

Well Name: HANKS	Well Location: T27N / R9W / SEC 7 / SESE / 36.584671 / -107.823105	County or Parish/State: SAN JUAN / NM
Well Number: 4	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF077874	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004506617	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2723494

Type of Submission: Notice of Intent	Type of Action: Plug and Abandonment
Date Sundry Submitted: 03/30/2023	Time Sundry Submitted: 06:34
Date proposed operation will begin: 04/13/2023	

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 4/29/23 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

- Hanks_4_P_A_Procedure_20230330063402.pdf
- HANKS_4_Reclamation_Plan_20230330063402.pdf

Accepted for record – NMOCD

JRH — 05/02/2023 —

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Conditions of Approval

Additional

Hanks_4_Geo_Rpt_20230331152621.pdf

Authorized

General_Requirement_PxA_20230404120334.pdf

2723494_NOIA_4_3004506617_KR_04042023_20230404120323.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: MAR 30, 2023 06:34 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: 04/04/2023

Signature: Kenneth Rennick

Hilcorp Energy Company**Proposed P&A Procedure****Well: Hanks #4**

API: 30-045-06617

Date: 3/23/2023

Engr: M Wissing

Surface: BLM

Wellbore		Wt #	ID	Bottom (ft)	Bbl/ft	Drill Bit
SPUD	5/16/1950					
KB (ft)	10 ft					
Surface Casing	8-5/8"	24 #	8.1	91'	0.06370	12-1/4"
Inter. Casing	5-1/2"	14#	5.01	2,422'	0.02437	7-7/8"
Production Casing	3-1/2"	7.7#	3.07	2,501'	0.00915	4-3/4"
Int Csg Annular	8.100" x 5.5"	-	-	-	0.03440	
Int Csg x Open hole	7.875" x 5.5"				0.03090	
Prod Csg Annular	5.010" x 3.5"				0.01250	
Tubing	none					
PBTD	2,490 ft					

Cement

Type	Class G	
Yield	1.15	Bbl/sx
Water	5	Gal/sx
Weight	15.8	PPG
Total Job Cmt	150	SX
Total Cmt Water	750	Gal
Csg Vol Water	21.9	Bbl

Lift Type: intermittent***SICP/ SIIP: 10 psi / 0 psi******Historic Braden Head Pressure: 0 psi (5/21)******Rig History: wellbore deepened with 3-1/2" csg in 1966******Slickline: Swab made it down to 2,450', didn't go to bottom. (7/2021)******CBL Logs: none***

Hilcorp Energy Company

Proposed P&A Procedure

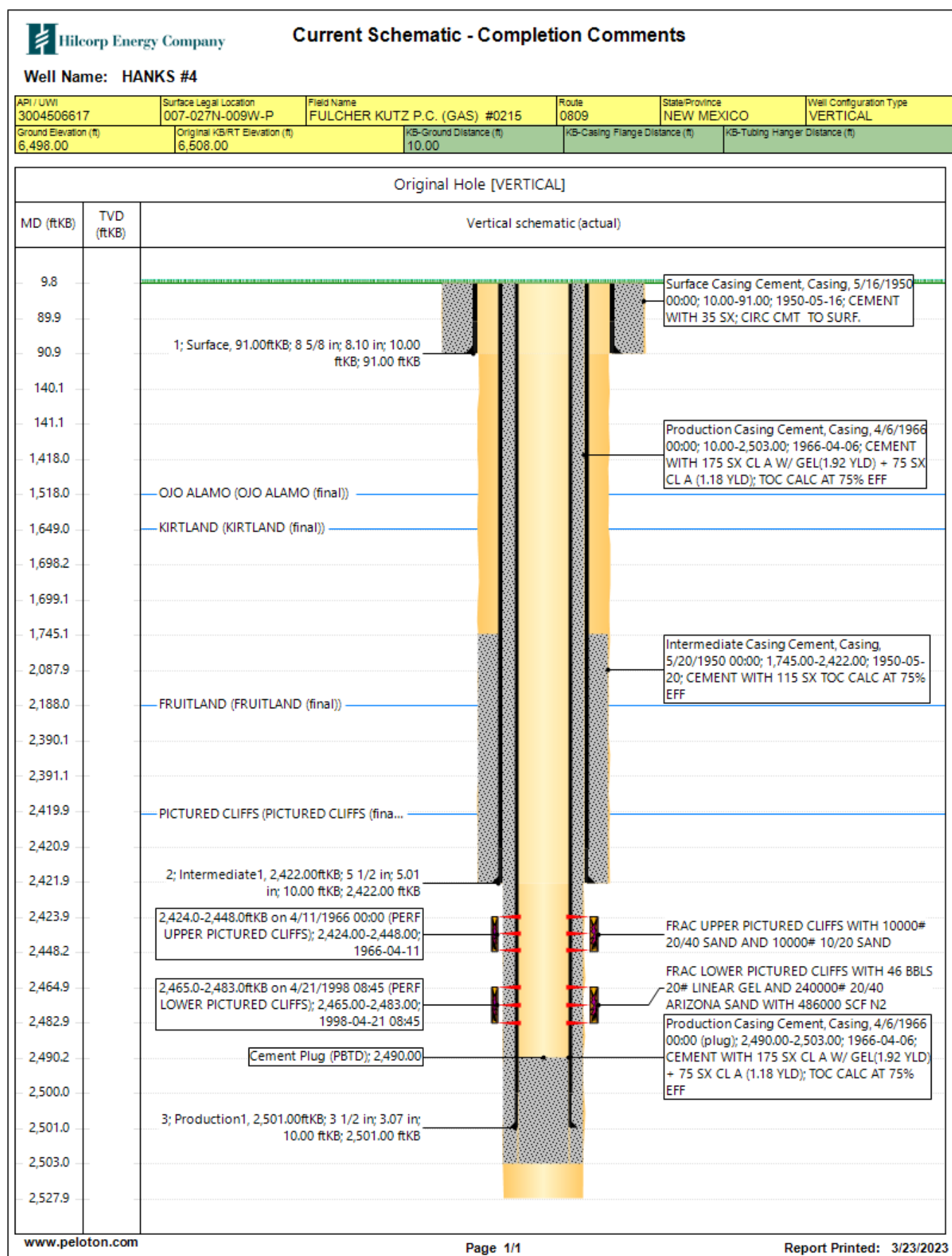
P&A Cement: All cement plugs include a 50 ft excess volume. Due to SJ Basin cement resource limitations, either Type III (6.64 gal/sx, 1.37 yld, 14.8#) or Type 2/5 (6.041 gal/sx, 1.27 yld, 15#) cement might be used at any point during the P&A project.

RIG P&A PROCEDURE:

- 1) Verify all wellhead valves are operatable and location is accessible for P&A rig.
- 2) RU slickline and attempt to clear the 3.5" csg string down to 2,400'.
- 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 1-1/4" pipe and blind rams.
- 5) RU E-line and MU 3.5" GR. RIH and clear csg down to 2,400'.
- 6) MU 3.5" CIBP and RIH. Set at **2,390'**.
- 7) Load casing with water and pressure test csg to 550 psi to verify integrity.
- 8) RIH with work string to CIBP.
- 9) **PLUG #1 (PC TOP @ 2,420'; PC top perf @ 2,424', FRC TOP @ 2,188')**
 - a. Pump a 302' cement balanced plug from 2,088'- 2,390' with 14 SXS, 2.9 BBLS of Class G, 1.15 yld, 15.8# cement inside the 3-1/2" csg.
- 10) TOOH with tbg.
- 11) MU perforating gun. RIH and perf through 3-1/2" & 5-1/2" csgs at **1,699'**.
- 12) RIH with 1-1/4" work string.
- 13) **PLUG #2 (OJO TOP @ 1,518', KIRTLAND TOP @ 1,649')**
 - a. Pump a 281' cement plug from 1,418'- 1,699' with 83 SXS, 17 BBLS of Class G, 1.15 yld, 15.8# cement inside the 3-1/2" csg and in OH of 5-1/2" csg.
 - b. Install a 3-1/2" CICR if able to locate the plug; suspect cmt in 3-1/2" x 5-1/2" annulus.
- 14) TOOH with tbg.
- 15) WOC and tag TOC if required.
- 16) RU E-line and perf 3-1/2" & 5-1/2" csgs at **141'**. Attempt circulation rate with perfs to surface.
- 17) **PLUG #3 (CSG SHOE @ 91')**
 - a. Circulate a 131' cement plug from 10'-141' with 41 SXS, 8.4 BBLS of Class G, 1.15 yld, 15.8# cement inside the 3-1/2" csg, 5-1/2" x 3-1/2" csg annulus, and 8-5/8" x 5-1/2" csg annulus.
- 18) N/D BOPE.
- 19) Cut off wellhead.
- 20) Check marker joint for correct well information and weld on P&A well marker.
- 21) Top off all casing strings and whd cellar with 12+/- sx of cement.
- 22) Release rig.

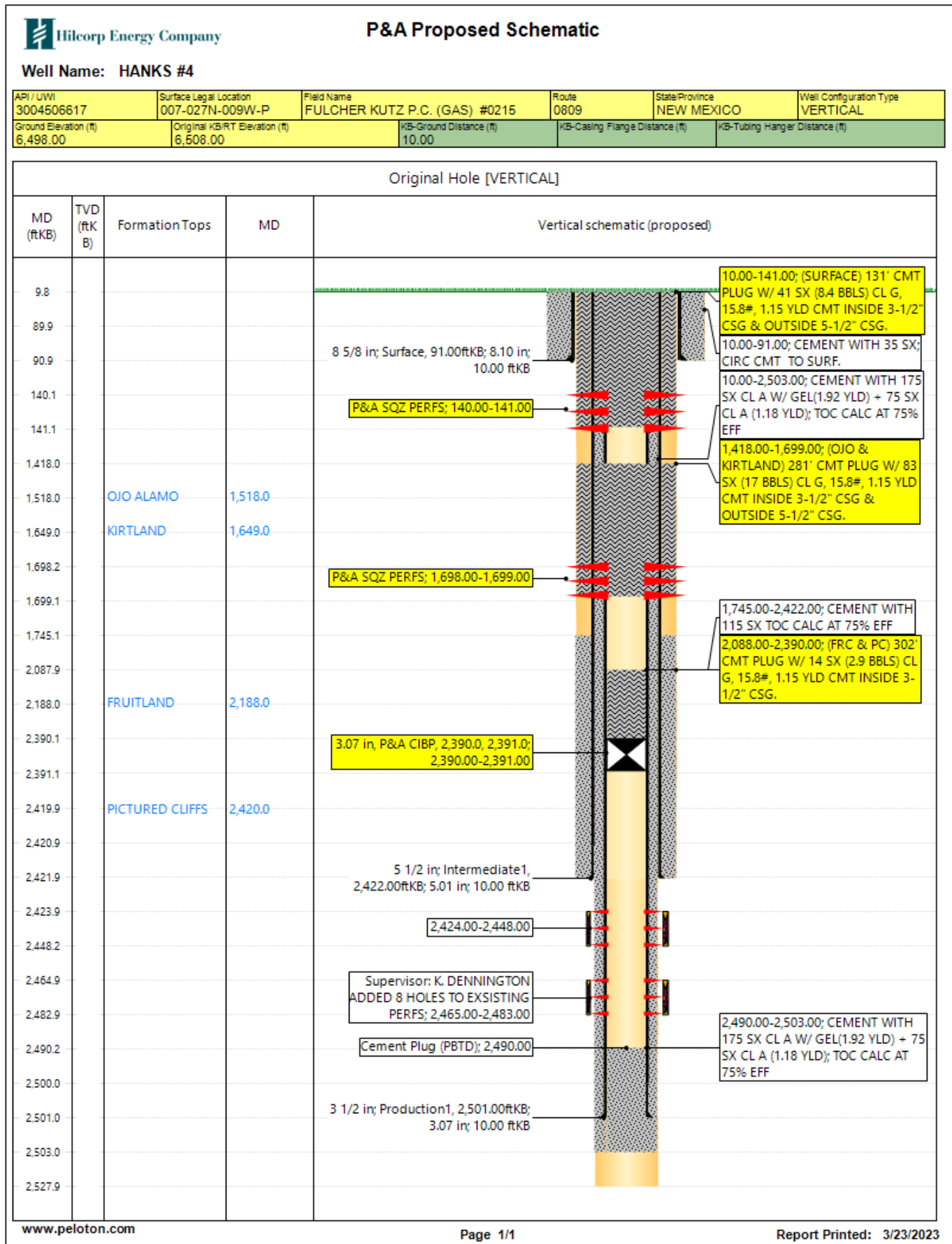
Hilcorp Energy Company

Proposed P&A Procedure



Hilcorp Energy Company

Proposed P&A Procedure



Hilcorp Energy
P&A Final Reclamation Plan
Hanks 4
API: 30-045-06617
T27N-90W-Sec. 07-Unit P
LAT: 36.58467 LONG: -107.82311 NAD 27
Footage: 990' FSL & 990' FEL
San Juan 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 April 29, 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 BGT permit status on this location as it has a BGT present.
5. Close out BGT on location when results permit if needed.
6. Remove flowline to meter run.
7. Install two silt traps as location sits in a draw. One above the P&A marker and one at entrance.
8. Pull diversion ditch along edge of pad into berm for bottom silt trap.
9. Push excess into eastern side of cut where pit is at. Reference map.
10. Take drainage along South side of location that sits below this location.
11. Remove all gravel from berms, pads, and meter run and use on lease road where needed.
12. Harvest meter run and line to be removed as needed.

3. ACCESS ROAD RECLAMATION PROCEDURE

1. The well access road will be ripped and contoured in and blocked off entrance with diversion ditch rolling to Northeast.
2. Block at the main lease road with a berm and ditch.
3. Seed road.

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**

3/31/2023

Well No.	Hanks	4	Surf. Loc.	990	FSL	990	FEL
			Sec.	7	T27N		R9W

Lease No. NMSF 077874

Operator	Hilcorp	County	Rio Arriba	State	New Mexico
TD	2530	PBTD	2490	Formation	Dakota
Elevation	GL	6498	Elevation	Est. KB	6508

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

San Jose	Surface	5891	Surface /fresh water sands
Nacimiento Fm.	617	5891	Possible water
Ojo Alamo Ss	1563	4945	Aquifer (fresh water)
Kirtland Fm.	1643	4865	
Fruitland Fm.	2138	4370	Coal/gas/possible water
Pictured Cliffs	2438	4070	Possible water
Lewis Shale	2558	3950	Possible source rock

Remarks:

- Change the Plug 1 TOC to 2038' to account for the BLM Fruitland formation top.

Reference Well:

Hilcorp Energy Company
Hanks 12E
1020' FSL, 725' FEL
Sec 7, T29N, R9W
GL= 6487, KB= 6500

Prepared by: Walter Gage

**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), through the Automated Fluid Minerals Support System (AFMSS) 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 2723494

Attachment to notice of Intention to Abandon

Well: Hanks 4

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. Change the Plug 1 TOC to 2030' to account for the BLM Fruitland formation top.
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 04/04/2023

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 204004

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 204004
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
john.harrison	Adhere to BLM approved COAs and plugs. See GEO report.	5/2/2023