

Well Name: SAN JUAN 32-7 UNIT	Well Location: T32N / R7W / SEC 20 / SENE / 36.968265 / -107.584798	County or Parish/State: SAN JUAN / NM
Well Number: 11	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078460	Unit or CA Name: SAN JUAN 32-7 UNIT--MV	Unit or CA Number: NMNM78423B
US Well Number: 3004511344	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2769197

Type of Submission: Notice of Intent

Date Sundry Submitted: 01/11/2024

Date proposed operation will begin: 01/31/2024

Type of Action: Workover Operations

Time Sundry Submitted: 06:10

Procedure Description: Hilcorp Energy is requesting approval to repair the communication between the intermediate and production casing in the subject well per the attached procedure and wellbore diagram.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

San_Juan_32_7_11__API_3004511344__BH_Directive_NOI_HEC011024_20240111060926.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: TAMMY JONES

Signed on: JAN 11, 2024 06:09 AM

Name: HILCORP ENERGY COMPANY

Title: Regulatory Compliance Specialist

Street Address: 382 ROAD 3100

City: AZTECState: NM

Phone: (505) 324-5185

Email address: TAJONES@HILCORP.COM

Field

Representative Name:

Street Address:

City:State:Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: MATTHEW H KADE

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647736

BLM POC Email Address: MKADE@BLM.GOV

Disposition: Approved

Disposition Date: 01/11/2024

Signature: Matthew Kade



HILCORP ENERGY COMPANY
SAN JUAN 32-7 UNIT 11
Inter. Casing Pressure Remediation NOTICE OF INTENT

Prepared by:	Scott Anderson
Preparation Date:	December 21, 2023

WELL INFORMATION			
Well Name:	SAN JUAN 32-7 UNIT 11	State:	NM
API #:	3004511344	County:	SAN JUAN
Area:	5	Location:	2127' FNL & 916' FEL - Unit H - Section 20 - T 032N - R 007W
Route:	0504	Latitude:	36.968265 N
Spud Date:	10/25/1955	Longitude:	-107.584798 W

PROJECT DESCRIPTION	
Evaluate/repair wellhead for potential leak path. Locate and squeeze the hole in casing to isolate communication between the Intermediate and Production Casing strings	

CONTACTS			
Title	Name	Office Phone #	Cell Phone #
Engineer	Scott Anderson		248-761-3965
Area Foreman	Cameron Garrett		947-5683
Lead	Scott Wagner		320-2570
Artificial Lift Tech	Burl Applegate		787-7712
Operator	Brandon Noble		486-6632



HILCORP ENERGY COMPANY
SAN JUAN 32-7 UNIT 11
Inter. Casing Pressure Remediation NOTICE OF INTENT

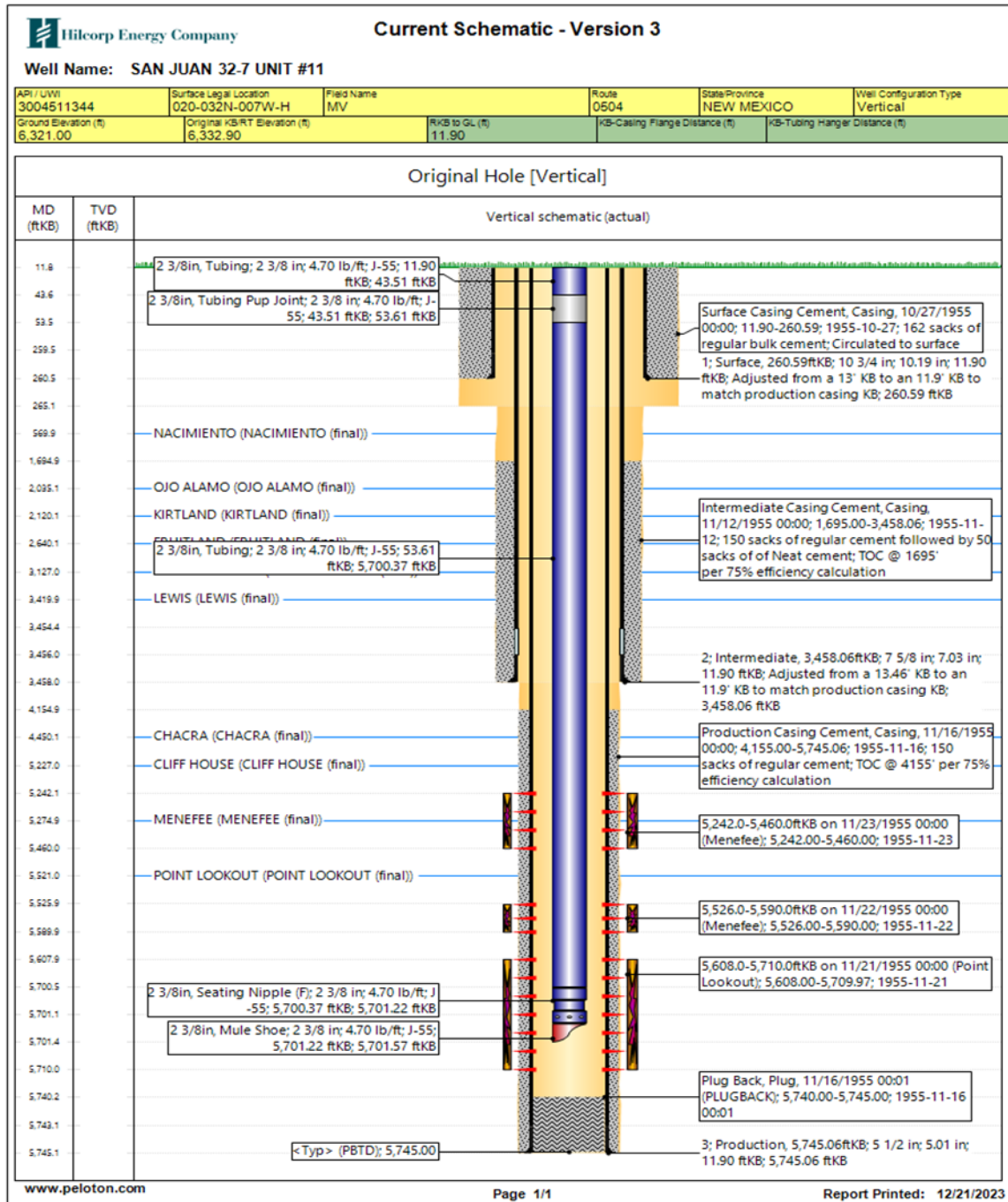
JOB PROCEDURES

- | | | |
|-------------------------------------|-------|---|
| <input checked="" type="checkbox"/> | NMOCD | Contact OCD and BLM 24 hrs prior to MIRU. Record and document all casing pressures <u>daily</u>, including BH, IC (if present) and PC. Comply with all NMOCD, BLM, and HEC safety and environmental regulations. |
| <input checked="" type="checkbox"/> | BLM | |
1. Inspect wellhead for possible leak paths. Energize the seals to reestablish isolation between the production casing and intermediate casing. If successful at isolating the leak path, re-conduct the BH and IC pressure test to demonstrate compliance
 2. If unsuccessful at isolating the pressure communication by servicing the wellhead, MIRU service rig and associated equipment; ND wellhead and NU and test BOPs per HEC, State, and Federal guidelines.
 3. TOOH with 2-3/8" production tubing
 4. Set an RBP, PT the casing to insure isolation, remove BOPs, and inspect wellhead for possible leak paths. Replace/repair wellhead components as needed, re-install and retest. Retrieve RBP
 5. If unsuccessful at eliminating the communication by repairing the wellhead, proceed forward with isolating the producing interval, locating the hole in casing, squeezing off the hole, drilling out the cement and re-pressure testing the wellbore
 6. If a downhole repair is required, RU pressure test truck. Perform a Mechanical Integrity Test on wellbore. Chart record the MIT test (Notify NMOCD +24hr before actual test). Remove the bridge plug above the producing interval
 7. TIH and land 2-3/8" production tubing.
 8. ND BOPs, NU production tree. RDMO workover rig. Re-conduct the BH and IC pressure test.



HILCORP ENERGY COMPANY
SAN JUAN 32-7 UNIT 11
Inter. Casing Pressure Remediation NOTICE OF INTENT

SAN JUAN 32-7 UNIT 11 - CURRENT WELLBORE SCHEMATIC



Tammy Jones

From: Priscilla Shorty
Sent: Tuesday, December 5, 2023 2:16 PM
To: Kuehling, Monica, EMNRD; Farmington Regulatory Techs
Cc: Durham, John, EMNRD
Subject: RE: [EXTERNAL] San Juan 32 7 Unit #11 30-45-11344

Hi Monica. This has been sent to the Area Engineer. Thanks.

Priscilla Shorty
 Operations Regulatory Technician
Hilcorp Energy Company
 505-324-5188
pshorty@hilcorp.com

From: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Sent: Tuesday, December 5, 2023 2:05 PM
To: Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>
Cc: Durham, John, EMNRD <john.durham@emnrd.nm.gov>
Subject: [EXTERNAL] San Juan 32 7 Unit #11 30-45-11344

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

Hello

A bradenhead was witnessed by NMOCD inspector John Durham on 8/09/2023.

Pressures for test were

BH	Interm	Prod Casing
1	119	119 visible flow on the bh for 30 seconds

Previous tests

2020	1	126	123 – bh visible flow for 59 seconds
2017	0	145	140 – no flow on bh
2008	0	300	300 – no flow on bh

Gas analysis and wellbore schematic have been received. Gas analysis shows same gas on intermediate and production casing. Direct communication was not observed. There is low pressure on the bradenhead however, it visible flow for 30 seconds.

In order to comply with rule 19.15.16.11, prevent waste and protect fresh water, Hilcorp Energy Company is directed to find source of gas and fix or plug within 90 days of the date of this email.

If you have any questions, please let me know

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

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 302481

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 302481
	Action Type: [C-103] NOI Workover (C-103G)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	Notify NMOCD 24 hours prior to moving rig on - Notify NMOCD prior to any cement work. Cement work cannot go past Kirtland formation if pressure on the bradenhead or intermediate, Once bradenhead/intermediate issue fixed - a bradenhead test will be required within 30 days - 6 months and one year of fix or rig move.	1/31/2024