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|----------------------------|-------------------------------------------------------------------|---------------------------------------|
| Well Name: SCHWERTTFERGER | Well Location: T27N / R11W / SEC 5 / NENW / 36.60877 / -108.02992 | County or Parish/State: SAN JUAN / NM |
| Well Number: 13 | Type of Well: CONVENTIONAL GAS WELL | Allottee or Tribe Name: |
| Lease Number: NMSF080382A | Unit or CA Name: | Unit or CA Number: |
| US Well Number: 3004506923 | Well Status: Gas Well Shut In | Operator: HILCORP ENERGY COMPANY |

Notice of Intent

Sundry ID: 2658223

| | |
|------------------------------------------------|---------------------------------------|
| Type of Submission: Notice of Intent | Type of Action: Temporary Abandonment |
| Date Sundry Submitted: 02/22/2022 | Time Sundry Submitted: 08:49 |
| Date proposed operation will begin: 03/08/2022 | |

Procedure Description: Hilcorp Energy Company requests permission to Temporary Abandon the subject well for future uphole potential per the attached procedure and current/proposed wellbore schematic. A closed-loop system will be used. The lease is being held by other production.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Temporary_Abandonment_Procedure___Schwerdtfeger_13_20220222084850.pdf

Received by OCD: 3/2/2022 7:21:38 AM

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| US Well Number: 3004506923 | Well Status: Gas Well Shut In | Operator: HILCORP ENERGY COMPANY |

Conditions of Approval

Specialist Review
Proposed_TA_COAs_KR_01112022_20220301182007.pdf

Operator Certification

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 submission of Form 3160-5 or a Sundry Notice.

| | |
|----------------------------------------------|----------------------------------|
| Operator Electronic Signature: KANDIS ROLAND | Signed on: FEB 22, 2022 08:48 AM |
| Name: HILCORP ENERGY COMPANY | |
| Title: Operation Regulatory Tech | |
| Street Address: 382 Road 3100 | |
| City: Farmington | State: NM |
| Phone: (505) 599-3400 | |
| Email address: kroland@hilcorp.com | |

Field Representative

| | | |
|----------------------|--------|------|
| 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: 03/01/2022 |
| Signature: Kenneth Rennick | |

Temporary Abandonment - NOI**Schwerdtfeger #13****API # - 30-045-06923****Procedure:****Notify NMOCD 24 hours prior to starting operations on location.**

Hold PJSM prior to beginning any and all operations. Properly document all operations via the JSA process. Ensure that all personnel onsite abide by HEC safety protocol, including PPE, housekeeping, and standard guidelines.

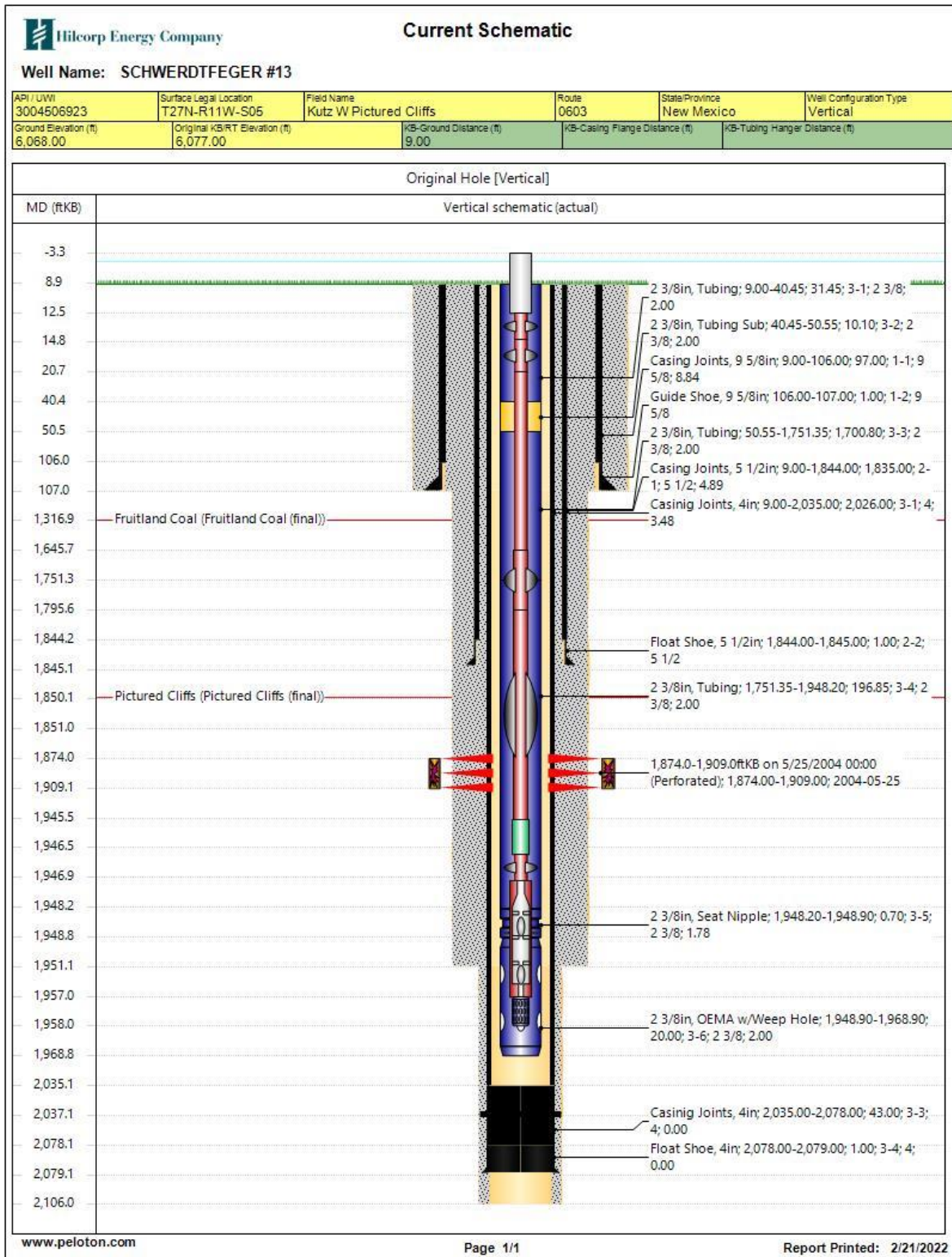
Verify cathodic protection is off and wellhead instrumentation is properly disconnected from the wellhead. Comply with all NMOCD, BLM, and HEC safety and environmental regulations.

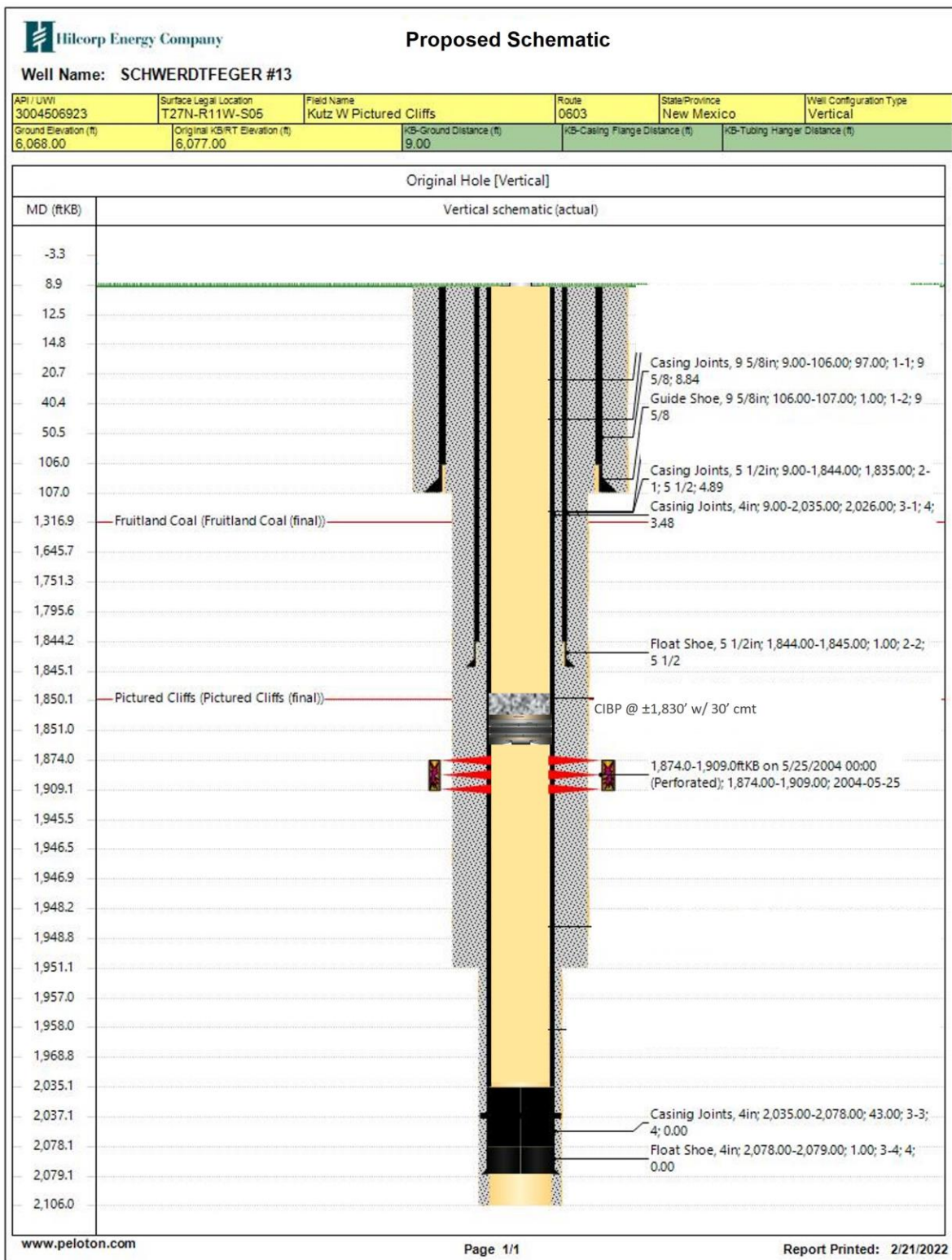
Verify there is no H₂S present prior to beginning operations. If any H₂S is present, take the necessary actions to ensure that the location is safe prior to beginning operations.

Observe and record pressures across all string daily, prior to beginning operations.

NOTE: This procedure is contingent upon sundry approval by NMOCD. All cement volumes use 50% excess inside (unless otherwise stated). All cement will be Class G, mixed at 15.8 ppg w/ a 1.15 cf/sx yield. The stabilizing wellbore fluid will be an 8.3 ppg fluid, sufficient to balance all exposed formation pressures.

1. This project will use a steel tank to handle waste fluids circulated from the well and cement wash up.
2. Test anchors if not using a base beam. Comply with all NMOCD, BLM, and HEC safety regulations. MIRU and conduct safety meeting for all personnel on location.
3. Record casing, tubing, and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary. Ensure well is dead or on a vacuum.
4. ND wellhead and NU BOP, unseat tubing hanger and POOH laying down pipe.
5. RUWL and make gauge ring run to top Pictured Cliffs perf at 1,874'.
6. RIH and set CIBP at $\pm 1,830'$, avoiding casing collars. Bail cement to cover CIBP with 30' ($\pm 1,800'$)
7. Roll and fill hole with inhibited brine or packer fluid.
8. Perform witnessed MIT to 560 psi and submit chart for mechanical integrity.
9. Wellbore will remain TA'd for future recompletion.





**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402**

CONDITIONS OF APPROVAL FOR PROPOSED WORK TO TEMPORARY ABANDONED

1. Send in a Sundry Notification – Notice of Intent (SN-NOI) requesting (or renewing) temporary abandonment status. Note approval is still based on the discretion of this agency. This request must be submitted within 30 days after work is completed.
2. Include in the SN-NOI the following:
 - a. Proposed exact expiration date (day, month, year). Can not be greater than 12-months from date of submission. The date can also be when the current TA approval will expire.
 - b. Confirmation of other production on lease, or agreement.
 - c. Plans for the well.
3. This agency reserves the right to modify or rescind approval. A plug or produce order may still be issued at the discretion of the authorized officer.

K. Rennick 1/11/2022

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 85486

CONDITIONS

| | |
|--------------------------------------------------------------------------------|------------------------------------------------------------|
| Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002 | OGRID: 372171 |
| | Action Number: 85486 |
| | Action Type: [C-103] NOI Temporary Abandonment (C-103I) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| mkuehling | Notify NMOCD 24 hours prior to moving rig on - Notify NMOCD 24 hours prior to MIT - Bradenhead test required prior to MIT - All testing required to be witnessed by NMOCD inspector. Due to personnel shortage witnessing may occur through facetime. | 3/10/2022 |