

ID NO. 536127

DHC - 5577

Revised March 23, 2017

RECEIVED: <b>12/18/25</b>	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:** San Juan 29-5 Unit 61C **API:** 30-039-29758  
**Pool:** Basin Fruitland Coal (Gas) / Gobernador Pictured Cliffs (Gas) **Pool Code:** 71629 / 77440

**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

<b>FOR OCD ONLY</b>
<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

Signature

12/18/2025  
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

San Juan 29-5 Unit 61C P, Sec. 09, T29N, R05W Rio Arriba  
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 372171 Property Code 318837 API No. 30-039-29758 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Basin Fruitland Coal (Gas)	Gobernador Pictured Cliffs (Gas)	Blanco Mesaverde
Pool Code	71629	77440	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Est. 3375' - 3674'	Est. 3675' - 3995'	4645' - 6041'
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>	96 psi	132 psi	80 psi
Oil Gravity or Gas BTU <small>(Degree API or Gas BTU)</small>	937 BTU	1203 BTU	1112 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: 1381 mcf Water: 105 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  N/A  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: Per R-10770 Order, Hilcorp is exempted from providing notice to owners (excluding SLO/BLM, where applicable)

- 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 12/18/2025

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

E-MAIL ADDRESS mwalker@hilcorp.com

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.

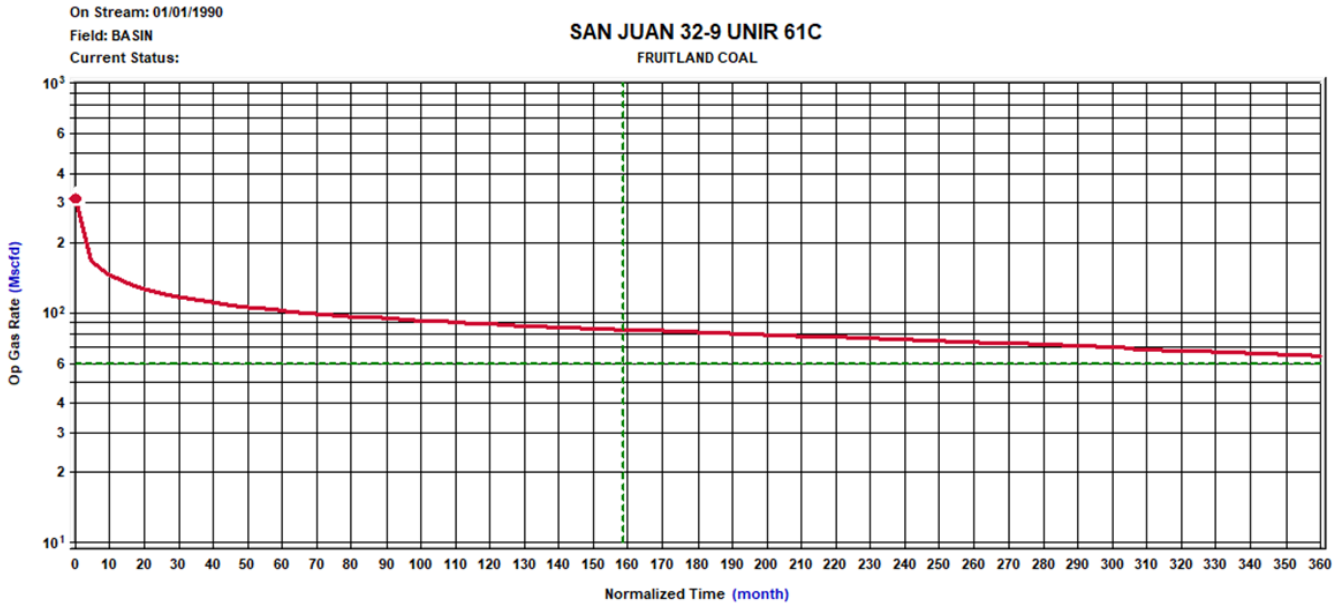
Shut in pressures were calculated for operated offset standalone wells in each of the zones being commingled in the well in question via the following process:

- 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

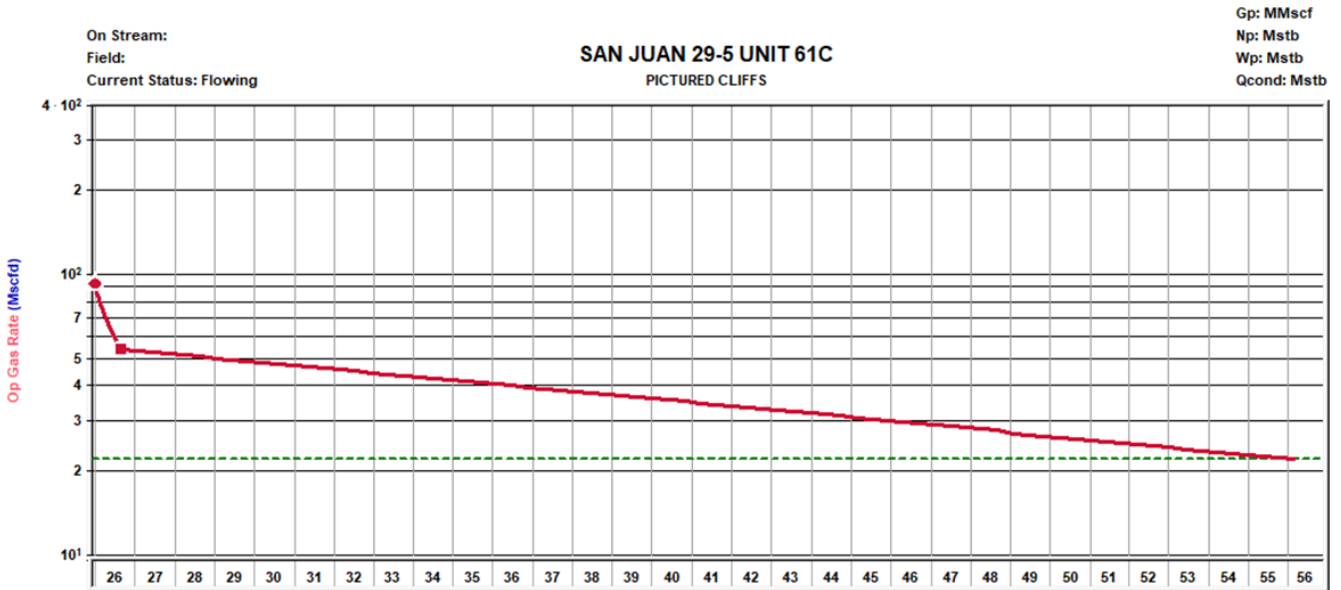
List of wells used to calculate BHPs for the Project:		
3003925301	DUGAN 1	FRC
3003923450	LA JARA 2	PC
3003907616	SAN JUAN 29-5 UNIT 10	MV

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	Class.	EUR <sub>g</sub>	G <sub>p</sub>	RR <sub>g</sub>	Start Date	q <sub>i</sub>	Δt	d, sec	b	d <sub>lim</sub> exp	q <sub>i</sub>	End Date
Name	MMscf	MMscf	MMscf	MM/DD/YYYY	Mscfd	year	%/year	%/year	Mscfd	MM/DD/YYYY		
Analysis 1	1088	0	1088	01/01/2025	312.8	35.51	55,123	5,000	1,500	80.0	07/08/2060	



Analysis	Class.	EUR <sub>g</sub>	G <sub>p</sub>	RR <sub>g</sub>	Start Date	q <sub>i</sub>	Δt	d, sec	b	d <sub>lim</sub> exp	q <sub>i</sub>	End Date
Name	MMscf	MMscf	MMscf	MM/DD/YYYY	Mscfd	year	%/year	%/year	Mscfd	MM/DD/YYYY		
TYPECURVE	401	0	401	01/01/2028	92.0	0.67	50,000	1,500	3,000	54.0	09/02/2028	
TYPECURVE	401	0	401	09/02/2028	54.0	29.48	3,000	0.000		22.0	02/25/2058	

### **San Juan 29-5 Unit 61C – 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**

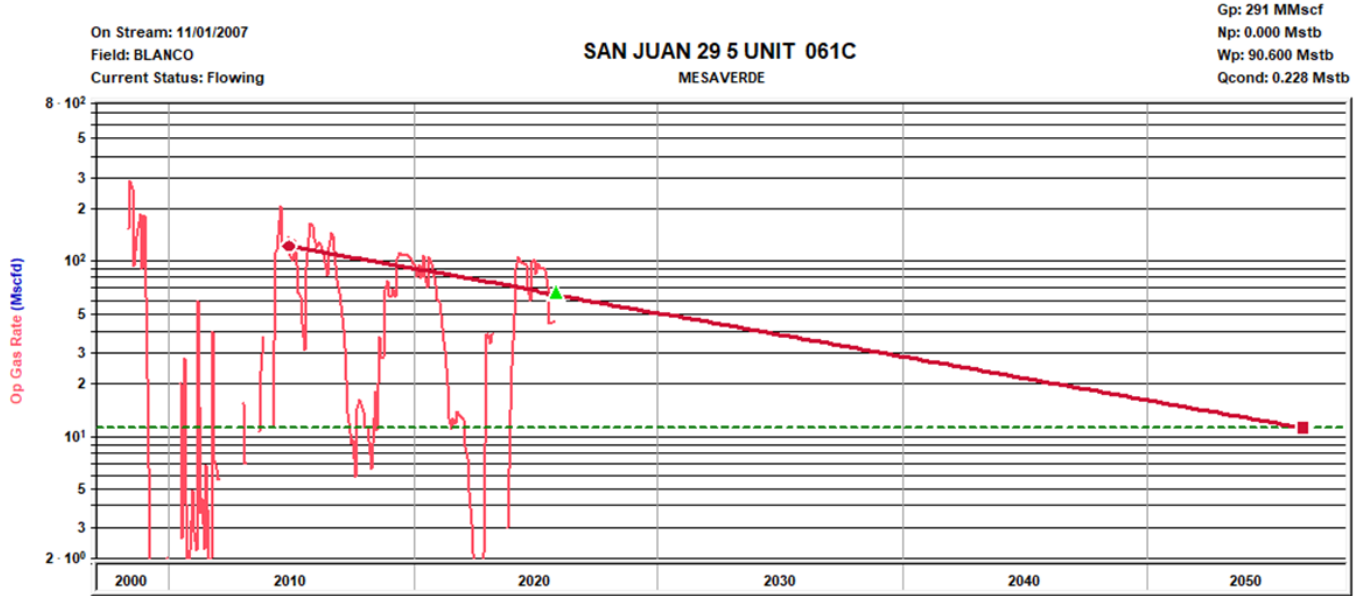
#### **Gas Allocation:**

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.

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.

<b>Formation</b>	<b>Remaining Reserves (MMcf)</b>	<b>% Gas Allocation</b>
<b>FRC</b>	<b>1086</b>	<b>73%</b>
<b>PC</b>	<b>401</b>	<b>27%</b>
		<b>100%</b>

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



Analysis Name	Class	EUR <sub>0</sub> MMscf	G <sub>p</sub> MMscf	RR <sub>0</sub> MMscf	Start Date MM/DD/YYYY	q <sub>i</sub> Mscfd	Δt year	d, sec	b	d <sub>lim</sub> exp	q <sub>i</sub> %/year	End Date MM/DD/YYYY
Analysis 1		629	291	338	10/17/2025	64.5	30.59	5.619	0.000	5.000	11.0	05/21/2058

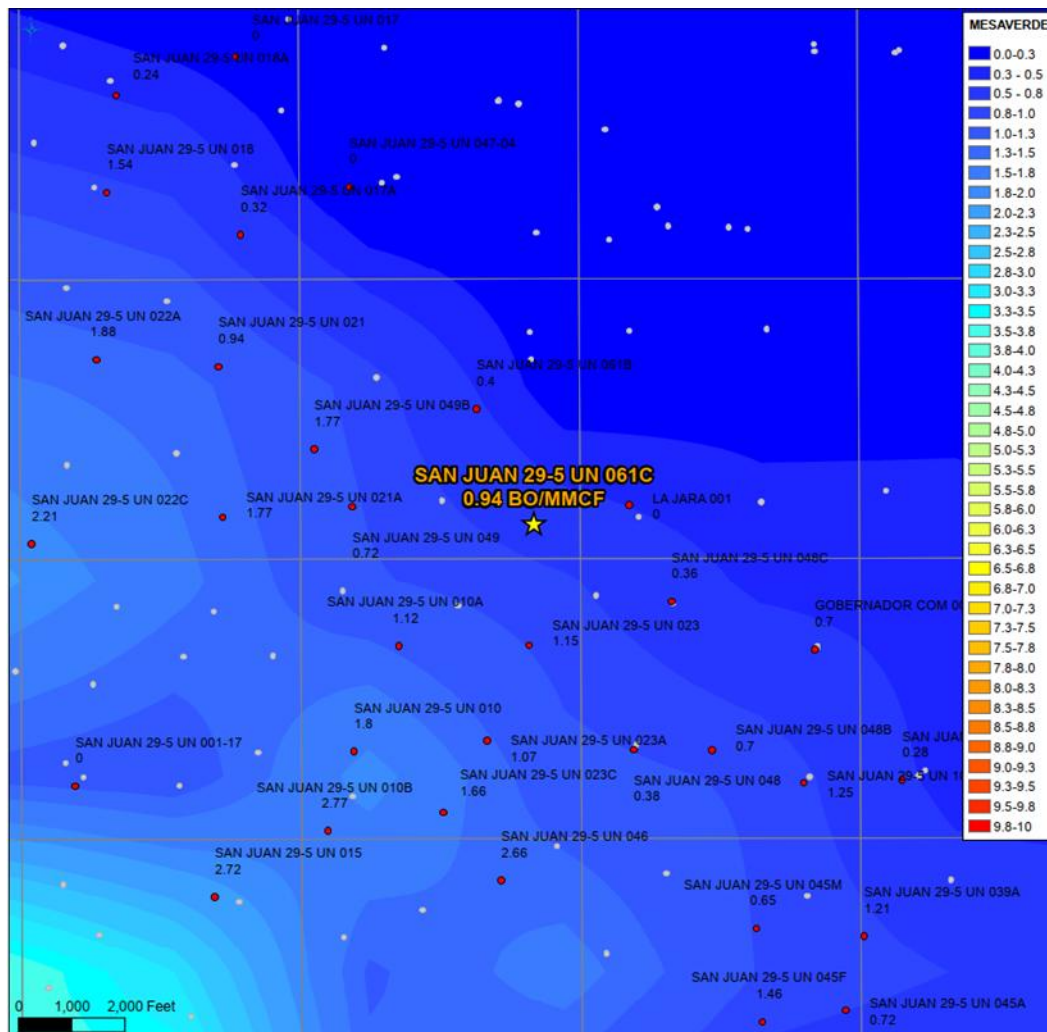
**Oil Allocation:**

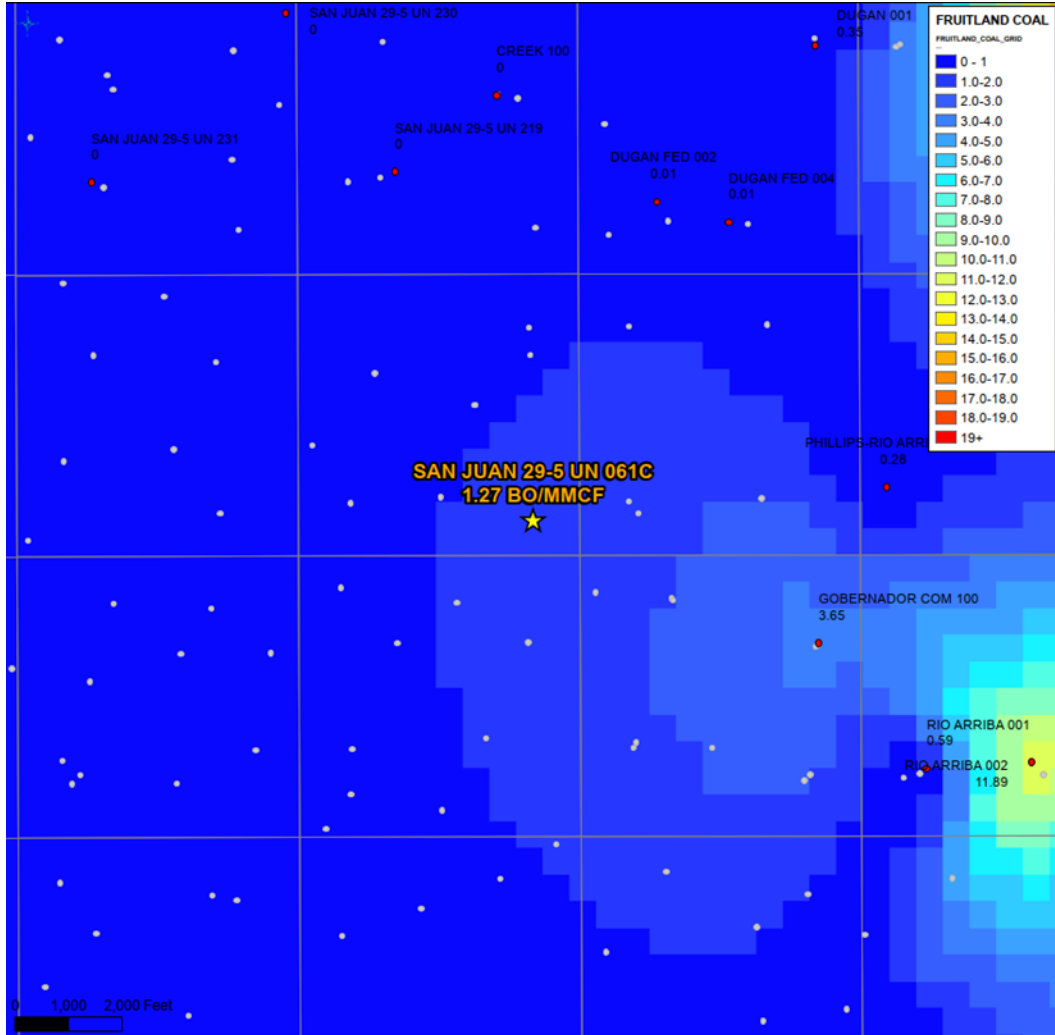
Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years.

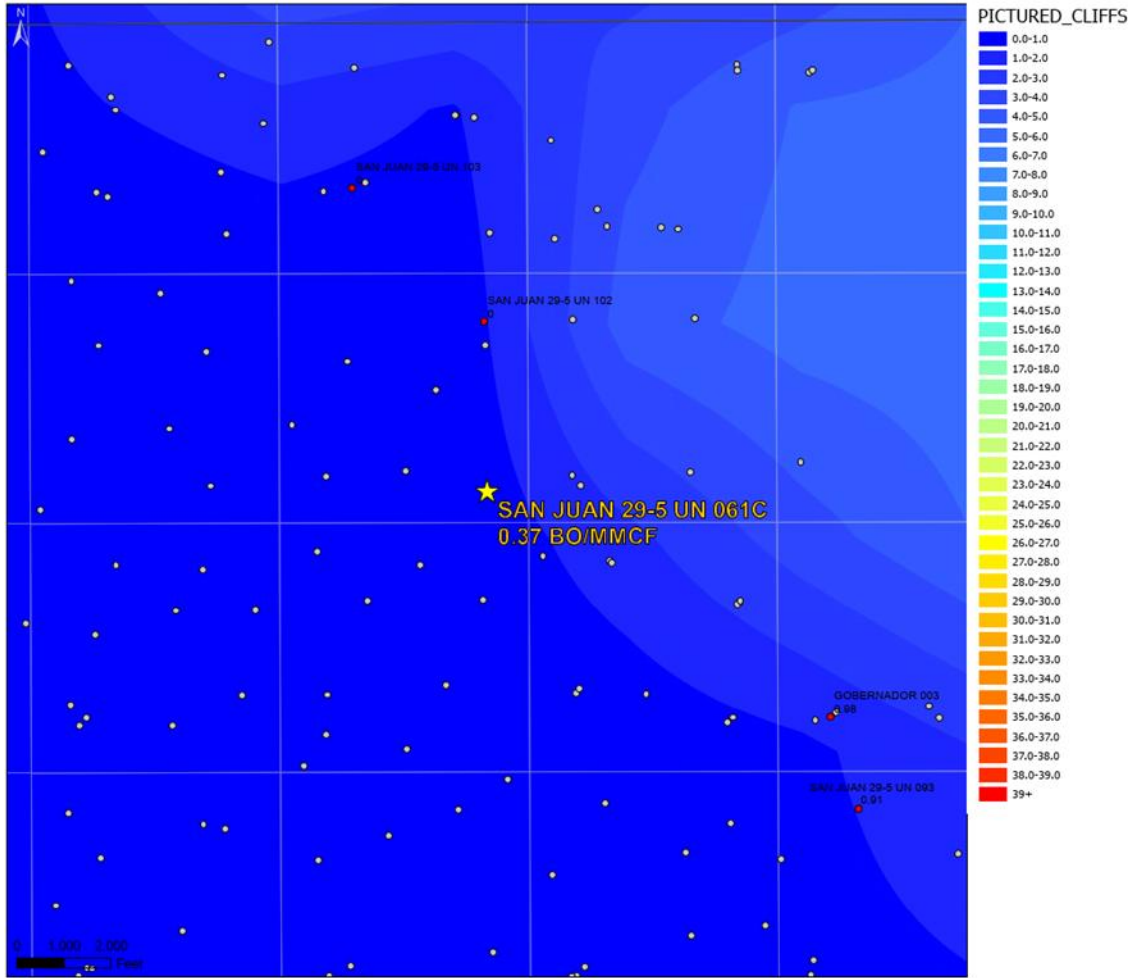
After 4 years oil will be reevaluated and adjust as needed based on average formation yields and new fixed gas allocation.

Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Oil Allocation
MV	0.94	338	17%
FRC	1.27	1086	75%
PC	0.37	401	8%
			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.

<b>Well Name</b>	<b>SAN JUAN 29-5 UN 061C</b>
<b>API</b>	<b>3003929758</b>

FRC Offset (1.11 miles)		PC Offset (4.15 miles)		MV Offset (0.57 miles)	
API	3003930890	API	3003927753	API	3003929693
Property	GOBERNADOR COM 100	Property	SAN JUAN 29-4 UNIT 25	Property	SAN JUAN 29-5 UNIT 48C
CationBarium	4.3	CationBarium	5.78	CationBarium	32
CationBoron		CationBoron		CationBoron	
CationCalcium	149.38	CationCalcium	18.09	CationCalcium	12
CationIron	15.83	CationIron	15.62	CationIron	65.2
CationMagnesium	28.74	CationMagnesium	8.93	CationMagnesium	7.3
CationManganese	0.12	CationManganese	0.15	CationManganese	7.3
CationPhosphorus		CationPhosphorus		CationPhosphorus	
CationPotassium		CationPotassium		CationPotassium	
CationStrontium	22.91	CationStrontium	3.25	CationStrontium	0
CationSodium	4589.87	CationSodium	2596.96	CationSodium	660.5
CationSilica		CationSilica		CationSilica	
CationZinc		CationZinc		CationZinc	
CationAluminum		CationAluminum		CationAluminum	
CationCopper		CationCopper		CationCopper	
CationLead		CationLead		CationLead	
CationLithium		CationLithium		CationLithium	
CationNickel		CationNickel		CationNickel	
CationCobalt		CationCobalt		CationCobalt	
CationChromium		CationChromium		CationChromium	
CationSilicon		CationSilicon		CationSilicon	
CationMolybdenum		CationMolybdenum		CationMolybdenum	
AnionChloride	7068.77	AnionChloride	3759.13	AnionChloride	900
AnionCarbonate	0	AnionCarbonate	0	AnionCarbonate	
AnionBicarbonate	403.26	AnionBicarbonate		AnionBicarbonate	245
AnionBromide		AnionBromide		AnionBromide	
AnionFluoride		AnionFluoride		AnionFluoride	
AnionHydroxyl		AnionHydroxyl	0	AnionHydroxyl	
AnionNitrate		AnionNitrate		AnionNitrate	
AnionPhosphate		AnionPhosphate		AnionPhosphate	
AnionSulfate	0	AnionSulfate	0	AnionSulfate	270
phField		phField	6.57	phField	6.8
phCalculated	6.96	phCalculated		phCalculated	
TempField		TempField	72.5	TempField	
TempLab		TempLab		TempLab	
OtherFieldAlkalinity	5132.4	OtherFieldAlkalinity	329.94	OtherFieldAlkalinity	
OtherSpecificGravity	1.01	OtherSpecificGravity	1	OtherSpecificGravity	
OtherTDS	12360.28	OtherTDS	6827.5	OtherTDS	2135
OtherCaCO3	491.28	OtherCaCO3	81.84	OtherCaCO3	
OtherConductivity		OtherConductivity	12920	OtherConductivity	
DissolvedCO2	100	DissolvedCO2	92	DissolvedCO2	0
DissolvedO2		DissolvedO2		DissolvedO2	
DissolvedH2S	0	DissolvedH2S	0.9	DissolvedH2S	0
GasPressure		GasPressure		GasPressure	
GasCO2		GasCO2	0	GasCO2	0
GasCO2PP		GasCO2PP	0	GasCO2PP	
GasH2S		GasH2S	0	GasH2S	0
GasH2SPP		GasH2SPP	0	GasH2SPP	
PitzerCaCO3_70		PitzerCaCO3_70		PitzerCaCO3_70	
PitzerBaSO4_70		PitzerBaSO4_70		PitzerBaSO4_70	
PitzerCaSO4_70		PitzerCaSO4_70		PitzerCaSO4_70	
PitzerSrSO4_70		PitzerSrSO4_70		PitzerSrSO4_70	
PitzerFeCO3_70		PitzerFeCO3_70		PitzerFeCO3_70	
PitzerCaCO3_220		PitzerCaCO3_220		PitzerCaCO3_220	
PitzerBaSO4_220		PitzerBaSO4_220		PitzerBaSO4_220	
PitzerCaSO4_220		PitzerCaSO4_220		PitzerCaSO4_220	
PitzerSrSO4_220		PitzerSrSO4_220		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.

<b>Well Name</b>	SAN JUAN 29-5 UN 061C
<b>API</b>	3003929758

FRC Offset (1.11 miles)		PC Offset (2.75 miles)		MV Offset (0.57 miles)	
AssetCode	3003930890	AssetCode	3003921801	AssetCode	3003929693
AssetName	GOBERNADOR COM 100	AssetName	SAN JUAN 29-5 UNIT 94	AssetName	SAN JUAN 29-5 UNIT 48C
CO2	0.01	CO2	0	CO2	0.02
N2	0	N2	0	N2	0
C1	0.87	C1	0.84	C1	0.89
C2	0.05	C2	0.08	C2	0.06
C3	0.04	C3	0.05	C3	0.02
ISOC4	0.01	ISOC4	0.01	ISOC4	0
NC4	0.01	NC4	0.01	NC4	0
ISOC5	0	ISOC5	0	ISOC5	0
NC5	0	NC5	0	NC5	0
NEOC5		NEOC5		NEOC5	
C6	0	C6	0.01	C6	0
C6_PLUS		C6_PLUS		C6_PLUS	
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		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		CO2GPM		CO2GPM	
N2GPM		N2GPM		N2GPM	
C1GPM		C1GPM		C1GPM	
C2GPM		C2GPM		C2GPM	
C3GPM		C3GPM		C3GPM	
ISOC4GPM		ISOC4GPM		ISOC4GPM	
NC4GPM		NC4GPM		NC4GPM	
ISOC5GPM		ISOC5GPM		ISOC5GPM	
NC5GPM		NC5GPM		NC5GPM	
C6_PLUSGPM		C6_PLUSGPM		C6_PLUSGPM	

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

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 21, 1994

District II  
PO Drawer 00, Artesia, NM 88211-0719

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

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

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

AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-039-2975B</b>	*Pool Code 77440 / 72319	*Pool Name GOBERNADOR PICTURED CLIFFS / BLANCO MESAVERDE
*Property Code 31325	*Property Name SAN JUAN 29-5 UNIT	*Well Number 61C
*GRID No. 217817	*Operator Name CONOCOPHILLIPS COMPANY	*Elevation 6728'

<sup>10</sup> Surface Location

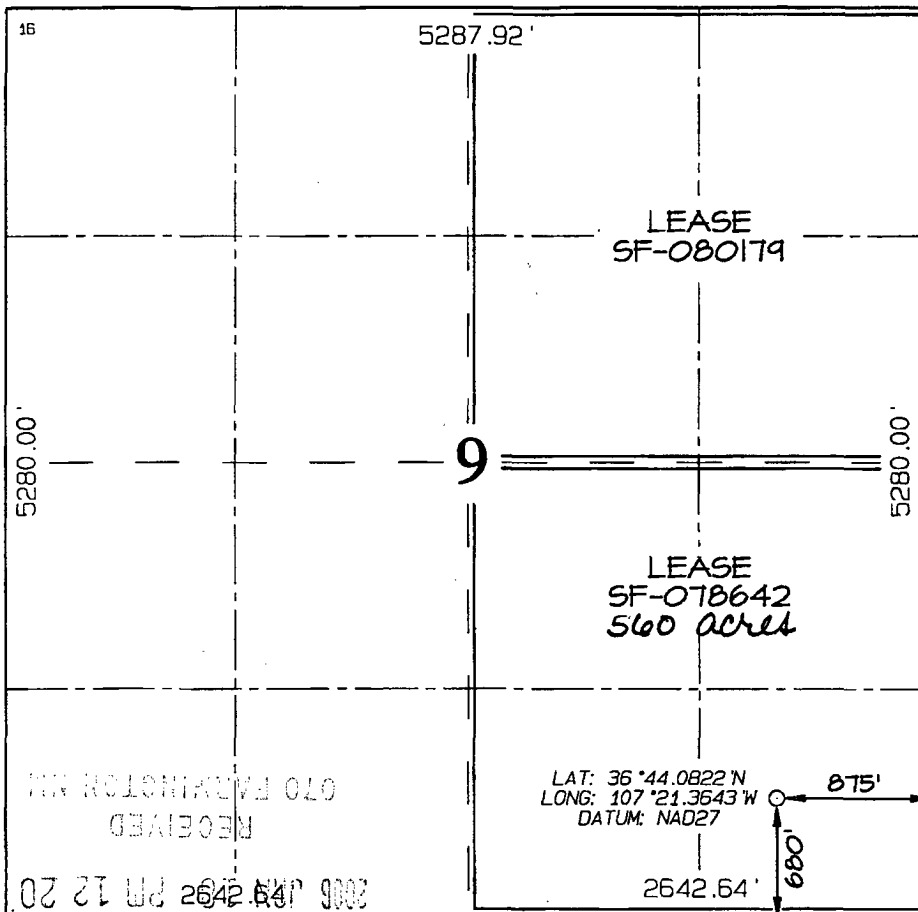
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	9	29N	5W		680	SOUTH	875	EAST	RIO ARRIBA

<sup>11</sup> 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
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<sup>12</sup> Dedicated Acres	150.0 Acres - SE/4 (PC) 320.0 Acres - E/2 (MV)	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



<sup>17</sup> OPERATOR CERTIFICATION

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

*Virgil E. Chavez*  
Signature

Virgil E. Chavez  
Printed Name

Projects & Operations Lead  
Title

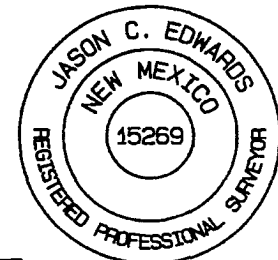
December 28, 2005  
Date

<sup>18</sup> 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: JUNE 20, 2005

Signature and Seal of Professional Surveyor



**JASON C. EDWARDS**  
Certificate Number 15269

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

<b>Well Name:</b> SAN JUAN 29-5 UNIT	<b>Well Location:</b> T29N / R5W / SEC 9 / SESE / 36.734676 / -107.356824	<b>County or Parish/State:</b> RIO ARRIBA / NM
<b>Well Number:</b> 61C	<b>Type of Well:</b> CONVENTIONAL GAS WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMSF078642	<b>Unit or CA Name:</b> SAN JUAN 29-5 UNIT--MV	<b>Unit or CA Number:</b> NMNM78415A
<b>US Well Number:</b> 3003929758	<b>Operator:</b> HILCORP ENERGY COMPANY	

**Notice of Intent**

**Sundry ID:** 2886771

**Type of Submission:** Notice of Intent

**Type of Action:** Recompletion

**Date Sundry Submitted:** 12/12/2025

**Time Sundry Submitted:** 10:51

**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**

SJ\_29\_5\_\_61C\_FRC\_PC\_Recomplete\_NOI\_2026\_20251212105116.pdf

Well Name: SAN JUAN 29-5 UNIT

Well Location: T29N / R5W / SEC 9 / SESE / 36.734676 / -107.356824

County or Parish/State: RIO ARRIBA / NM

Well Number: 61C

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMSF078642

Unit or CA Name: SAN JUAN 29-5 UNIT--MV

Unit or CA Number: NMNM78415A

US Well Number: 3003929758

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 10:51 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.	NMSF078642
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. SAN JUAN 29-5 UNIT--MV/NMNM78415A
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. 3003929758
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) SEC 9/T29N/R5W/NMP		10. Field and Pool or Exploratory Area BASIN/BLANCO MESAVERDE
		11. Country or Parish, State RIO ARRIBA/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 12/18/2025

**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: SESE / 680 FSL / 875 FEL / TWSP: 29N / RANGE: 5W / SECTION: 9 / LAT: 36.734676 / LONG: -107.356824 ( TVD: 0 feet, MD: 0 feet )

BHL: SESE / 680 FSL / 875 FEL / TWSP: 29N / SECTION: / LAT: 36.734676 / LONG: 107.356824 ( TVD: 0 feet, MD: 0 feet )



**HILCORP ENERGY COMPANY**  
**SAN JUAN 29-5 UNIT 61C**  
**FRUITLAND COAL & PICTURE CLIFFS RECOMPLETION SUNDRY**

<b>Prepared by:</b>	Whitney Majetich
<b>Preparation Date:</b>	December 9, 2025

WELL INFORMATION			
<b>Well Name:</b>	SAN JUAN 29-5 UNIT 61C	<b>State:</b>	NM
<b>API #:</b>	3003929758	<b>County:</b>	RIO ARRIBA
<b>Area:</b>	12	<b>Location:</b>	680' FSL & 875' FEL - Unit P - Section 09 - T 029N - R 005W
<b>Route:</b>	1208	<b>Latitude:</b>	36.73357 N
<b>Spud Date:</b>	4/30/2007	<b>Longitude:</b>	-107.35553 W

PROJECT DESCRIPTION
Isolate the Mesaverde, pump a cement squeeze to achieve sufficient coverage across the FRC and PC, 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	Freddie Garcia		505-860-1567
Lead	Curtis House		505-716-0717
Artificial Lift Tech	Chris Huff		505-486-9680
Rover	Leon Shim		505-436-4185
Compression Lead	Rivver Higgins		505-419-6075
Operator	Victor Escojeda		505-716-8471



**HILCORP ENERGY COMPANY**  
**SAN JUAN 29-5 UNIT 61C**  
**FRUITLAND COAL & PICTURE CLIFFS RECOMPLETION SUNDRY**

**JOB PROCEDURES**

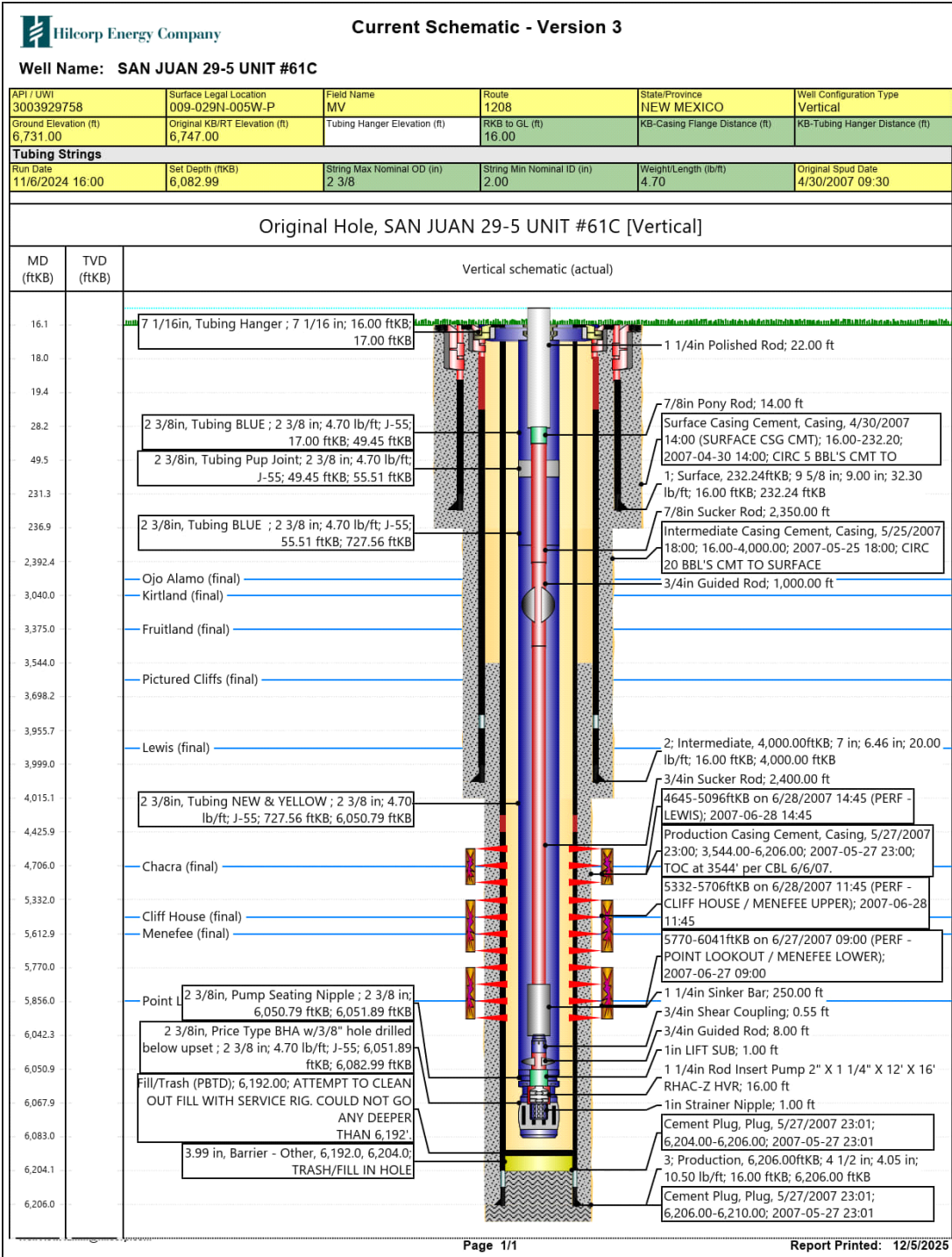
- NMOCD **Contact OCD 24 hrs prior to MIRU. Record and document all casing pressures daily, including BH, IC (if present) and**  
 BLM **PC. Comply with all NMOCD, BLM, and HEC safety and environmental regulations.**

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 4,600' 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 4,600'. Chart record the MIT test (notify BLM and NMOCD +24hr before actual test).
6. Perforate for circulating squeeze at **-3,530'**. Establish circulation to surface, circulate a column of cement to adequately cover the Fruitland Coal interval + 150'.  
NOTE: a CBL ran on 06/06/2007 indicates TOC at 3544'
7. Drill out cement. Perform an additional witnessed MIT test on the csg (notify BLM and NMOCD +24hr before actual test). Run an additional CBL to verify TOC.
8. **If frac will be pumped down casing:** ND BOP, NU frac stack and test frac stack and casing to frac pressure.
9. RU E-Line Crew. Perforate the **Fruitland Coal from 3,375' to 3,674'** and **Picture Cliffs from 3,675' to 3,995'**.
10. **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.
11. 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
12. MIRU service rig. Nipple down frac stack, nipple up BOP and test. Kill well with fluid, if necessary
13. If frac was performed down frac string: POOH w/ frac string and packer.
14. **Pending C107A approval,** drill out stage plugs and Mesaverde isolation plug. Clean out to PBTD at **6,192'**. TOOH w/cleanout assembly
15. TIH and land 2-3/8" production tubing. Run pump and rods, install pumping unit.
16. **Flowback well thru flowback separator and sand trap. Get a trimmingleed Fruitland Coal / Picture Cliffs / Mesa Verde flow rate.**



**HILCORP ENERGY COMPANY**  
**SAN JUAN 29-5 UNIT 61C**  
**FRUITLAND COAL & PICTURE CLIFFS RECOMPLETION SUNDRY**

**SAN JUAN 29-5 UNIT 61C - CURRENT WELLBORE SCHEMATIC**



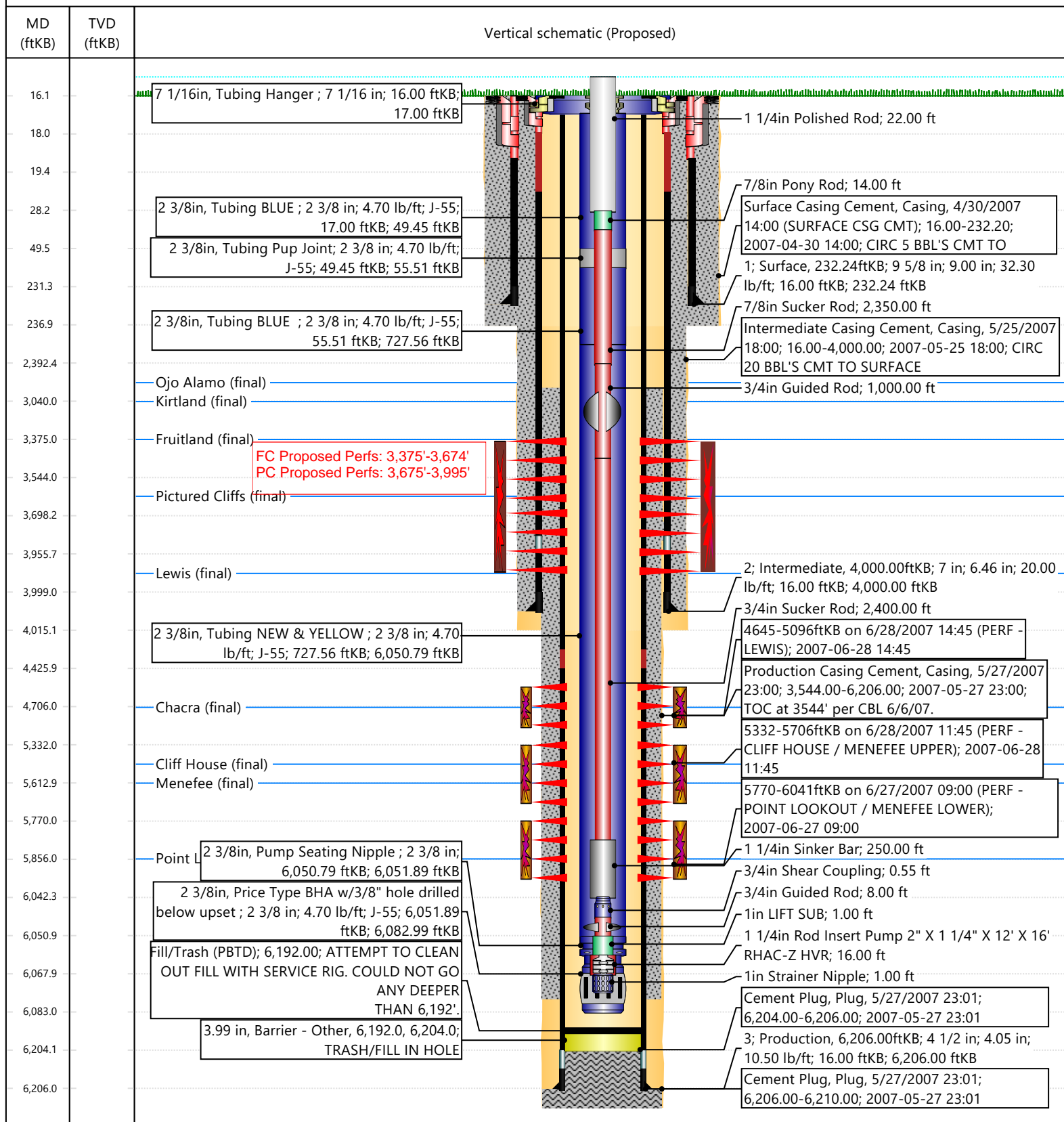


### Proposed Schematic - Version 3

Well Name: **SAN JUAN 29-5 UNIT #61C**

API / UWI 3003929758	Surface Legal Location 009-029N-005W-P	Field Name MV	Route 1208	State/Province NEW MEXICO	Well Configuration Type Vertical
Ground Elevation (ft) 6,731.00	Original KB/RT Elevation (ft) 6,747.00	Tubing Hanger Elevation (ft)	RKB to GL (ft) 16.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
<b>Tubing Strings</b>					
Run Date 11/6/2024 16:00	Set Depth (ftKB) 6,082.99	String Max Nominal OD (in) 2 3/8	String Min Nominal ID (in) 2.00	Weight/Length (lb/ft) 4.70	Original Spud Date 4/30/2007 09:30

### Original Hole, SAN JUAN 29-5 UNIT #61C [Vertical]



Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116  Online Phone Directory Visit: <a href="https://www.emnrd.nm.gov/ocd/contact-us/">https://www.emnrd.nm.gov/ocd/contact-us/</a>	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	C-102 Revised July 9, 2024 Submit Electronically via OCD Permitting			
		Submittal Type: <table border="1" style="width:100%; border-collapse: collapse;"> <tr><td><input type="checkbox"/> Initial Submittal</td></tr> <tr><td><input type="checkbox"/> Amended Report</td></tr> <tr><td><input type="checkbox"/> As Drilled</td></tr> </table>	<input type="checkbox"/> Initial Submittal	<input type="checkbox"/> Amended Report	<input type="checkbox"/> As Drilled
<input type="checkbox"/> Initial Submittal					
<input type="checkbox"/> Amended Report					
<input type="checkbox"/> As Drilled					

**WELL LOCATION INFORMATION**

API Number 30-039-29758	Pool Code 71629	Pool Name Basin Fruitland Coal (Gas)
Property Code 318837	Property Name San Juan 29-5 Unit	Well Number 61C
OGRID No. 372171	Operator Name Hilcorp Energy Company	Ground Level Elevation 6728'
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 P	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
	09	29N	05W		680' S	875' E	36.7346764	-107.3567963	Rio Arriba

**Bottom Hole Location**

UL P	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
	09	29N	05W		680' S	875' E	36.7346764	-107.3567963	Rio Arrobiba

Dedicated Acres 320.0	Infill or Defining Well Infill	Defining Well API 3003921028	Overlapping Spacing Unit (Y/N) No	Consolidation Code U
Order Numbers.			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

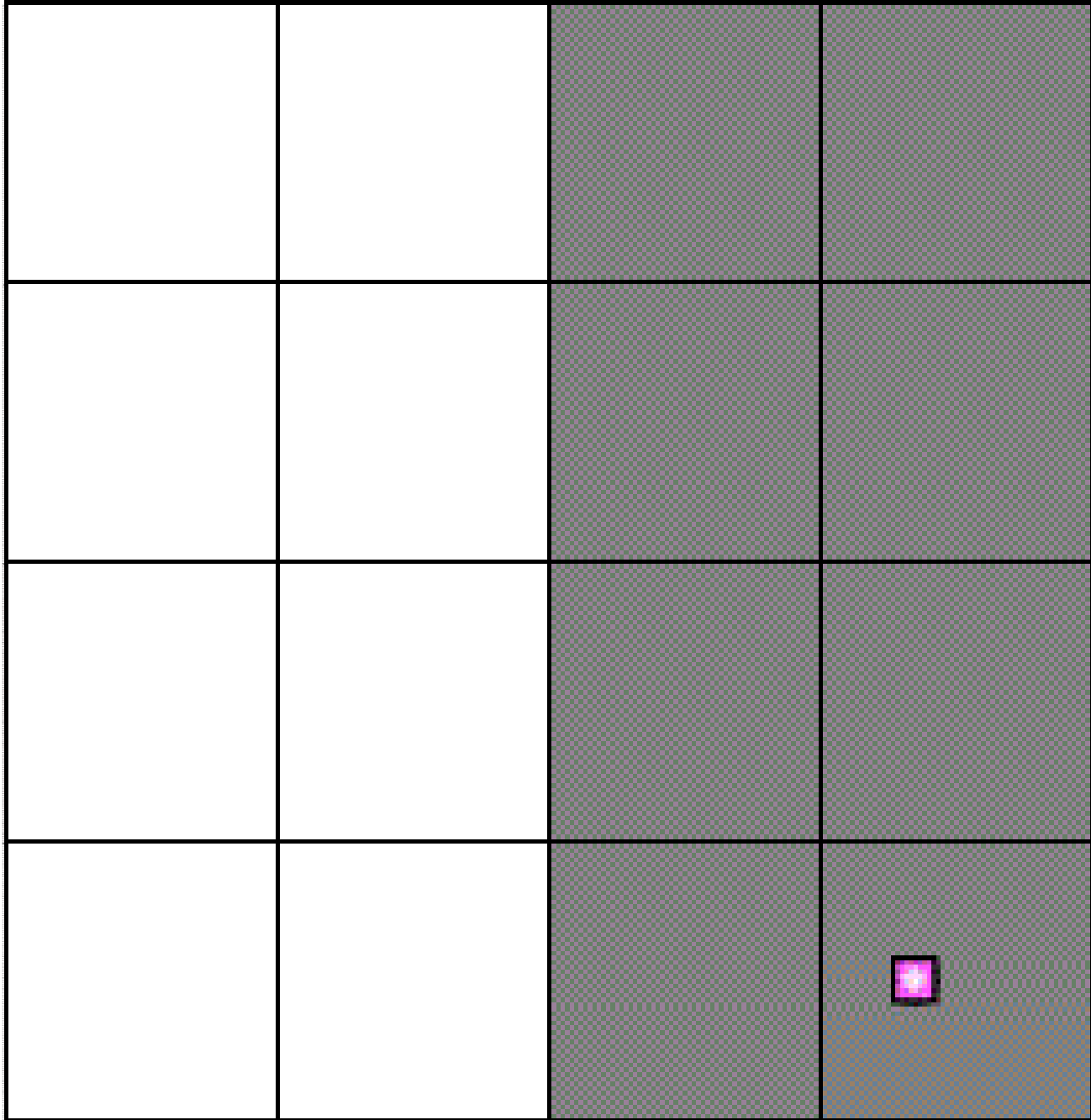
Unitized Area or Area of Uniform Interest San Juan 29-5 Unit - Fruitland Coal PA	Spacing Unit Type <input type="checkbox"/> Horizontal <input checked="" type="checkbox"/> Vertical	Ground Floor Elevation:
---	--	-------------------------

<p><b>OPERATOR CERTIFICATIONS</b></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 12/9/2025</p> <p>_____ Date</p> <p>Amanda Walker Printed Name</p> <p>mwalker@hilcorp.com Email Address</p>	<p><b>SURVEYOR CERTIFICATIONS</b></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>_____ Signature and Seal of Professional Surveyor</p> <p>Jason Edwards</p> <p>15269 Certificate Number</p> <p>6/20/2005 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: <a href="https://www.emnrd.nm.gov/ocd/contact-us/">https://www.emnrd.nm.gov/ocd/contact-us/</a>	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	<b>C-102</b> 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 30-039-29758	Pool Code 77440	Pool Name Gobernador Pictured Cliffs (Gas)
Property Code 318837	Property Name San Juan 29-5 Unit	Well Number 61C
OGRID No. 372171	Operator Name Hilcorp Energy Company	Ground Level Elevation 6728'
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 P	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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**Bottom Hole Location**

UL P	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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Dedicated Acres 320.0	Infill or Defining Well Infill	Defining Well API 30-039-29759	Overlapping Spacing Unit (Y/N) N	Consolidation Code Unit
Order Numbers.			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

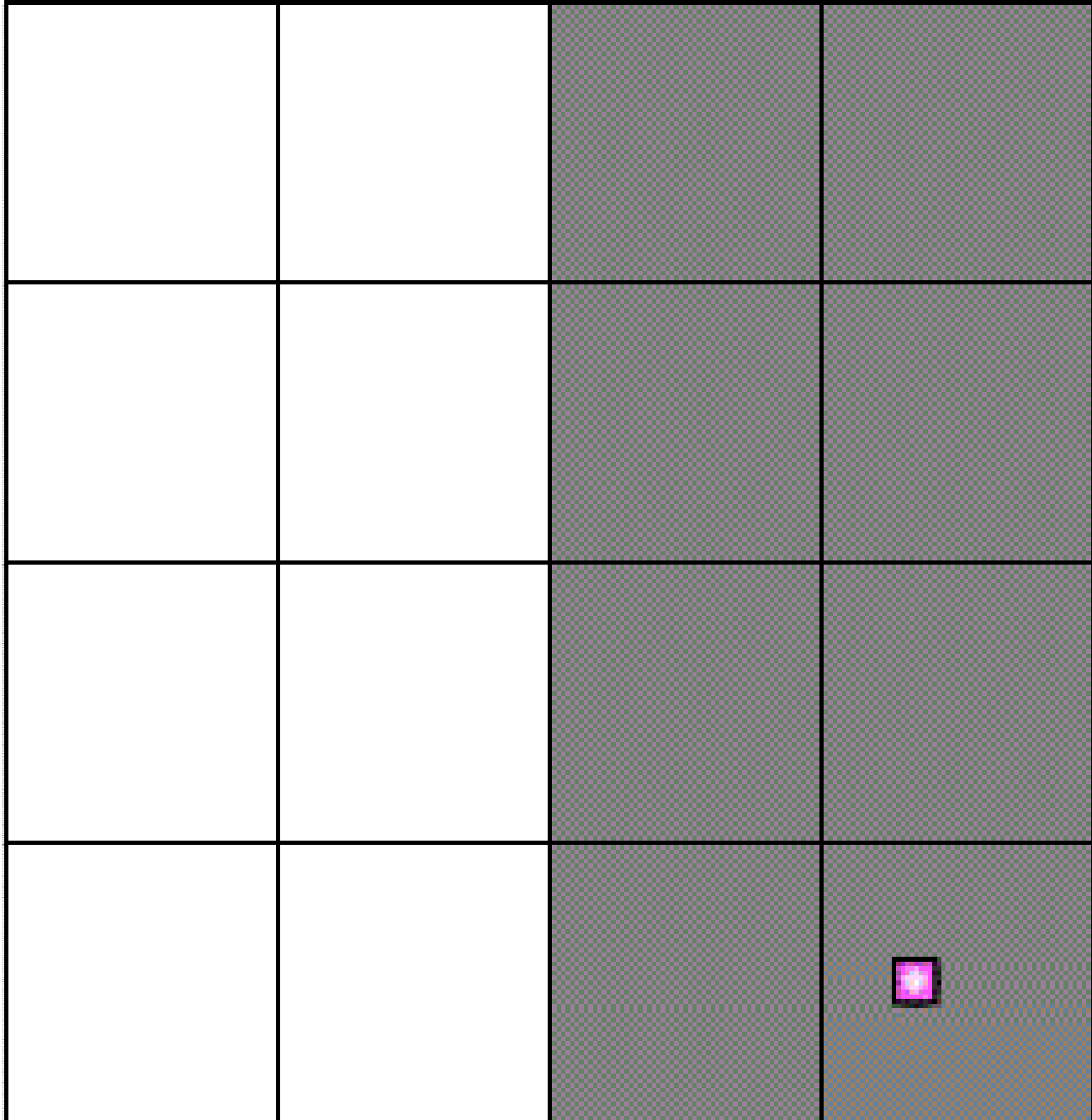
Unitized Area or Area of Uniform Interest San Juan 29-5 Unit - Pictured Cliffs PA	Spacing Unit Type <input type="checkbox"/> Horizontal <input checked="" type="checkbox"/> Vertical	Ground Floor Elevation:
--	--	-------------------------

<p><b>OPERATOR CERTIFICATIONS</b></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</p> <p>12/9/2025</p> <p>Amanda Walker Printed Name</p> <p>mwalker@hilcorp.com Email Address</p>	<p><b>SURVEYOR CERTIFICATIONS</b></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>_____ Signature and Seal of Professional Surveyor</p> <p>15269 _____ Certificate Number Date of Survey</p> <p>6/20/2005</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.

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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
San Juan 29-5 Unit 61C	3003929758	P, Sec 9, T29N, R5W	680' S & 875' E	0	400	1

**IV. Central Delivery Point Name:** Ignacio 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
<u>San Juan 29-5 Unit 61C</u>	<u>3003929758</u>				<u>2026</u>	<u>2026</u>

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

**VII. Operational Practices:**  Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

**VIII. Best Management Practices:**  Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

**Section 2 – Enhanced Plan**  
**EFFECTIVE APRIL 1, 2022**

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

**IX. Anticipated Natural Gas Production:**

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

**X. Natural Gas Gathering System (NGGS):**

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

**XI. Map.**  Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

**XII. Line Capacity.** The natural gas gathering system  will  will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

**XIII. Line Pressure.** Operator  does  does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

Attach Operator’s plan to manage production in response to the increased line pressure.

**XIV. Confidentiality:**  Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

### Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

**If Operator checks this box, Operator will select one of the following:**

**Well Shut-In.**  Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

**Venting and Flaring Plan.**  Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

### Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: 
Printed Name: Amanda Walker
Title: Operations Regulatory Tech Sr.
E-mail Address: <a href="mailto:mwalker@hilcorp.com">mwalker@hilcorp.com</a>
Date: 12/9/2025
Phone: 346-237-2177
<b>OIL CONSERVATION DIVISION</b> <b>(Only applicable when submitted as a standalone form)</b>
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.

**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-5577**

**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. An exception to the notification requirements within 19.15.12.11(C)(1)(b) NMAC was granted by the Division within Order R-10770.
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. 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-2467.
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. seventy-five percent (75%) shall be allocated to the Basin Fruitland Coal pool (pool ID: 71629);
  - b. eight percent (8.0%) shall be allocated to the Gobernador Pictured Cliffs pool (pool ID: 77440); and
  - c. seventeen percent (17%) 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 Gobernador Pictured Cliffs pool (pool ID: 77440).

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-three percent (73%) shall be allocated to the Basin Fruitland Coal pool (pool ID: 71629); and
- b. twenty-seven percent (27%) shall be allocated to the Gobernador Pictured Cliffs pool (pool ID: 77440).

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*

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**ALBERT CHANG  
DIVISION DIRECTOR**

**DATE:** 05/01/2026

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: **DHC-5577**

Operator: **Hilcorp Energy Company**

Well Name: **San Juan 29 05 Unit Well No. 61C**

Well API: **30-039-29758**

	Pool Name: <b>Basin Fruitland Coal</b>		
<b>Upper Zone</b>	Pool ID: <b>71629</b>	Current:	New: <b>X</b>
	Allocation: <b>Fixed Percent</b>	Oil: <b>75.0%</b>	Gas: <b>73.0%</b>
		Top: <b>3,375</b>	Bottom: <b>3,674</b>

	Pool Name: <b>Gobernador Pictured Cliffs</b>		
<b>Intermediate Zone</b>	Pool ID: <b>77440</b>	Current:	New: <b>X</b>
	Allocation: <b>Fixed Percent</b>	Oil: <b>8.0%</b>	Gas: <b>27.0%</b>
		Top: <b>3,675</b>	Bottom: <b>3,995</b>
	Bottom of Interval within 150% of Upper Zone's Top of Interval:		<b>YES</b>

	Pool Name: <b>Blanco Mesaverde</b>		
<b>Lower Zone</b>	Pool ID: <b>72319</b>	Current: <b>X</b>	New:
	Allocation: <b>Fixed Percent</b>	Oil: <b>17.0%</b>	Gas: <b>SUBT</b>
		Top: <b>4,645</b>	Bottom: <b>6,041</b>
	Bottom of Interval within 150% of Upper Zone's Top of Interval:		<b>NO</b>

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/oecd/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 536127

**CONDITIONS**

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 536127
	Action Type: [C-107] Down Hole Commingle (C-107A)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	4/29/2026