

Office  
 District I – (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II – (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III – (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV – (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM  
 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised July 18, 2013

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-045-25847
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator SIMCOE LLC		6. State Oil & Gas Lease No. SF-078502
3. Address of Operator 1199 Main Avenue, Ste 101, Durango, CO 81301		7. Lease Name or Unit Agreement Name Vandewart B
4. Well Location Unit Letter <u>B</u> : <u>1120</u> feet from the <u>FNL</u> line and <u>1650</u> feet from the <u>FEL</u> line Section <u>24</u> Township <u>29N</u> Range <u>08W</u> NMPM County <u>San Juan</u>		8. Well Number <u>002E</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 329736
		10. Pool name or Wildcat Blanco Mesaverde/ Basin Dakota

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER:	RECOMPLETE <input checked="" type="checkbox"/>	OTHER:	<input type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

It is intended to recomplete the subject well in the Blanco Mesaverde (pool 72319) and downhole commingle the existing Basin Dakota (pool 71599) with the Mesaverde. The production will be commingled per Oil Conservation Division Order Number 11363. Allocation and methodology will be provided after the well is completed. Commingling will not reduce the value of the production. Proposed perforations are: MV – 3830'-4530' These perforations are in MD

Spud Date:

Rig Release Date:

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

SIGNATURE Gina Doerner TITLE Regulatory Analyst DATE 4/20/2022

Type or print name Gina Doerner E-mail address: gina.doerner@ikavenergy.com PHONE: 970-852-0082

**For State Use Only**

APPROVED BY:  TITLE \_\_\_\_\_ DATE 04/25/2022

Conditions of Approval (if any):

**District I**

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

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**District IV**

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

Form C-102  
August 1, 2011

Permit 314374

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-045-25847	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 327783	5. Property Name VANDEWART B	6. Well No. 002E
7. OGRID No. 329736	8. Operator Name SIMCOE LLC	9. Elevation 6930

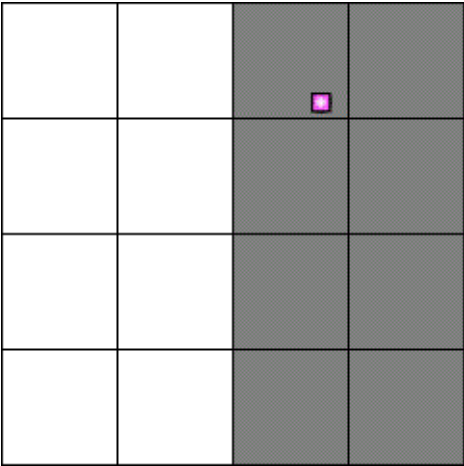
**10. Surface Location**

UL - Lot B	Section 24	Township 29N	Range 08W	Lot Idn	Feet From 1120	N/S Line N	Feet From 1650	E/W Line E	County SAN JUAN
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**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00 E/2	13. Joint or Infill			14. Consolidation Code			15. Order No.		

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</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 that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: Gina Doerner Title: Regulatory Analyst Date: 4/20/2022</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</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>Surveyed By: Fred Kerr, Jr. Date of Survey: 9/2/1983 Certificate Number: 3950</p>
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VANDEWART B #002E

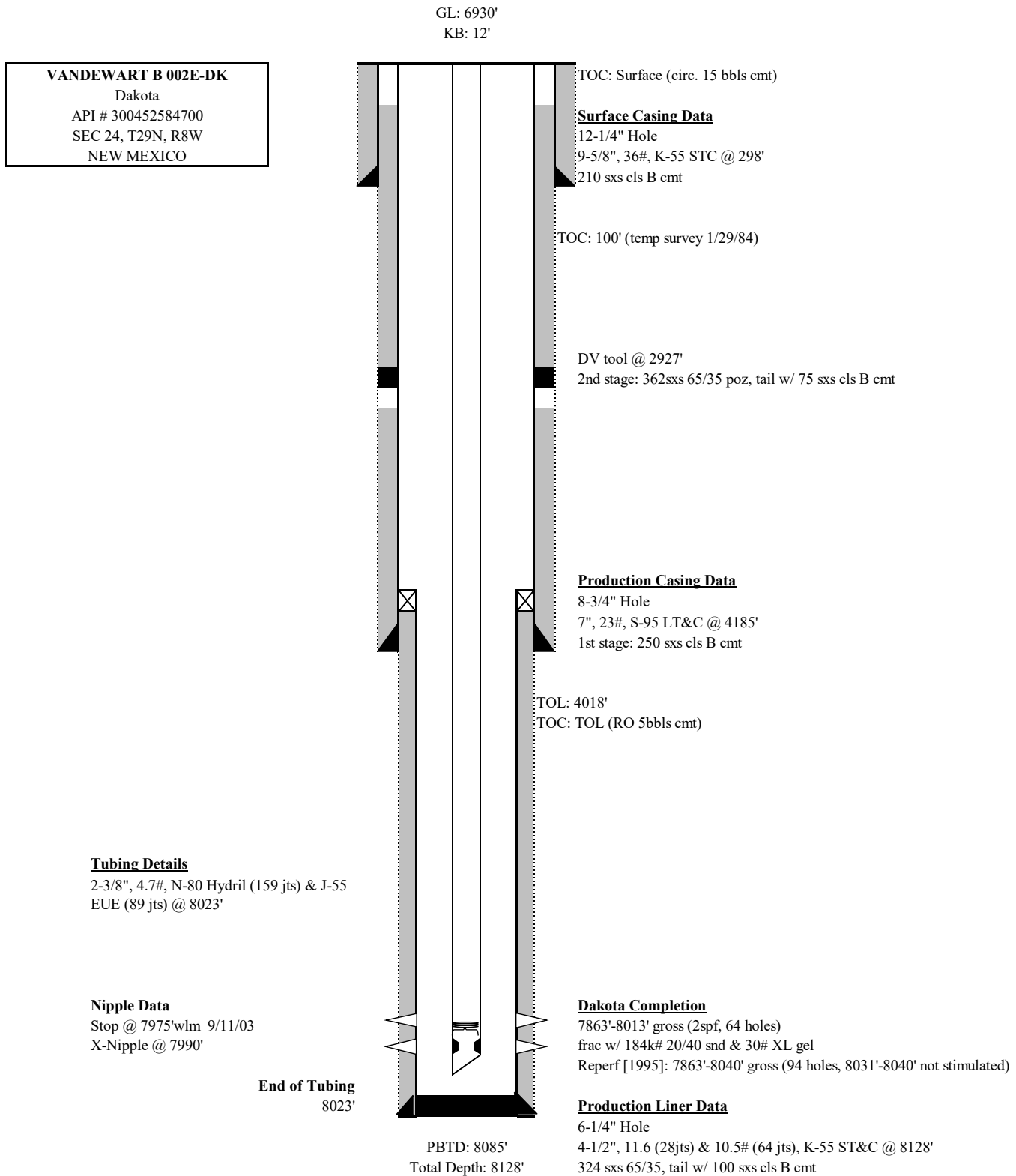
B-24-29N-08W 1120 FNL & 1650 FEL

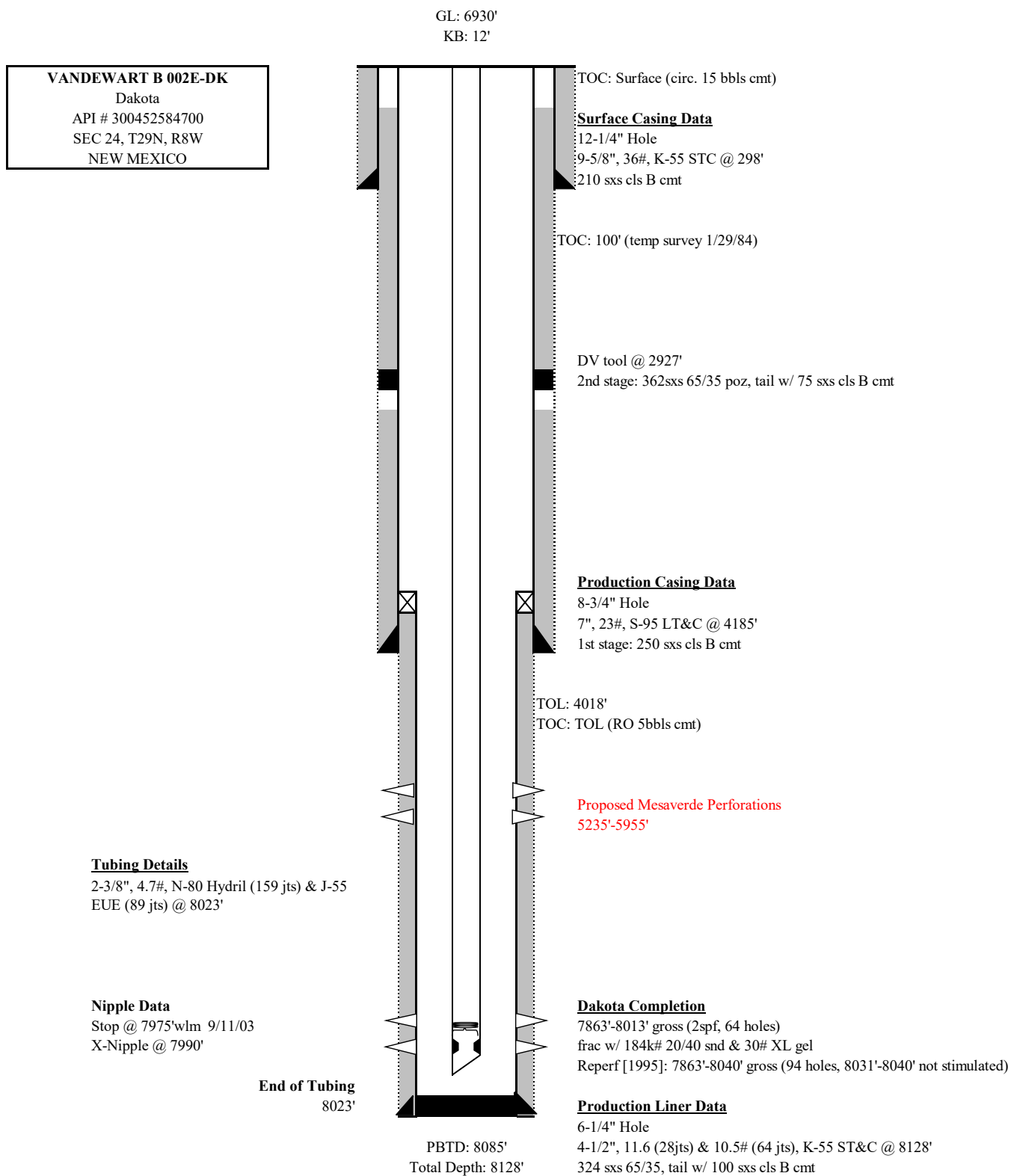
API: 30-045-25847

MESAVERDE RECOMPLETION PROCEDURE

Procedure

1. MIRU service rig and equipment
2. NU BOPs. POOH w/ production tubing.
3. Set a CIBP 100' above top DK perf.
4. Load the casing and pressure test casing to max frac pressure.
5. Run CBL through lined section.
6. If necessary, perforate liner and pump Class G cement behind the liner to get good cement bond across MV interval.
7. ND BOPs. NU frac stack and test to max frac pressure.
8. RDMO service rig. MIRU frac spread.
9. Perforate and frac the MV from 5235' - 5955'. RDMO frac spread.
10. MIRU service rig.
11. NU BOPs. RIH and clean out to DK CIBP.
12. When water and sand rates are acceptable, flow test the MV.
13. Drill out DK CIBP. POOH w/ tubing.
14. RIH and land production tubing. Obtain a commingled flow rate.
15. ND BOPs, NUWH.
16. RDMO service rig and put well on production.





**IV. Separation Equipment:** A complete description of how Operator will size separation equipment to optimize gas capture.

- SIMCOE production locations include separation equipment designed to separate gas from liquid phases. Equipment sizing is based on estimated volumes and pressures, as well as historical basin knowledge. Flowback separation equipment and production separation equipment will be utilized. Both of which are built and maintained to industry standards. Following the recompletion, gas will be sent to sales, depending on the gas composition. Since SIMCOE is performing work at an existing well location, which includes separation equipment, the well is already tied into an existing gas line therefore once the well is shown to meet pipeline spec it will go to sales.

## **VII. Operational Practices**

### **1. Subsection (A) Venting and Flaring of Natural Gas**

- SIMCOE understands the requirements of NMAC 19.15.27.8 which outlines that the venting or flaring of natural gas during drilling, completion, or production operations that constitutes waste as defined in 19.15.2 NMAC is prohibited. SIMCOE does not plan to flare.

### **2. Subsection (B) Venting and flaring during drilling operations**

- This application is not for drilling operations.

### **3. Subsection (C) Venting and flaring during completion or recompletion operations.**

- During initial flowback, SIMCOE will route flowback fluids into a completion or storage tank and, if technically feasible under the applicable well conditions, flare rather than vent and commence operation of a separator as soon as it is technically feasible for a separator to function.
- During separation flowback, SIMCOE will capture and route natural gas from the separation equipment to a gas flowline or collection system or use on-site as a fuel source or other purpose that a purchased fuel or raw material would serve.
- Should natural gas not meet gathering pipeline quality specifications, rule 19.15.27.8.C.3 will be met.

### **4. Subsection (D) Venting and flaring during production operations.**

- For liquids unloading by manual purging, an operator will remain present on-site or remain within 30 minutes' drive time of location. Will take reasonable action to not vent after the well achieves a stabilized rate and pressure.
- Plunger lift system will be optimized to minimize the venting of natural gas.
- During downhole well maintenance, venting of natural gas will be minimized.

### **5. Subsection (E) Performance Standards**

- Completion and production separation equipment and storage tanks will be designed appropriately for anticipated throughout and pressure to minimize waste.
- No flare stacks will be installed or operating at a production location.
- AVO inspections will be conducted in accordance with 19.15.27.8.E.5

### **6. Subsection (F) Measurement or estimation of vented and flared natural gas**

- The estimation of vented natural gas will be completed in accordance with 19.15.27.8.F.5-6

## **VII. Best Management Practices**

1. For recompleting activities, production facilities are already in place and the gathering system is already tied in so once the gas is sellable it will be sent down the line.
2. Low-bleed pneumatic devices will be installed at the production location.
3. The well will be shut in in the event of an 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

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:** SIMCOE LLC **OGRID:** 329736 **Date:** 03 / 24 / 2022

**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 1120 FNL	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Vanderwart B#002E	3004525847	B-24-29N-08W	1650 FEL			

**IV. Central Delivery Point Name:** SAN JUAN GAS 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
Vanderwar B #002E	3004525847	NA	NA	NA	NA	NA

**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**

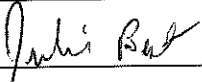
1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(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:	Julie Best
Title:	HSE Manager Operations
E-mail Address:	julie.best@ikavenergy.com
Date:	3/24/2022
Phone:	970-822-8924
<b>OIL CONSERVATION DIVISION</b> (Only applicable when submitted as a standalone form)	
Approved By:	
Title:	
Approval Date:	
Conditions of Approval:	

Well Name: VANDEWART B	Well Location: T29N / R8W / SEC 24 / NWNE / 36.715225 / -107.62413	County or Parish/State: SAN JUAN / NM
Well Number: 2E	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078502	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004525847	Well Status: Producing Gas Well	Operator: SIMCOE LLC

Notice of Intent

Sundry ID: 2667201

Type of Submission: Notice of Intent	Type of Action: Recompletion
Date Sundry Submitted: 04/15/2022	Time Sundry Submitted: 12:39
Date proposed operation will begin: 06/06/2022	

**Procedure Description:** It is intended to recomplete the subject well in the Blanco Mesaverde (pool 72319) and downhole commingle the existing Basin Dakota (pool 71599) with the Mesaverde. The production will be commingled per Oil Conservation Division Order Number 11363. Allocation and methodology will be provided after the well is completed. Commingling will not reduce the value of the production. Proposed perforations are: MV – 3830’-4530’ These perforations are in MD. Please see the attached Procedure, Current and proposed WBDs, Reclamation plan and the NGMP.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

- NM\_APD\_Air\_Plan\_2022\_20220415123804.pdf
- Vandewart\_B\_002E\_NGMPForm\_Final\_Signed\_20220415123729.pdf
- Vandewart\_B\_002\_E\_Recomplete\_Reclamation\_Plan\_20220415123718.pdf
- VANDEWART\_B\_002E\_DK\_Proposed\_WBD\_6\_18\_15\_20220415123702.pdf
- VANDEWART\_B\_002E\_DK\_Current\_WBD\_6\_18\_15\_20220415123654.pdf
- Vandewart\_B\_002E\_Procedure\_20220415123640.pdf

Well Name: VANDEWART B	Well Location: T29N / R8W / SEC 24 / NWNE / 36.715225 / -107.62413	County or Parish/State: SAN JUAN / NM
Well Number: 2E	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078502	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004525847	Well Status: Producing Gas Well	Operator: SIMCOE LLC

Conditions of Approval

Specialist Review

2667201\_RCMPLTN\_\_B\_2E\_3004525847\_KR\_04182022\_20220418101027.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: GINA DOERNER

Signed on: APR 15, 2022 12:39 PM

Name: SIMCOE LLC

Title: Regulatory Analyst

Street Address: 1199 MAIN AVENUE SUITE 101

City: DURANGOState: CO

Phone: (970) 852-0082

Email address: GINA.DOERNER@IKAVENERGY.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: 04/18/2022

Signature: Kenneth Rennick

**District I**

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

CONDITIONS

Action 100213

**CONDITIONS**

Operator: SIMCOE LLC 1199 Main Ave., Suite 101 Durango, CO 81301	OGRID: 329736
	Action Number: 100213
	Action Type: [C-103] NOI Recompletion (C-103E)

**CONDITIONS**

Created By	Condition	Condition Date
kpickford	DHC required	4/20/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	4/25/2022