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	4/28/2026