

Well Name: CANYON LARGO UNIT	Well Location: T25N / R7W / SEC 11 / SWNE / 36.416451 / -107.543633	County or Parish/State: RIO ARRIBA / NM
Well Number: 463	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078881	Unit or CA Name:	Unit or CA Number:
US Well Number: 3003929361	Well Status: Temporarily Abandoned	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2719257

Type of Submission: Notice of Intent

Date Sundry Submitted: 03/07/2023

Date proposed operation will begin: 03/14/2023

Type of Action: Workover Operations

Time Sundry Submitted: 06:00

Procedure Description: HEC attempted to pressure test wellbore for TA extension. MIT failed. Please see attached operations to find and resolve issue.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Temporary_Abandonment_Procedure___Canyon_Largo_Unit_463___MIT_Failure_20230307055950.pdf

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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: KANDIS ROLAND

Signed on: MAR 07, 2023 05:59 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 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: 03/07/2023

Signature: Kenneth Rennick

Temporary Abandonment MIT Failure - NOI**Canyon Largo Unit 463****API # - 3003929361****Procedure:**

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.

Remember to notify NMOCD 24 hours prior to starting operations on location.

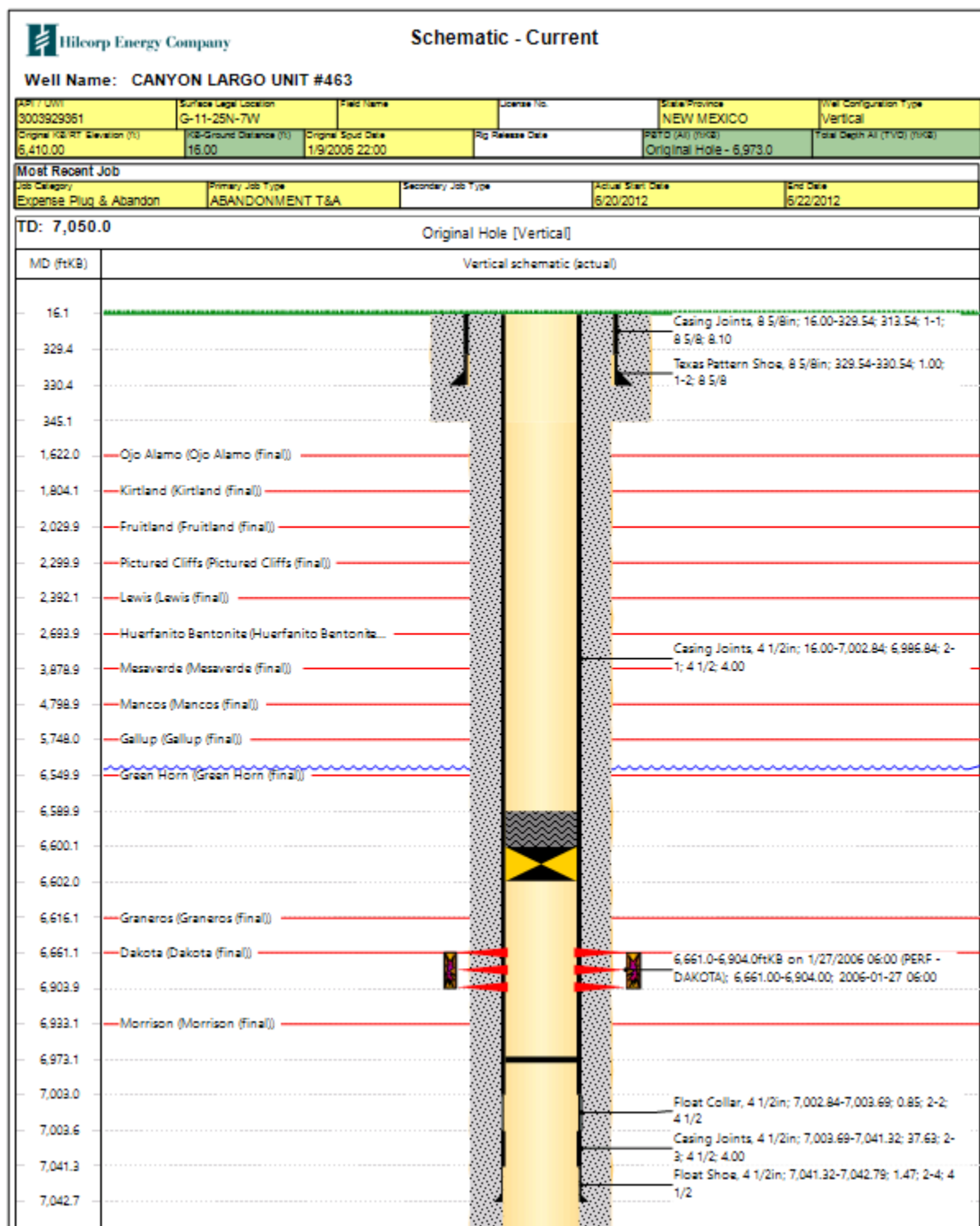
NOTE: This procedure is contingent upon sundry approval by NMOCD. All cement volumes use 100% excess outside pipe and 50' excess inside (unless otherwise stated). All cement will be Class G, mixed at 15.8 ppg w/ a 1.15 cf/sx yield. The stabilizing wellbore fluid will be an 8.3 ppg fluid, sufficient to balance all exposed formation pressures.

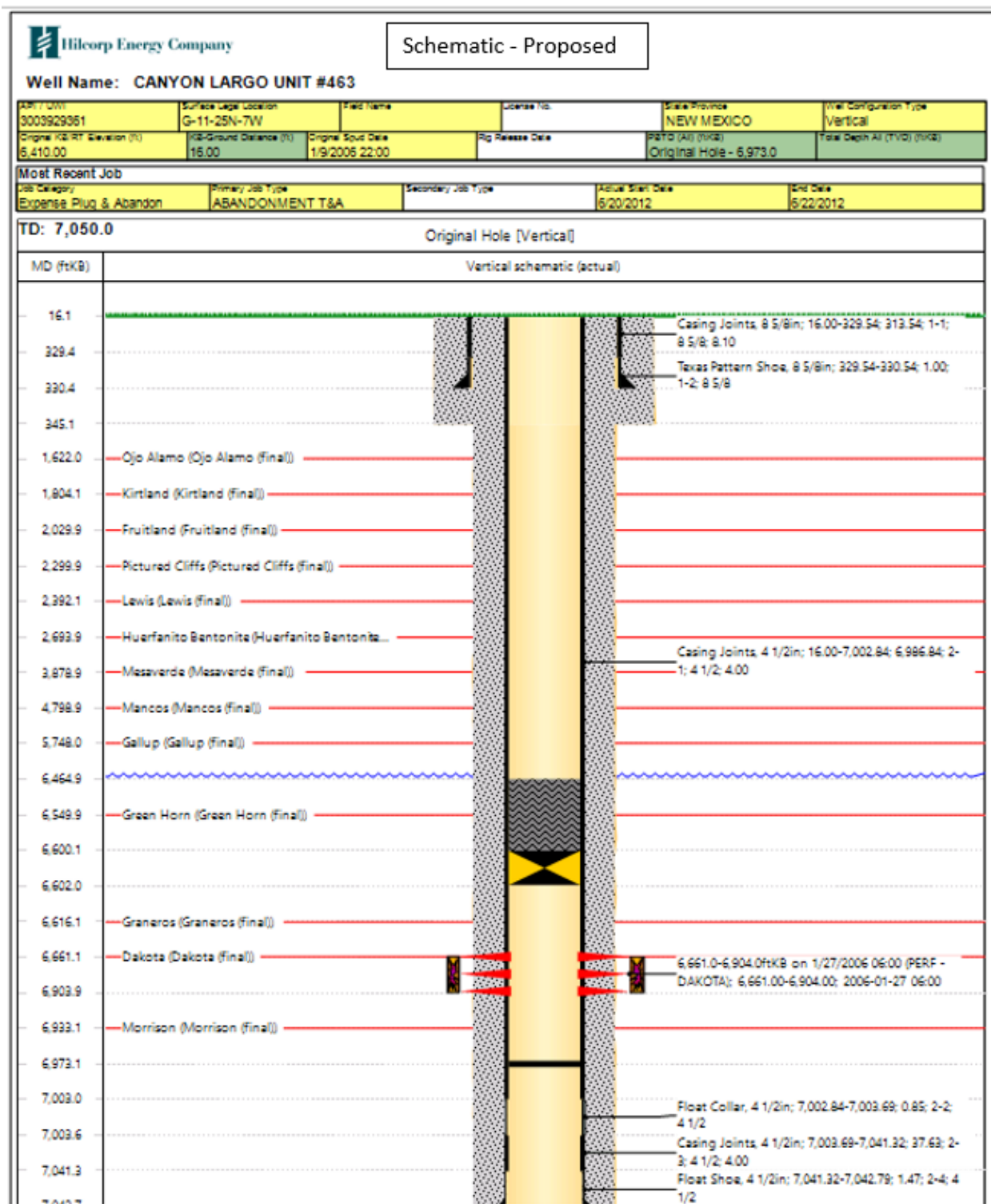
On 11/16/22, Hilcorp attempted to pressure test the wellbore to file for a TA extension. It was observed that pressure initially held and then bled off. It is suspected that the CIBP currently set at 6600' has a seal failure. Hilcorp proposed to bail approximately 10' of cement on the plug to develop a seal and rechart the pressure test. Should this prove non-effective, a service rig would be used to pressure test the casing above the plug and verify integrity. With the rig on location cement would be circulated on the plug to seal, and a charted pressure test would be recorded. This procedure outlines the above in detail.

02/08/23, Hilcorp had bailed cement on the existing CIBP to attempt to seal leaking plug and provide good MIT. Following cement work, wellbore was filled and was holding a column of fluid but during attempted chart, would not pressure test at 500 PSI. This procedure outlines plans to test plug with a packer and re-establish isolation.

1. This project will use a steel tank to handle waste fluids circulated from the well and cement wash up.
2. Pick up testing packer on 2-3/8" workstring.
3. RIH to TOC, Pressure test casing. If TCA fails, begin hole hunting operations.

4. If TCA passes, pressure test tubing side to verify plug is leaking.
5. Rig up cement unit and pump 2 bbl cement pill and squeeze against leaking plug
6. POOH 10 stands and reverse pipe clean, allow cement to set overnight
7. Chart official test with OCD witness and submit chart for sundry filing
8. NDBOP and NU cap flange.





District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
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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 194005

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 194005
	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 day of MIT.	3/17/2023