

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

<b>Well Name:</b> KA SOUSE	<b>Well Location:</b> T26N / R9W / SEC 25 / NESE / 36.45602 / -107.73496	<b>County or Parish/State:</b> SAN JUAN / NM
<b>Well Number:</b> 1	<b>Type of Well:</b> OTHER	<b>Allottee or Tribe Name:</b> EASTERN NAVAJO
<b>Lease Number:</b> 1420603778	<b>Unit or CA Name:</b> KA SOUSE	<b>Unit or CA Number:</b> NMNM87124
<b>US Well Number:</b> 3004505662	<b>Well Status:</b> Producing Gas Well	<b>Operator:</b> HILCORP ENERGY COMPANY

**Notice of Intent**

**Sundry ID:** 2723923

**Type of Submission:** Notice of Intent

**Type of Action:** Plug and Abandonment

**Date Sundry Submitted:** 03/31/2023

**Time Sundry Submitted:** 02:18

**Date proposed operation will begin:** 05/01/2023

**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 3/22/2023 with Laverna Jacquez/BIA. 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**

Kasouse\_1\_P\_A\_NOI\_20230331141801.pdf

Accepted for record – NMOCD  
 JRH — 05/03/2023 —

Well Name: KA SOUSE

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Well Number: 1

Type of Well: OTHER

Allottee or Tribe Name: EASTERN NAVAJO

Lease Number: 1420603778

Unit or CA Name: KA SOUSE

Unit or CA Number: NMNM87124

US Well Number: 3004505662

Well Status: Producing Gas Well

Operator: HILCORP ENERGY COMPANY

### Conditions of Approval

#### Additional

KA\_Souse\_1\_Geo\_Rpt\_20230404131120.pdf

#### Authorized

General\_Requirement\_PxA\_20230405101206.pdf

2723923\_NOIA\_1\_3004505662\_KR\_04052023\_20230405101157.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: AMANDA WALKER

Signed on: MAR 31, 2023 02:18 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 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: 04/05/2023

Signature: Kenneth Rennick

## Hilcorp Energy Company

### Proposed P&A Procedure

Well: Kasouse #1

API: 30-045-05662

Date: 3/31/2023

Engr: M Wissing

Surface: BLM

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Wellbore		Wt #	ID	Bottom (ft)	Bbl/ft	Drill Bit
SPUD	5/12/1956					
KB (ft)	10 ft					
Surface Casing	8-5/8"	24#	8.1	95 ft	0.06370	12-1/4"
		14# &				
Production Casing	5-1/2"	15.5#	4.95	1,923 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" (12/1989)	4.7#	58 jts	1,904 ft		
PBTD	1,907 ft					

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### Cement

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Type	Class G	
Yield	1.15	Bbl/sx
Water	5	Gal/sx
Weight	15.8	PPG
Total Job Cmt	185	SX
Total Cmt Water	925	Gal
Csg Vol Water	47.1	Bbl

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Lift Type: Plunger

Historic Braden Head Pressure: 0 psi since before 1997.

Rig History: Recomplete in 1989 into FRC zone. Set a 5.5" CIBP set to isolate openhole PC zone. Last tbg swap was during this recomplete.

Swab: (9/13/22)- ran 1.5" GR tagging at 1,917' WLM; swabbed well for water sample.

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.

\*Drilling records don't provide drill bit size; The openhole diameters are assumed.

#### 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 H<sub>2</sub>S 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 2,000'. POOH.
  - a. Both 14# & 15.5# csg in well.
- 7) MU 5-1/2" CICR (4.325" ID) and RIH. Set CICR at 1,775'.
- 8) Verify injection rate into CICR.
- 9) Sting out of CICR, roll hole full of water, and POOH.
- 10) RU E-line and MU CBL tool. RIH and log entire wellbore with CBL.
- 11) Review log with BLM & NMOCD; adjust cmt plugs as needed.
- 12) RIH with work string.
- 13) Pressure test csg to 550 psi to verify integrity.
- 14) PLUG #1 (FRC TOP @ 1,703'; FRC top perf @ 1,822')
  - a. Sting into CICR and squeeze below CICR into FRC perfs with 30 SXS, 6.1 BBLS of Class G, 1.15 yld, 15.8# cement.
  - b. Sting out of CICR and pump a 172' cement balanced plug from 1,603'- 1,775' with 21 SXS, 4.3 BBLS of Class G, 1.15 yld, 15.8# cement inside the 5-1/2" csg.
- 15) TOOH with tbg.
- 16) RU E-line and MU perforating charges. RIH and perf 5-1/2" csg at 1,295'.
- 17) Attempt injection rate into perforations.
- 18) RIH with 5-1/2" CICR and set at 1,245'.
- 19) PLUG #2 (KIRTLAND TOP @ 1,245', Ojo TOP @ 1,140')
  - a. Pump a 255' inside/outside cement plug from 1,040'- 1,295' with 70 SXS, 14.3 BBLS of Class G, 1.15 yld, 15.8# cement.
- 20) TOOH with tbg.
- 21) RU E-line and perf csg at 145'. Attempt circulation rate with perfs to surface.
- 22) PLUG #3 (CSG SHOE @ 95')
  - a. Circulate a 135' cement plug from 10'-154' with 51 SXS, 10.5 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.
- 23) N/D BOPE.

## Hilcorp Energy Company

### Proposed P&A Procedure

- 24) Verify all cement volumes and cmt tag depths with onsite BLM and/or NMOCD field rep.
- 25) Cut off wellhead.
- 26) Check marker joint for correct well information and weld on P&A well marker.
- 27) Top off all casing strings and whd cellar with 12+/- sx of cement.
- 28) Release rig.
- 29) Complete BLM approved surface reclamation.

# Hilcorp Energy Company

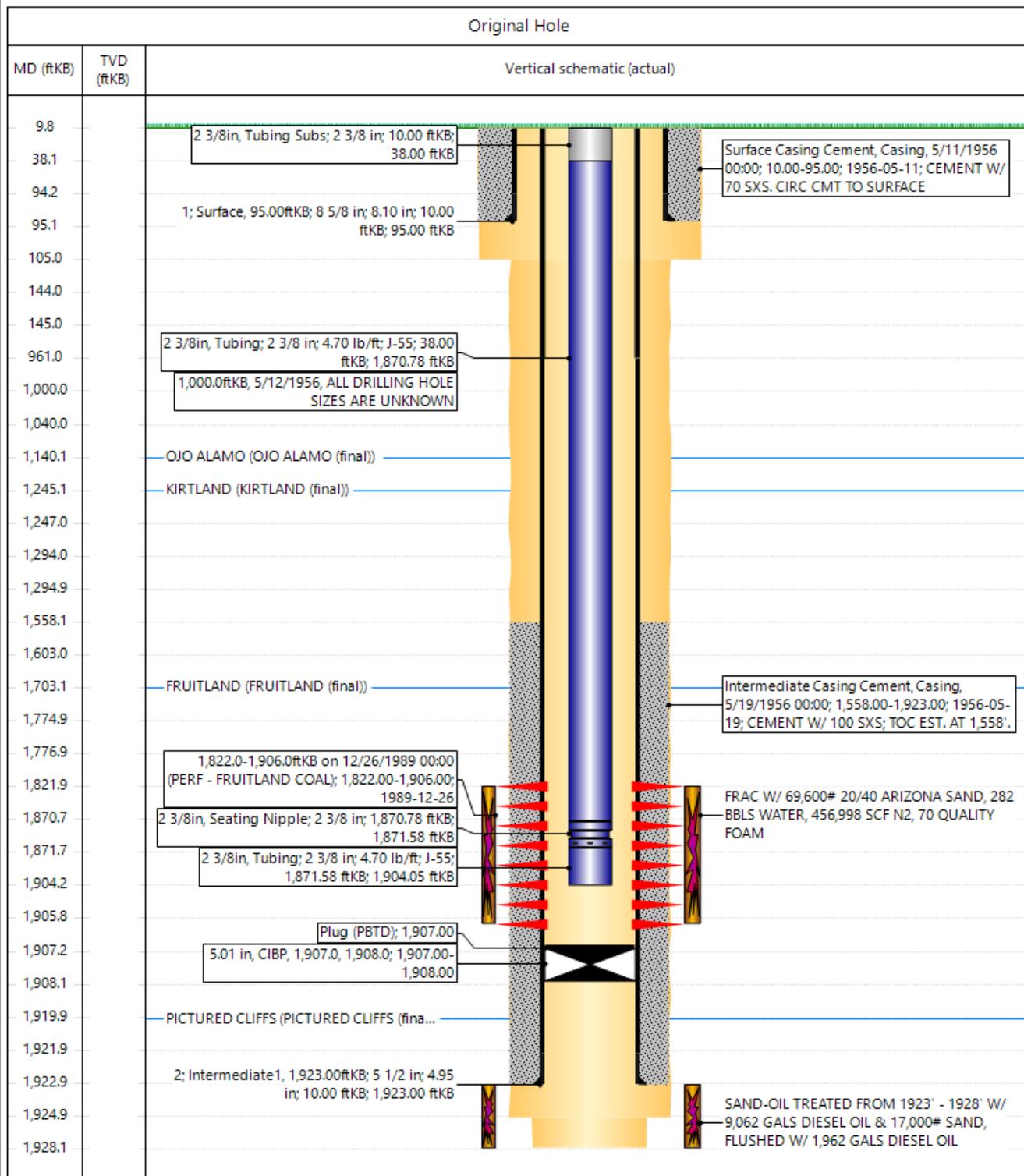
## Proposed P&A Procedure



### Current Schematic - Completion Comments

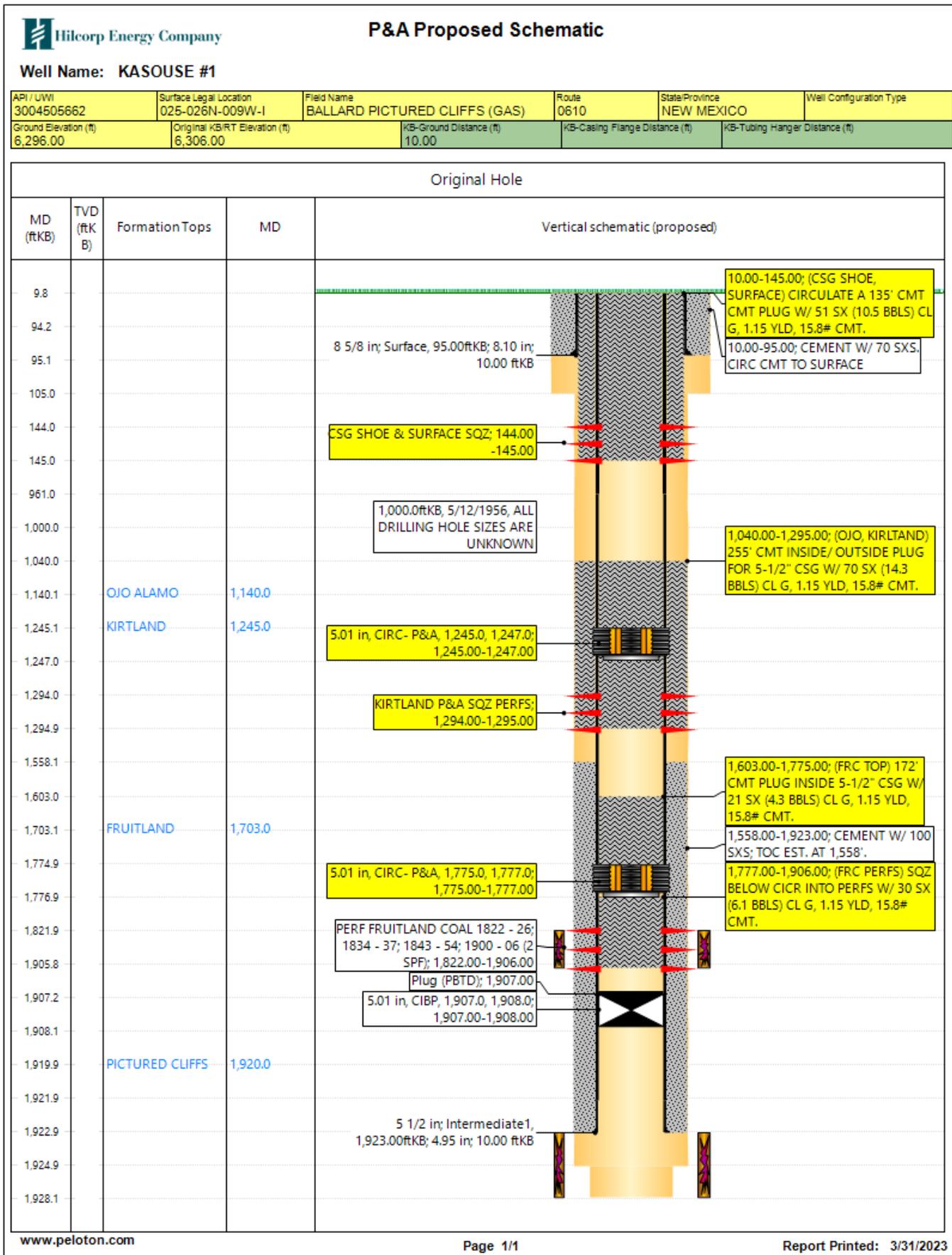
**Well Name: KASOUSE #1**

API / UWI 3004505662	Surface Legal Location 025-026N-009W-1	Field Name BALLARD PICTURED CLIFFS (GAS)	Route 0610	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 6,296.00	Original KB/RT Elevation (ft) 6,306.00	KB-Ground Distance (ft) 10.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	



# Hilcorp Energy Company

## Proposed P&A Procedure



Hilcorp Energy  
P&A Final Reclamation Plan  
**KA SOUSE 1**  
API: 30-045-05662  
T26N-R9W-Sec. 25-Unit I  
LAT: 36.45602 LONG: -107.73496 NAD 27  
Footage: 1550' FSL & 990' FEL  
San Juan County, NM

**1. PRE- RECLAMATION SITE INSPECTION**

A pre-reclamation site inspection was completed with Laverna Jaquez from the BIA and Eufrazio Trujillo, Hilcorp Energy SJ South Construction Foreman on March 22, 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 line drip and test. Dispose of accordingly.
7. Rip compacted soil and walk down disturbed portion of well pad.
8. Push Southern edge towards Western edge.
9. Add silt trap where both arms of wash run in together at Southeast corner.
10. Remove all gravel from berms, pads, and meter run and use on lease road where needed.
11. Enterprise meter run and line to be removed. Valve set will need guarded and blind installed.
12. Schedule P&A after onsite when completed.

**3. ACCESS ROAD RECLAMATION PROCEDURE**

1. The well access road is shared with pipeline ROW will be ripped and contoured in and blocked off after main line block valve with diversion ditch rolling to Southwest.
2. Seed road.

**4. SEEDING PROCEDURE**

1. A combination of Grassland/ sagebrush seed mixture 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<sub>2</sub>S.

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 2723923

Attachment to notice of Intention to Abandon

Well: Ka Souse 1

**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 1686' to account for the BLM Fruitland formation top.
  - b. Change Plug 2 by perforating at 1298', setting the CICR at 1248', and running cement from 1298' to 1034' to account for the BLM Kirtland Shale and Ojo Alamo formation tops.
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 04/05/2023

### BLM - FFO - Geologic Report

**Date Completed**

4/4/2023

Well No. KA Souse 1 Surf. Loc. 1550 FSL 990 FEL  
 Sec. 25 T26N R9W

Lease No. 1420603778  
 Operator Hilcorp Energy Company County San Juan State New Mexico  
 TD 1928 PBTD 1907 Formation Fruitland Coal  
 Elevation GL 6298 Elevation Est. KB 6309

Geologic Formations	Est. tops	Subsea Elev.	Remarks
Nacimiento Fm.	Surface	6298	Possible water
Ojo Alamo Ss	1134	5175	Aquifer (fresh water)
Kirtland Fm.	1248	5061	
Fruitland Fm.	1786	4523	Coal/gas/possible water
Pictured Cliffs	1934	4375	Possible water
Lewis Shale	2021	4288	Possible source rock

Remarks:

- Change the Plug 1 TOC to 1686' to account for the BLM Fruitland formation top.  
 -Change Plug 2 by perforating at 1298', setting the CICR at 1248', and running cement from 1298' to 1034' to account for the BLM Kirtland Shale and Ojo Alamo formation tops.

Reference Well:

Whan Jones #1  
 1480' FSL, 790' FWL  
 Sec 30, T26N, R8W  
 GL= 6259, KB= 6270

Prepared by: Walter Gage

**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 206716

**CONDITIONS**

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 206716
	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 BLM COAs and GEO report.	5/3/2023