

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised August 1, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit one copy to appropriate District Office

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

| | | | |
|--|--|--|---------------------------------|
| ¹ Operator name and Address Hilcorp Energy Company 382 Road 3100 Aztec, NM 87410 | | ² OGRID Number 372171 | |
| | | ³ Reason for Filing Code/ Effective Date Test Allowable - RT | |
| ⁴ API Number 30-045-09435 | ⁵ Pool Name Basin Fruitland Coal | | ⁶ Pool Code 71629 |
| ⁷ Property Code 318563 | ⁸ Property Name Howell C | | ⁹ Well Number 4 |

II. ¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|---------------|-----------------|--------------|---------|----------------------|---------------------------|----------------------|------------------------|--------------------|
| UL or lot no. N | Section 18 | Township 30N | Range 08W | Lot Idn | Feet from the 928 | North/South Line South | Feet from the 927 | East/West Line West | County San Juan |
|--------------------|---------------|-----------------|--------------|---------|----------------------|---------------------------|----------------------|------------------------|--------------------|

¹¹ Bottom Hole Location

| | | | | | | | | | |
|-----------------------------|---|----------|--------------------------------------|---------|-----------------------------------|------------------|------------------------------------|----------------|-------------------------------------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West Line | County Choose an item. |
| ¹² Lse Code F | ¹³ Producing Method Code F | | ¹⁴ Gas Connection Date | | ¹⁵ C-129 Permit Number | | ¹⁶ C-129 Effective Date | | ¹⁷ C-129 Expiration Date |

III. Oil and Gas Transporters


| | | |
|------------------------------------|---|---------------------|
| ¹⁸ Transporter OGRID | ¹⁹ Transporter Name and Address | ²⁰ O/G/W |
| 248440 | Western Refinery | O |
| | | |
| 151618 | Enterprise | G |
| | | |
| | | |
| | | |
| | | |

IV. Well Completion Data

| | | | | | |
|--------------------------------------|---|------------------------------------|-----------------------------|--|-------------------------------|
| ²¹ Spud Date 9/28/1957 | ²² Ready Date ~10/20/2023 | ²³ TD 5366' | ²⁴ PBTD 5350' | ²⁵ Perforations ~2867-3051 | ²⁶ DHC, MC 5323 |
| ²⁷ Hole Size | | ²⁸ Casing & Tubing Size | | ²⁹ Depth Set | |
| 12 1/4" | | 10 3/4", 32.75#, SW | | 173' | |
| 9 7/8" | | 7 5/8", 26.4#, J-55 | | 3348' | |
| 6 3/4" | | 5 1/2", 15.5#, J-55 | | TOL: 3256' BOL: 5360' | |
| | | | | | |

V. Well Test Data

| | | | | | |
|----------------------------|--|-------------------------|---------------------------|-----------------------------|-----------------------------|
| ³¹ Date New Oil | ³² Gas Delivery Date ~10/20/2023 | ³³ Test Date | ³⁴ Test Length | ³⁵ Tbg. Pressure | ³⁶ Csg. Pressure |
| ³⁷ Choke Size | ³⁸ Oil | ³⁹ Water | ⁴⁰ Gas | | ⁴¹ Test Method |

| | | | |
|--|---------------------|---------------------------------|--|
| ⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature:  | | OIL CONSERVATION DIVISION | |
| Printed name: Amanda Walker | | Approved by: Sarah McGrath | |
| Title: Operations Regulatory Tech Sr. | | Title: Petroleum Specialist - A | |
| E-mail Address: mwalker@hilcorp.com | | Approval Date: 10/17/2023 | |
| Date: 10/12/2023 | Phone: 346-237-2177 | RT Expires 11/19/2023 | |

Mandi Walker

From: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Sent: Wednesday, October 4, 2023 10:17 AM
To: Rennick, Kenneth G; Scott Anderson
Cc: Hayden Moser; Clay Padgett; Mandi Walker; JP Knox; Amanda Atencio; Russell Crouch; Shane Smith; Michael Mayfield
Subject: RE: [EXTERNAL] Hilcorp - Howell C 4: FRC recomplete

Categories: NMOCD

CAUTION: External sender. DO NOT open links or attachments from UNKNOWN senders.

NMOCD approves the squeeze at liner top – an mit is required after drill out – please notify 24 hours prior to testing.

Thank you

Monica Kuehling
Compliance Officer Supervisor
Deputy Oil and Gas Inspector
New Mexico Oil Conservation Division
North District
Office Phone: 505-334-6178 ext. 123
Cell Phone: 505-320-0243
Email - monica.kuehling@emnrd.nm.gov

From: Rennick, Kenneth G <krennick@blm.gov>
Sent: Wednesday, October 4, 2023 8:24 AM
To: Scott Anderson <sanderson@hilcorp.com>; Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Cc: Hayden Moser <Hayden.Moser@hilcorp.com>; Clay Padgett <cpadgett@hilcorp.com>; Mandi Walker <mwalker@hilcorp.com>; JP Knox <jknox@hilcorp.com>; Amanda Atencio <Amanda.Atencio@hilcorp.com>; Russell Crouch <rcrouch@hilcorp.com>; Shane Smith <Shane.Smith@hilcorp.com>; Michael Mayfield <mmayfield@hilcorp.com>
Subject: Re: [EXTERNAL] Hilcorp - Howell C 4: FRC recomplete

Thank you Scott for the information. The procedure is appropriate.

Kenneth (Kenny) Rennick

Petroleum Engineer

Bureau of Land Management
Farmington Field Office

6251 College Blvd
Farmington, NM 87402

Email: krennick@blm.gov
Mobile & Text: 505.497.0019

From: Scott Anderson <sanderson@hilcorp.com>
Sent: Wednesday, October 4, 2023 8:16 AM
To: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>; Rennick, Kenneth G <krennick@blm.gov>
Cc: Hayden Moser <Hayden.Moser@hilcorp.com>; Clay Padgett <cpadgett@hilcorp.com>; Mandi Walker <mwalker@hilcorp.com>; JP Knox <jknox@hilcorp.com>; Amanda Atencio <Amanda.Atencio@hilcorp.com>; Russell Crouch <rcrouch@hilcorp.com>; Shane Smith <Shane.Smith@hilcorp.com>; Michael Mayfield <mmayfield@hilcorp.com>
Subject: RE: [EXTERNAL] Hilcorp - Howell C 4: FRC recomplete

Monica and Kenny – As you are aware, we did not pass the MIT on the Howell C 4, but we were able to isolate the hole in casing to the liner top (between 3251-3266'). The CBL across this section shows good coverage, so the leak we are going after is pretty small. The plan for the day is to lay a balanced plug across the hole/liner top, apply pressure to squeeze the hole with cement and let it set. We will then drill out and re-pressure test. Please let me know if you have any questions. Thank you!

Scott Anderson
San Juan North – Operations Engineer
Hilcorp Energy Company
W: 713-289-2772
C: 248-761-3965

From: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Sent: Monday, October 2, 2023 3:28 PM
To: Rennick, Kenneth G <krennick@blm.gov>; Scott Anderson <sanderson@hilcorp.com>
Cc: Hayden Moser <Hayden.Moser@hilcorp.com>; Clay Padgett <cpadgett@hilcorp.com>; Mandi Walker <mwalker@hilcorp.com>; JP Knox <jknox@hilcorp.com>; Amanda Atencio <Amanda.Atencio@hilcorp.com>; Russell Crouch <rcrouch@hilcorp.com>; Shane Smith <Shane.Smith@hilcorp.com>; Michael Mayfield <mmayfield@hilcorp.com>
Subject: RE: [EXTERNAL] Hilcorp - Howell C 4: FRC recomplete

CAUTION: External sender. DO NOT open links or attachments from UNKNOWN senders.

NMOCD approves continuing with recomplete into the Fruitland Coal formation through perforations from 2867 to 3051

Thank you

Monica Kuehling
Compliance Officer Supervisor
Deputy Oil and Gas Inspector
New Mexico Oil Conservation Division
North District
Office Phone: 505-334-6178 ext. 123
Cell Phone: 505-320-0243
Email - monica.kuehling@emnrd.nm.gov

From: Rennick, Kenneth G <krennick@blm.gov>
Sent: Monday, October 2, 2023 12:54 PM
To: Scott Anderson <sanderson@hilcorp.com>; Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Cc: Hayden Moser <Hayden.Moser@hilcorp.com>; Clay Padgett <cpadgett@hilcorp.com>; Mandi Walker <mwalker@hilcorp.com>; JP Knox <jknox@hilcorp.com>; Amanda Atencio <Amanda.Atencio@hilcorp.com>; Russell Crouch <rcrouch@hilcorp.com>; Shane Smith <Shane.Smith@hilcorp.com>; Michael Mayfield <mmayfield@hilcorp.com>
Subject: Re: [EXTERNAL] Hilcorp - Howell C 4: FRC recomplete

The BLM finds the proposed perforations appropriate.

Kenneth (Kenny) Rennick

Petroleum Engineer

Bureau of Land Management
Farmington Field Office
6251 College Blvd
Farmington, NM 87402

Email: krennick@blm.gov
Mobile & Text: 505.497.0019

From: Scott Anderson <sanderson@hilcorp.com>
Sent: Monday, October 2, 2023 12:26 PM
To: Kuehling, Monica, EMNRD <monica.kuehling@state.nm.us>; Rennick, Kenneth G <krennick@blm.gov>
Cc: Hayden Moser <Hayden.Moser@hilcorp.com>; Clay Padgett <cpadgett@hilcorp.com>; Mandi Walker <mwalker@hilcorp.com>; JP Knox <jknox@hilcorp.com>; Amanda Atencio <Amanda.Atencio@hilcorp.com>; Russell Crouch <rcrouch@hilcorp.com>; Shane Smith <Shane.Smith@hilcorp.com>; Michael Mayfield <mmayfield@hilcorp.com>
Subject: [EXTERNAL] Hilcorp - Howell C 4: FRC recomplete

This email has been received from outside of DOI - Use caution before clicking on links, opening attachments, or responding.

Monica, Kenny – Attached is the new CBL on the Howell C 4 (API: 3004509435). The cement quality on the Howell C 4 is excellent and isolates the coal interval both above and below. Based on the log we have narrowed our perf scheme and would now like to perforate 2867-3051' (vs. the NOI'd depth of 2740-3080'). The MIT was not successful this morning,

however we need to change the wellhead out on this well and if that proves to be the reason for the leak, I will let you know and schedule the retest. Once we have a passing MIT we would like to proceed with perforating and fracing the well. Thank you!

Scott Anderson
San Juan North – Operations Engineer
Hilcorp Energy Company
W: 713-289-2772
C: 248-761-3965

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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
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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

ACKNOWLEDGMENTS

Action 275100

ACKNOWLEDGMENTS

| | |
|--|---|
| Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002 | OGRID: 372171 |
| | Action Number: 275100 |
| | Action Type: [C-104] Transport Authorization (C-104) |

ACKNOWLEDGMENTS

| | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | I hereby certify that the required Water Use Report has been, or will be, submitted for this wells completion. |
| <input checked="" type="checkbox"/> | I hereby certify that the required FracFocus disclosure has been, or will be, submitted for this wells completion. |

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 275100

CONDITIONS

| | |
|--|---|
| Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002 | OGRID: 372171 |
| | Action Number: 275100 |
| | Action Type: [C-104] Transport Authorization (C-104) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|-----------------------|----------------|
| smcgrath | RT Expires 11/19/2023 | 10/17/2023 |