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

Sundry Print Report

04/22/2022

Well Name: AZTEC	**Well Location:** T28N / R11W / SEC 14 / NWSW / 36.659103 / -107.97847	**County or Parish/State:** SAN JUAN / NM
Well Number: 7E	**Type of Well:** CONVENTIONAL GAS WELL	**Allottee or Tribe Name:**
Lease Number: NMNM03179	**Unit or CA Name:**	**Unit or CA Number:**
US Well Number: 3004524404	**Well Status:** Gas Well Shut In	**Operator:** HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2655215

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 02/01/2022

Time Sundry Submitted: 12:36

Date proposed operation will begin: 02/08/2022

Procedure Description: Hilcorp Energy Company requests permission to P&A the subject well per the attached procedures, current and proposed wellbore schematics. The Pre-Disturbance Site Visit was held on 01/19/2022 with Bob Switzer/BLM. The Re-Vegetation Plan is attached. A closed loop system will be used.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Aztec_7E_14S_PA_NOI_20220201123630.pdf

Well Name: AZTEC

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Well Number: 7E

Type of Well: CONVENTIONAL GAS WELL

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Lease Number: NMNM03179

Unit or CA Name:

Unit or CA Number:

US Well Number: 3004524404

Well Status: Gas Well Shut In

Operator: HILCORP ENERGY COMPANY

Conditions of Approval

Additional Reviews

General_Requirement_PxA_20220421134608.pdf

2655215_NOIA_7E_3004524404_KR_04212022_20220421134533.pdf

28N11W14LKd_Aztec_7E_20220421111308.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: AMANDA WALKER

Signed on: FEB 01, 2022 12:36 PM

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

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: 04/21/2022

Signature: Kenneth Rennick

Hilcorp Energy Company

P&A Procedure

General Information			
Well Name	Aztec 7E	**Date:**	1/31/2022
API:	30-045-24404	**AFE #**	
Field:	San Juan	**County**	San Juan
Status:	Well is ACOI		
Subject:	Permanently P&A wellbore		
By:	M. Wissing		

Well Data

Surface Casing: 8-5/8" 24# K-55 at 221'

Production Casing: 5-1/2" K-55 15.5# at 6,340'

Production Tubing: 2-3/8" J-55 4.7# at 6,169'

Current Perforations: 6,070'-6,183'

Current PBTD: 6,295 (Cmt plug)

SICP = 100 psig

Notes: BH squeeze work performed in 7/1995. Two CBL logs on file.

Hold PJSM prior to begin 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 strings daily, prior to beginning operations.

Remember to notify NMOCD and BLM 24 hours prior to starting operations on location. This procedure is contingent upon P&A sundry approval by BLM & NMOCD.

P&A Rig Procedure

1. MIRU P&A rig and equipment. Record pressures on all strings.
2. NU BOP & test. TOOH with 2-3/8" production tbg.
3. MU and RIH with 5.5" 15.5# casing scraper to +/- 6,030'.
4. MU 5.5" CICR and RIH. Set CICR at 6,020'.
    a. **Top Dakota perf at 6,070'.**
5. Load wellbore with KCl water and circulate wellbore clean. Pressure test the casing to 500 psi to verify wellbore integrity and plug set.
6. **Plug #1 (Dakota Perf at 6,070' & Graneros Formation Top at 6,006'):** RU cementers and pump a 64' balanced cmt plug inside the 5-1/2" csg from 5,956' – 6,020', using 2.9 bbls (14 sx) of 15.8+ ppg Class G cmt. TOOH with tbg.
7. RU E-line and MU DP charges. RIH and perf 5-1/2" csg at 5,195' just above 5-1/2" TOC. POOH.
8. MU 5-1/2" CICR and RIH. Set CICR at 5,145'.
9. **Plug #2 (Gallup top at 5,165', Mancos top at 4,350'):** RU cementers and pump an 895' inside/outside cement plug. Pump into CICR into perforations and sting out placing 845' cement plug above CICR. Plug from 4,300'-5,195' using 78 bbls (381 sx) of 15.8+ ppg Class G cmt.
10. TOOH with tbg.
11. RU E-line and MU DP charges. RIH and perf 5-1/2" csg at 3,172'. POOH.
12. MU 5-1/2" CICR and RIH. Set CICR at 3,122'.
13. **Plug #3 (Cliffhouse top at 3,122'):** RU cementers and pump a 100' inside/outside cement plug. Pump into CICR into perforations and sting out placing 50' cement plug above the CICR. Use 10 bbls (49 sx) of 15.8+ ppg Class G cmt.
14. TOOH with tbg to 1,640'
15. **Plug #4 (Pictured Cliffs Formation Top at 1,590' & Fruitland Top at 1,338'):** RU cementers and pump a 352' balanced cmt plug inside the 5-1/2" csg from 1,288' – 1,640', using 9.6 bbls (47 sx) of 15.8+ ppg Class G cmt. TOOH with tbg.
16. TOOH with tbg to 616'.

17. **Plug #5A (Kirtland top at 566', Ojo top at 386'):** RU cementers and pump a 216' balanced cmt plug inside the 5-1/2" csg from 400'– 616', using 5.3 bbls (26 sx) of 15.8+ ppg Class G cmt.
18. TOOH with tbg.
19. RU E-line and MU DP charges. RIH and perf 5-1/2" csg at +/-400'. POOH.
20. MU 5-1/2" CICR and RIH. Set CICR at 350'.
21. **Plug #5B (Kirtland top at 566', Ojo top at 386'):** RU cementers and pump a 65' inside/outside cmt plug both in the 5-1/2" csg and 5-1/2" csg annulus from 335'– 400', using 7 bbls (34 sx) of 15.8+ ppg Class G cmt.
22. TOOH with tbg to 271'
23. **Plug #6 (Surface & Surface Csg Shoe at 221'):** RU cementers and pump a 261' balanced cmt plug inside the 5-1/2" csg from Surface – 271', using 6.3 bbls (31 sx) of 15.8+ ppg Class G cmt.
24. Verify all pressures on all strings are at 0 psi.
25. ND BOP. Tag cmt and top off wellbore as needed. Cutoff wellhead at surface and weld P&A marker with API/ well name.
26. RDMO P&A rig.

CURRENT WELLBORE SCHEMATIC

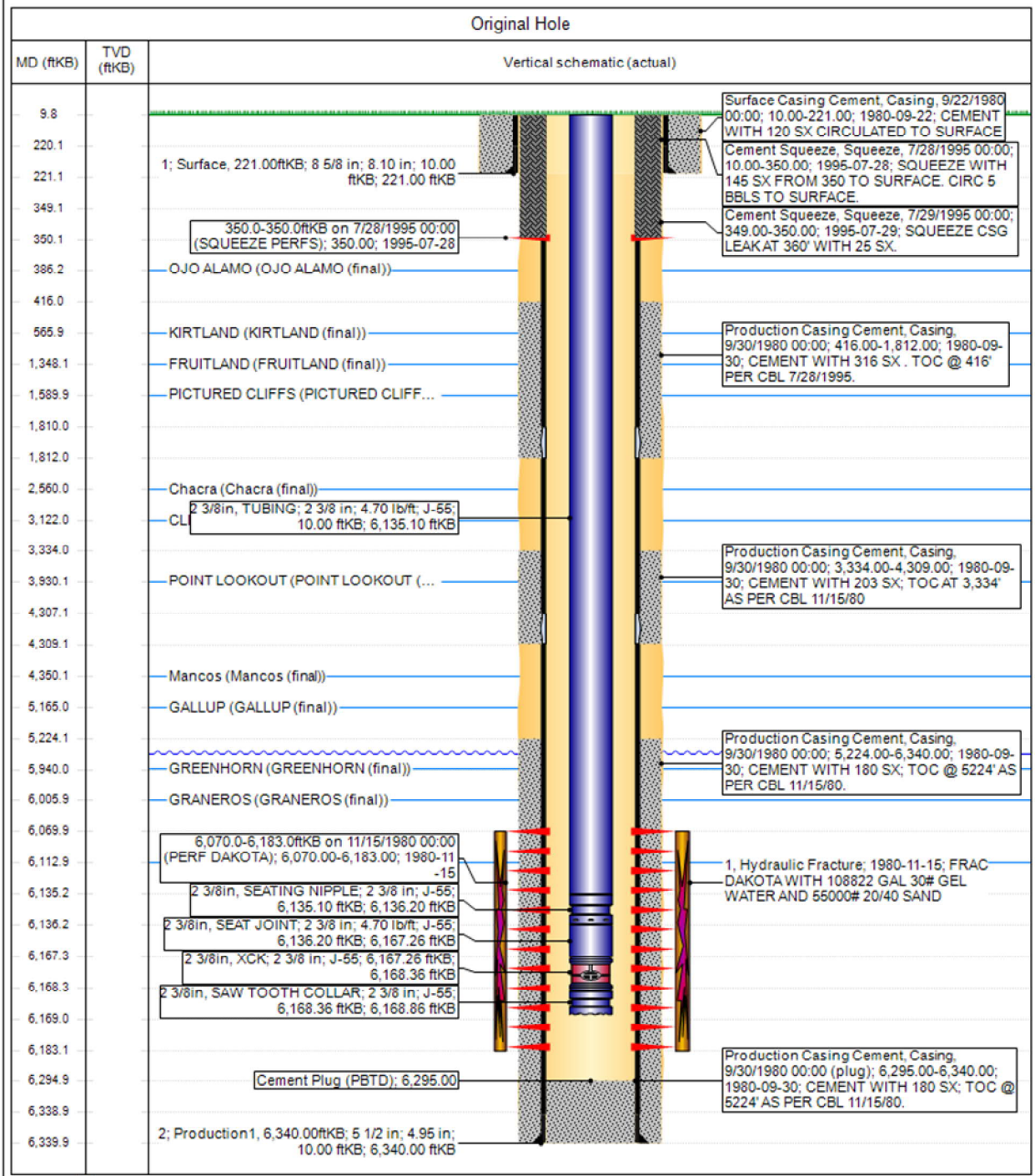
Hilcorp Energy Company

Current Schematic - Completion Comments

Well Name: AZTEC #7E

API / UWI	Surface Legal Location	Field Name	Route	State/Province	Well Configuration Type
3004524404	014-028N-011W-L	BSN DK(PRO GAS) #0068	0601	NEW MEXICO	

Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
5,581.00	5,591.00	10.00		



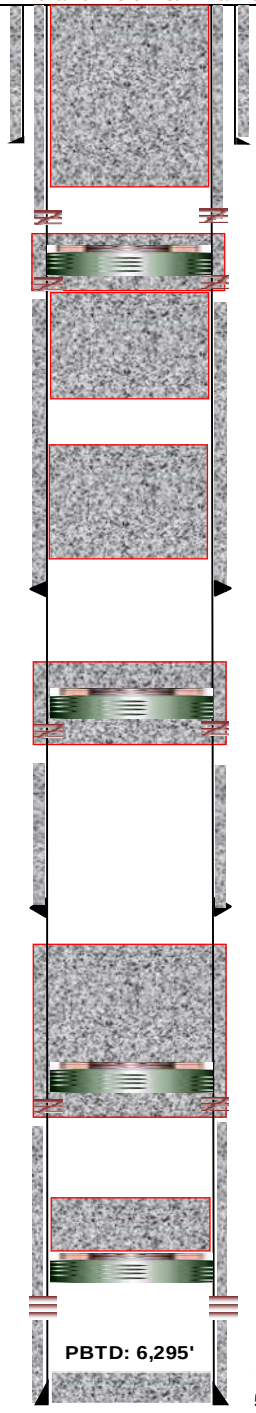
www.peloton.com Page 1/1 Report Printed: 1/31/2022

PROPOSED WELLBORE SCHEMATIC

Hilcorp Energy Company

Wellbore Schematic - PROPOSED

Cut Whd and weld P&A Marker



261' Cement plug from 10'- 271'
6.3 bbls (31 sx) 1.15 yield 15.8# Class G cement

12-1/4" Hole
8-5/8" 24# K-55 csg @ 221'

Perf Sqz @ 350';
Circ'd 145 sx to surface (7/1995)

Ojo Formation Top: 386'
65' Cement plug from 335' - 400'
7 bbls (34 sx) 1.15 yield 15.8# Class G cement
5-1/2" CICR set at 350'
Perf 5-1/2" csg at 400'

5.5" TOC at 416' as per CBL

216' Cement plug from 400'-616
5.3 bbls (26 sx) 1.15 yield 15.8# Class G cement
Kirtland Formation Top: 566'

Fruitland Coal Formation Top: 1,338'
352' Cement plug from 1,288' - 1,640'
9.6 bbls (47 sx) 1.15 yield 15.8# Class G cement
Picture Cliffs Top: 1,590'

5.5" DV tool @ 1,810'

Cliffhouse Formation Top: 3,122'
100' Cement plug from 3,072' - 3,172'
10 bbls (49 sx) 1.15 yield 15.8# Class G cement
5-1/2" CICR set at 3,122'
Perf 5-1/2" csg at 3,172'

5.5" TOC at 3,334' as per CBL

5.5" DV tool @ 4,307'

Mancos Formation Top: 4,350'

Gallup Formation Top: 5,165'
895' Cement plug from 4,300'- 5,195'
78 bbls (381 sx) 1.15 yield 15.8# Class G cement
5-1/2" CICR set at 5,145'
Perf 5-1/2" csg at 5,195'

5.5" TOC at 5,224' as per CBL

64' Cement plug from 5,956'- 6,020'
2.9 bbls (14 sx) 1.15 yield 15.8# Class G cement
5-1/2" CICR set at 6,020'
Graneros Formation Top: 6,006'

Dakota Formation Top: 6,113'

Dakota perfs: 6,070' - 6,183'

PBTD: 6,295'

7-7/8" Hole
5-1/2" 15.5# K-55 csg @ 6,340'

WELL NAME/NUMBER	DESCRIPTION		Ground Elevation:
Aztec 7E	Proposed P&A WBD		RKB-THF: 10'
			CFH:
FIELD/LEASE/AREA	PREPARED BY	APPROVED/DATE	
San Juan Basin	M. Wissing	1/31/2022	API # 30-45-24404

Hilcorp Energy
P&A Final Reclamation Plan
Aztec 7E
API: 30-045-24404
T28N-R11W-Sec. 14-Unit L
LAT: 36.6591 LONG: -107.97847 NAD 27
Footage: 1540' FSL & 930' FWL
San Juan County, NM

1. **PRE- RECLAMATION SITE INSPECTION**

   A pre-reclamation site inspection was completed with Bob Switzer from the BLM and Eufracio Trujillo, Hilcorp Energy SJ South Construction Foreman on January 19, 2022.

2. **LOCATION RECLAMATION PROCEDURE**

   1. Reclamation work will begin in spring/summer.
   2. Removal of all equipment, anchors, cathodic protection, and flowlines.
   3. BGT will be sampled and closed after results are shown to be clear.
   4. All trash and debris will be removed within a 50' buffer outside of the location disturbance during reclamation.
   5. Rip compacted soil and walk down disturbed portion of well pad.
   6. Push southern edge of pad towards the northern toe of berm.
   7. Remove all gravel from berms, pads, and meter run. This gravel will be used on the lease roads.
   8. Hilcorp Energy will remove meter run.
   9. Hilcorp Energy will barricade and blind there stub up.

3. **ACCESS ROAD RECLAMATION PROCEDURE**

   1. The lease road will be ripped and seeded.
   2. A berm will be installed at the entrance to location to keep traffic off of pad.

4. **SEEDING PROCEDURE**

   1. A Badlands seed mix with some sage will be used for all reclaimed and disturbed areas of the well pad and lease road.
   2. Drill seed will be done where applicable, and all other disturbed areas will be broadcast seeded and harrowed. Broadcast seeding will be applied at a double the rate of seed.
   3. Timing of the seeding will be when the ground is not frozen or saturated.

5. **WEED MANAGEMENT**

   1. No noxious weeds were identified during this onsite.

GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON FIELD OFFICE

1.0 The approved plugging plans may contain variances from the following minimum general requirements.

1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.

1.2 Requirements may be added to address specific well conditions.

2.0 Materials used must be accurately measured. (densometer/scales)

3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.

3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.

4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.

4.1 The cement shall be as specified in the approved plugging plan.

4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.3 Surface plugs may be no less than 50' in length.

4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.

4.6 **A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.**

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.

5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.

5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.

5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.

6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H_2S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.

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

AFMSS 2 Sundry ID 2655215

Attachment to notice of Intention to Abandon

Well: Aztec 7E

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. The following modifications to your plugging program are to be made:
   a) Bring the bottom of Plug #2 (Gallup and Mancos) down to 5215'.
   b) Add an inside/outside plug to cover the Chacra formation top at 2560'.

3. Farmington Office is to be notified at least 24 hours before the plugging operations commence at (505) 564-7750.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.

K. Rennick 4/21/2022

BLM FLUID MINERALS
P&A Geologic Report

Date Completed: 04/21/2022

Well No. Aztec #7E (API# 30-045-24404)		Location	1540	FSL	&	930	FWL
Lease No. NMNM-03179		Sec. 14	T28N			R11W	
Operator Hilcorp Energy Company		County	San Juan		State	New Mexico	
Total Depth 6340’	PBTD 6295’	Formation Dakota					
Elevation (GL) 5581’		Elevation (KB) 5594’					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					
Nacimiento Fm			Surface	385	Surface/possible freshwater sands
Ojo Alamo Ss			385	566	Aquifer (possible freshwater)
Kirtland Shale			566	1338	
Fruitland Fm			1338	1590	Coal/Gas/Water
Pictured Cliffs Ss			1590	1688	Gas
Lewis Shale			1688	2560	
Chacra			2560	3122	Possible Gas
Cliff House Ss			3122	3268	Water/Possible gas
Menefee Fm			3268	3930	Coal/Ss/Water/Possible O&G
Point Lookout Ss			3930	4350	Probable water/Possible O&G
Mancos Shale			4350	5165	
Gallup			5165	5940	O&G/Water
Greenhorn			5940	6006	
Graneros Shale			6006	6112	
Dakota Ss			6112	PBTD	O&G/Water
Morrison Formation					

Remarks:
P & A

- Bring the bottom of Plug #2 (Gallup and Mancos) down to 5215’.
- Add an inside/outside plug to cover the Chacra formation top at 2560’.
- The plugs proposed in the P&A procedure, with recommended changes, will adequately protect any freshwater sands in this well bore.
- Dakota perfs 6070’ – 6183’.

Reference Well:
1) **Formation Tops**
Same

Prepared by: *Chris Wenman*

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 100946

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 100946
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	4/27/2022
kpickford	Adhere to BLM approved COAs and plugs. See GEO report.	4/27/2022