

Well Name: HUGHES	Well Location: T26N / R7W / SEC 30 / SESW / 36.453079 / -107.619583	County or Parish/State: RIO ARRIBA / NM
Well Number: 9	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078048	Unit or CA Name:	Unit or CA Number:
US Well Number: 3003906282	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2717337

Type of Submission: Notice of Intent	Type of Action: Plug and Abandonment
Date Sundry Submitted: 02/23/2023	Time Sundry Submitted: 07:24
Date proposed operation will begin: 03/09/2023	

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 2/21/23 with Roger Herrera/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

- Hughes_9_P_A_Procedure_20230223072344.pdf
- HUGHES_9_Reclamation_Plan_20230223072344.pdf

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Conditions of Approval

Additional

Hughes_9_Geo_Rpt_20230314143709.pdf

Authorized

2717337_NOIA_9_3003906282_KR_03152023_20230315124810.pdf

General_Requirement_PxA_20230315124735.pdf

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: FEB 23, 2023 07:24 AM

Name: HILCORP ENERGY COMPANY

Title: Operation Regulatory Tech

Street Address: 382 Road 3100

City: FarmingtonState: 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: 03/15/2023

Signature: Kenneth Rennick

Hilcorp Energy Company**Proposed P&A Procedure****Well: Hughes #9**

API: 30-039-06282

Date: 2/21/2023

Engr: M Wissing

Surface: BLM

Wellbore		Wt #	ID	Bottom (ft)	Bbl/ft	Drill Bit
SPUD	7/9/1956					
KB (ft)	9 ft					
Surface Casing	8-5/8"	24#	8.1	98 ft	0.06370	12-1/4"
Production Casing	5-1/2'	15.5#	4.95	2,286 ft	0.02379	7-7/8"
Csg x Open hole	7.875 x 5.5	-	-	-	0.03090	
Csg Annular	8.1 X 5.5	-	-	-	0.03440	
Tubing	2-3/8" (2022 install)	4.7#	69 jts	2,221 ft		
PBTD	2,285 ft					

Cement

Type	Class G	
Yield	1.15	Bbl/sx
Water	5	Gal/sx
Weight	15.8	PPG
Total Job Cmt	234	SX
Total Cmt Water	1170	Gal
Csg Vol Water	50.0	Bbl

Lift Type: Plunger**Historic Braden Head Pressure: 0-10 psi, notes on minor constant blow****Rig History: HIC found in 7/2022 b/n 1280'-1470' w. pkr and sqz'd twice (passed a csg PT).****Swab: last reports in 8/2022- unable to get fluid level to drop below 2100'.****CBL Logs: none**

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Proposed P&A Procedure

P&A Cement: All cement plugs include a 50 ft excess volume. Due to SJ Basin cement resource limitations, either Type III (6.64 gal/sx, 1.37 yld, 14.8#) or Type 2/5 (6.041 gal/sx, 1.27 yld, 15#) cement might be used at any point during the P&A project.

RIG P&A PROCEDURE:

- 1) Verify all wellhead valves are operatable.
- 2) RU slickline and attempt to clear 2-3/8" tbg string.
- 3) Move onto well location. Check well pressures on all casing strings and record (daily). Check well for H₂S and blow down well as necessary.
- 4) RD wellhead and RU BOPs. Function test BOP 2-3/8" pipe and blind rams.
- 5) TOOH and LD 2-3/8" production tbg string.
- 6) MU 2-3/8" work string with 5-1/2" csg scraper and RIH to 2,110'. POOH.
- 7) MU 5-1/2" CICR (4.325" ID) and RIH. Set CICR at **2,100'**.
- 8) Sting out of CICR, roll hole full of water, and POOH.
- 9) RU E-line and MU CBL tool. RIH and log entire wellbore with CBL.
- 10) Review log with BLM & NMOCD; adjust cmt plugs as needed.
- 11) RIH with work string.
- 12) Pressure test csg to 550 psi to verify integrity.
- 13) **PLUG #1 (PC TOP @ 2,143'; PC top perf @ 2,148', FRC TOP @ 1,848')**
 - a. Pump a 352' cement balanced plug from 1,748'- 2,100' with 41 SXS, 8.4 BBLS of Class G, 1.15 yld, 15.8# cement inside the 5-1/2" csg.
- 14) TOOH with tbg.
- 15) RU E-line and MU perforating charges. RIH and perf 5-1/2" csg at **1,631'**.
- 16) Attempt injection rate into perforations.
- 17) RIH with 5-1/2" CICR and set at **1,581'**.
- 18) **PLUG #2 (KIRTLAND TOP @ 1,581')**
 - a. Pump a 150' inside/outside cement plug from 1,481'- 1,631' with 64 SXS, 13.1 BBLS of Class G, 1.15 yld, 15.8# cement.
- 19) TOOH with tbg.
- 20) RU E-line and MU perforating charges. RIH and perf 5-1/2" csg at **1,432'**.
- 21) Attempt injection rate into perforations.
- 22) RIH with 5-1/2" CICR and set at **1,382'**.
- 23) **PLUG #3 (OJO TOP @ 1,382')**
 - a. Pump a 150' inside/outside cement plug from 1,282'- 1,382' with 64 SXS, 13.1 BBLS of Class G, 1.15 yld, 15.8# cement.
- 24) TOOH with tbg.
- 25) RU E-line and perf csg at **148'**. Attempt circulation rate with perms to surface.

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Proposed P&A Procedure

26) **PLUG #4 (CSG SHOE @ 98')**

- a. Circulate a 139' cement plug from 9'-148' with 53 SXS, 10.9 BBLS of Class G, 1.15 yld, 15.8# cement inside the 5-1/2" csg and 8-5/8" x 5-1/2" annulus.

27) N/D BOPE.

28) Cut off wellhead.

29) Check marker joint for correct well information and weld on P&A well marker.

30) Top off all casing strings and whd cellar with 12+/- sx of cement.

31) Release rig.

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Proposed P&A Procedure

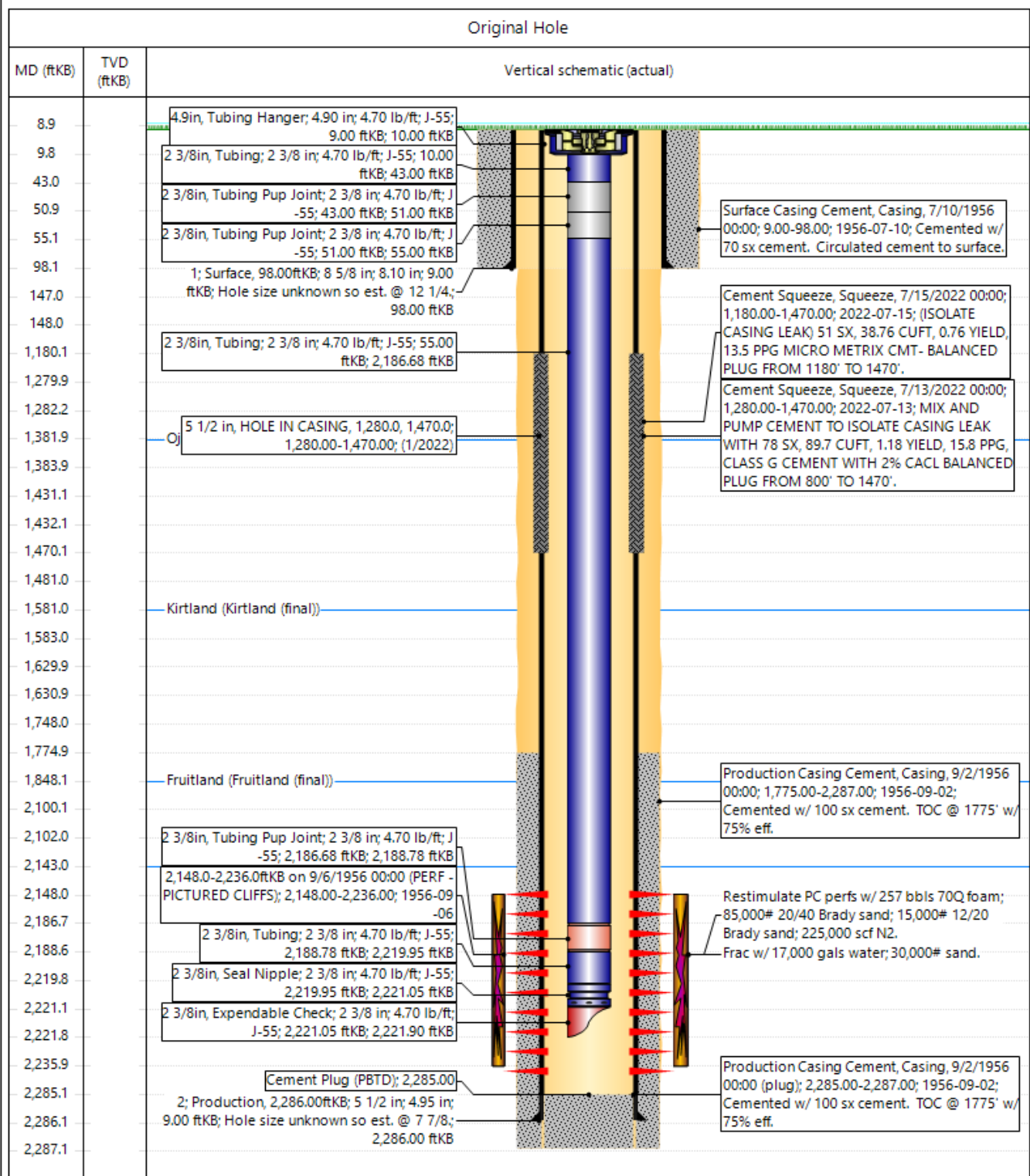


Hilcorp Energy Company

Current Schematic - Completion Comments

Well Name: HUGHES #9

API / UWI 3003906282	Surface Legal Location 030-026N-007W-N	Field Name BALLARD PICTURED CLIFFS (GAS)	Route 0905	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 6,313.00	Original KB/RT Elevation (ft) 6,322.00	KB-Ground Distance (ft) 9.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	



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Report Printed: 2/21/2023

Hilcorp Energy Company

Proposed P&A Procedure

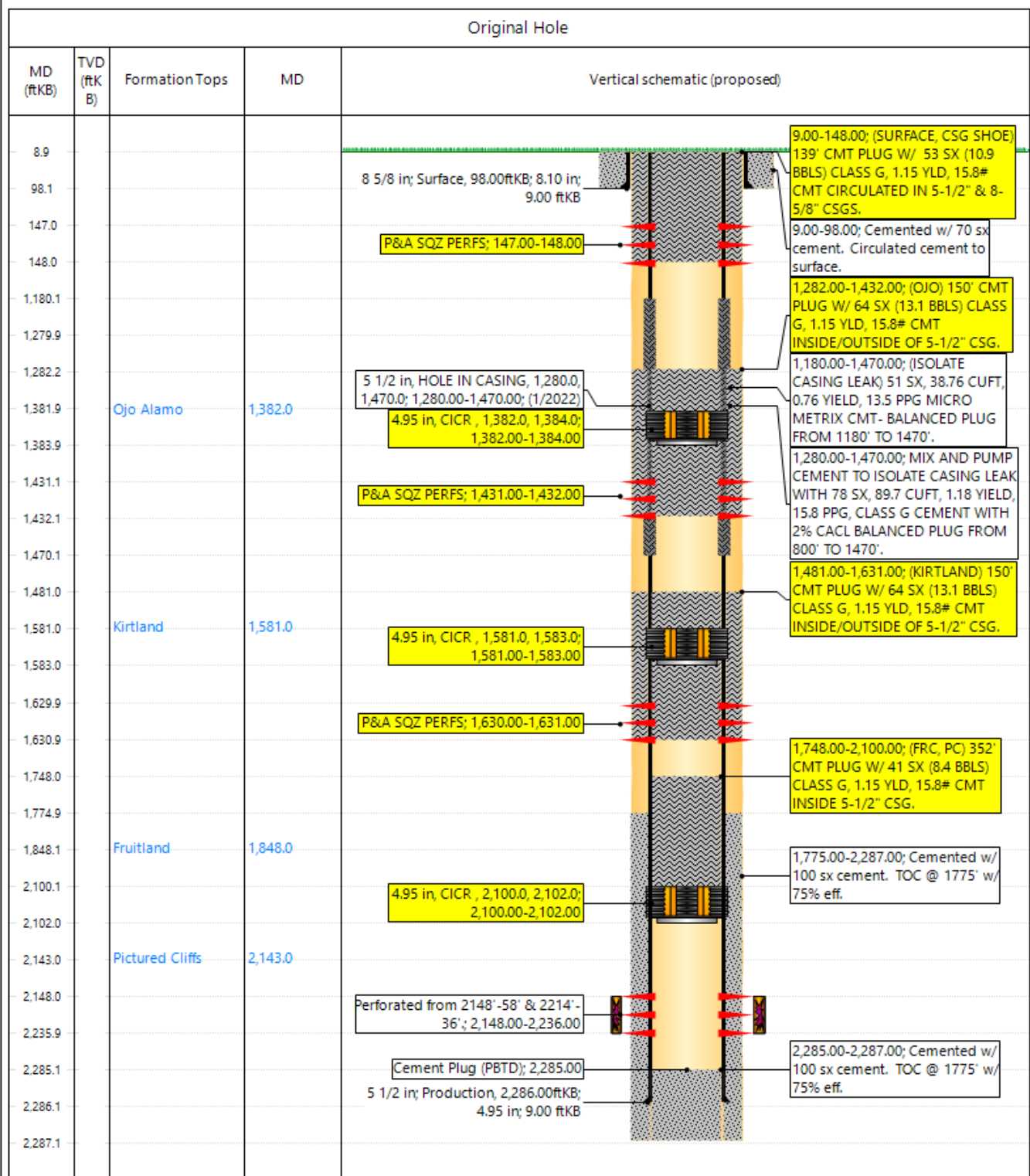


Hilcorp Energy Company

P&A Proposed Schematic

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Report Printed: 2/21/2023

Hilcorp Energy
P&A Final Reclamation Plan
Hughes 9
API: 30-039-06282
T26N-R7W-Sec. 30-Unit N
LAT: 36.45308 LONG: -107.61958 NAD 27
Footage: 920' FSL & 1810' FWL
Rio Arriba County, NM

1. PRE- RECLAMATION SITE INSPECTION

A pre-reclamation site inspection was completed with Roger Herrera from the BLM and Eufracio Trujillo, Hilcorp Energy SJ South Construction Foreman on February 21, 2023.

2. LOCATION RECLAMATION PROCEDURE

1. Reclamation work will begin in summer.
2. Removal of all equipment, anchors, flowlines, cathodic, and pipelines.
3. All trash and debris will be removed within a 50' buffer outside of the location disturbance during reclamation.
4. Check on BGT permit status.
5. Close out BGT on location when results permit if needed.
6. Rip compacted soil and walk down disturbed portion of well pad.
7. Pull Eastern edge towards Western edges.
8. install diversion ditch along edge of pad to leave in road.
9. Add silt traps if needed.
10. Remove all gravel from berms, pads, and meter run and use on lease road where needed.
11. Enterprise meter run will be removed out of their ROW. Remove riser if possible.

3. ACCESS ROAD RECLAMATION PROCEDURE

1. The well access road will be left in due to access for well past this pad.

4. SEEDING PROCEDURE

1. A Pinon/Juniper seed mix 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.

BLM - FFO - Geologic Report**Date Completed**

3/14/2023

Well No.	Hughes	9	Surf. Loc.	920	FSL	1810	FWL
			Sec.	30	T26N		R7W
Lease No.	NMSF 078048						
Operator	Hilcorp		County	San Juan	State	New Mexico	
TD	2287	PBTD	2287	Formation	Dakota		
Elevation	GL	6314	Elevation	Est. KB	6323		

Geologic Formations Est. tops Subsea Elev.**Remarks**

Nacimiento Fm.	Surface	6723	Surface /fresh water sands
Ojo Alamo Ss	1382	4941	Aquifer (fresh water)
Kirtland Fm.	1581	4742	
Fruitland Fm.	1848	4475	Coal/gas/possible water
Pictured Cliffs	2143	4180	Possible water

Remarks:

-Combine Plug 2 and Plug 3 from 1631' to 1282' so that the Ojo Alamo Formation is completely covered.

Reference Wells:

1) Same

Prepared by: Walter Gage

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

AFMSS 2 Sundry ID 2717337

Attachment to notice of Intention to Abandon

Well: Hughes 9

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. Combine Plug 2 and Plug 3 from 1631' to 1282' so that the Ojo Alamo Formation is completely covered.
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 03/15/2022

**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 H₂S.

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.

(October 2012 Revision)

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 197984

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 197984
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required.	3/20/2023
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	3/20/2023
kpickford	Adhere to BLM approved COAs and plugs. See BLM COAs and GEO report.	3/20/2023