

Well Name: MCDANIEL B	Well Location: T29N / R11W / SEC 17 / NWNW / 36.729691 / -108.01915	County or Parish/State: SAN JUAN / NM
Well Number: 1E	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078813	Unit or CA Name: DANIEL	Unit or CA Number: NMNM73638
US Well Number: 3004524435	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2774274

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 02/08/2024

Time Sundry Submitted: 01:44

Date proposed operation will begin: 02/13/2024

Procedure Description: Hilcorp Energy Company request permission to P&A the subject well per the attached procedure, current and proposed well schematics. A Pre-Disturbance Site Visit was not conducted as the surface is FEE. A closed loop system will be used.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

2024_02_08___MCDANIEL_B_1E___PA_Procedure_NOI_REVISED_20240208134344.pdf

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NWNW / 36.729691 / -108.01915County or Parish/State: SAN
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Unit or CA Name: DANIEL

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NMNM73638

US Well Number: 3004524435

Well Status: Producing Gas Well

Operator: HILCORP ENERGY
COMPANY**Conditions of Approval****Specialist Review**

29N11W17_Mcdaniel_B_1E_Geo_KR_20240208144946.pdf

2774274_NOIA_B_1E_3004524435_KR_02082024_20240208144930.pdf

General_Requirement_PxA_20240208144912.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: PRISCILLA SHORTY

Signed on: FEB 08, 2024 01:43 PM

Name: HILCORP ENERGY COMPANY

Title: Regulatory Technician

Street Address: 382 ROAD 3100

City: AZTEC

State: NM

Phone: (505) 324-5188

Email address: PSHORTY@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: 02/08/2024

Signature: Kenneth Rennick



HILCORP ENERGY COMPANY
MCDANIEL B 1E
P&A NOI

JOB PROCEDURES

1. Contact NMOCD and BLM (where applicable) 24 hours prior to MIRU.
2. Hold pre-job safety meeting. Verify cathodic is off. Comply with all NMOCD, BLM, and HEC safety and environmental regulations.
3. MIRU service rig and associated equipment; NU and test BOP.
4. TOOH w/ 2-3/8" tubing.
5. TIH w/ work string/tubing. Set a 5-1/2" CIBP at +/- 6,208' to isolate the **Dakota Formation**.
6. Load the well as needed. Perform Mechanical Integrity Test (MIT) by pressure testing the 5-1/2" casing above the plug set @ 6,208' to 560 psig for 30 minutes on a 2 hour chart with a 1,000 lb spring.
7. ***NOTE:** The following plugs (Plug #1, #2, #3, & #4) are designed based on the **CBL run on 4-21-1981**.
8. PU & TIH w/ tubing/work string to +/- 6,208'.
9. **Plug #1: 106sx of Class G Cement (15.8 PPG, 1.15 yield); DK Perfs @ 6,258' | GAL Top @ 5,401':**
 Pump a 106 sack balanced cement plug (est. **TOC @ +/- 5,301'** & est. **BOC @ +/- 6,208'**). Wait on Cement for 4 hours, tag TOC w/ work string. *Note cement plug lengths & volumes account for excess.
10. TOOH w/ tubing/work string to +/- 4,607'.
11. **Plug #2: 21sx of Class III "Select" Cement (14.8 PPG, 1.37 yield); DV Tool #1 @ 4,557' | Mancos Top @ 4,500':**
 Pump a 21 sack balanced cement plug (est. **TOC @ +/- 4,400'** & est. **BOC @ +/- 4,607'**). Wait on Cement for 4 hours, tag TOC w/ work string. *Note cement plug lengths & volumes account for excess.
12. TOOH w/ tubing/work string. TIH and perforate squeeze holes @ +/- 3,420'. Pull up and perforate squeeze holes @ +/- 2,853'. RIH w/ 5-1/2" **CICR** and set CICR @ +/- 3,370'. TIH with work string, sting into CICR, establish circulation.
13. **Plug #3: 123x of Class III "Select" Cement (14.8 PPG, 1.37 yield); MV Top @ 3,370' | Chacra Top @ 2,803':**
 Pump 26sx of cement between the 5-1/2" casing - 7-7/8" open hole annulus (est. **TOC @ +/- 3,220'** & est. **BOC @ +/- 3,420'**). Pump additional 5sx of cement beneath the 5-1/2" CICR (est. **TOC @ +/- 3,370'** & est. **BOC @ +/- 3,420'**). Sting out of retaininer, pump 92sx of cement on top of CICR. TOOH w/ work string to 2,400' and displace cement by pumping 6.34 barrels of water. This will displace 26/92sx of cement through the squeeze perfs @ 2,853' into the 5-1/2" casing - 7-7/8" open hole annulus (est. **TOC @ +/- 2,653'** & est. **BOC @ +/- 2,853'**). This will also leave 66/92sx cement set as a balanced plug inside the 5-1/2" casing (est. **TOC @ +/- 2,703'** & est. **BOC @ +/- 3,370'**). Wait on Cement for 4 hours, tag TOC w/ work string. *Note cement plug lengths & volumes account for excess.
14. TOOH w/ tubing/work string to +/- 2,176'.
15. **Plug #4: 73sx of Class III "Select" Cement (14.8 PPG, 1.37 yield); DV Tool #2 @ 2,126' | PC Top @ 1,790 | FRD Top @ 1,535':**
 Pump a 73 sack balanced cement plug (est. **TOC @ +/- 1,435'** & est. **BOC @ +/- 2,176'**). Wait on Cement for 4 hours, tag TOC w/ work string. *Note cement plug lengths & volumes account for excess.
16. RU Wireline. Run CBL. Record Top of Cement. All subsequent plugs below are subject to change pending CBL results.
17. TOOH w/ tubing/work string. TIH and perforate squeeze holes @ +/- 647'. RIH w/ 5-1/2" **CICR** and set CICR @ +/- 597'. TIH with work string, sting into CICR, establish circulation.
18. **Plug #5: 70sx of Class III "Select" Cement (14.8 PPG, 1.37 yield); KRD Top @ 597' | OJO Top @ 465':**
 Pump 42sx of cement between the 5-1/2" casing - 7-7/8" open hole annulus (est. **TOC @ +/- 315'** & est. **BOC @ +/- 647'**). Pump additional 5sx of cement plug beneath the 5-1/2" CICR (est. **TOC @ +/- 597'** & est. **BOC @ +/- 647'**). Sting out of retaininer, pump a 23 sack balanced cement plug (est. **TOC @ +/- 365'** & est. **BOC @ +/- 597'**). Wait on Cement for 4 hours, tag TOC w/ work string. *Note cement plug lengths & volumes account for excess.
19. TOOH w/ tubing/work string to +/- 285'.
20. **Plug #6: 69sx of Class III "Select" Cement (14.8 PPG, 1.37 yield); Surface Plug**
 Pump a 28 sack balanced cement plug (est. **TOC @ +/- 0'** & est. **BOC @ +/- 285'**). Run 1" polypipe down the 5-1/2" x 8-5/8" annulus to +/- 285' and pump 41 sx cement to surface (est. **TOC @ +/- 0'** & est. **BOC @ +/- 285'**).
21. ND BOP, cut off casing below casing flange. Top off cement in surface casing annulus, if needed. Install a P&A marker with cement to comply with regulations. Rig down, move off location, cut off anchors, and restore location.



HILCORP ENERGY COMPANY
MCDANIEL B 1E
P&A NOI

MCDANIEL B 1E - CURRENT WELLBORE SCHEMATIC

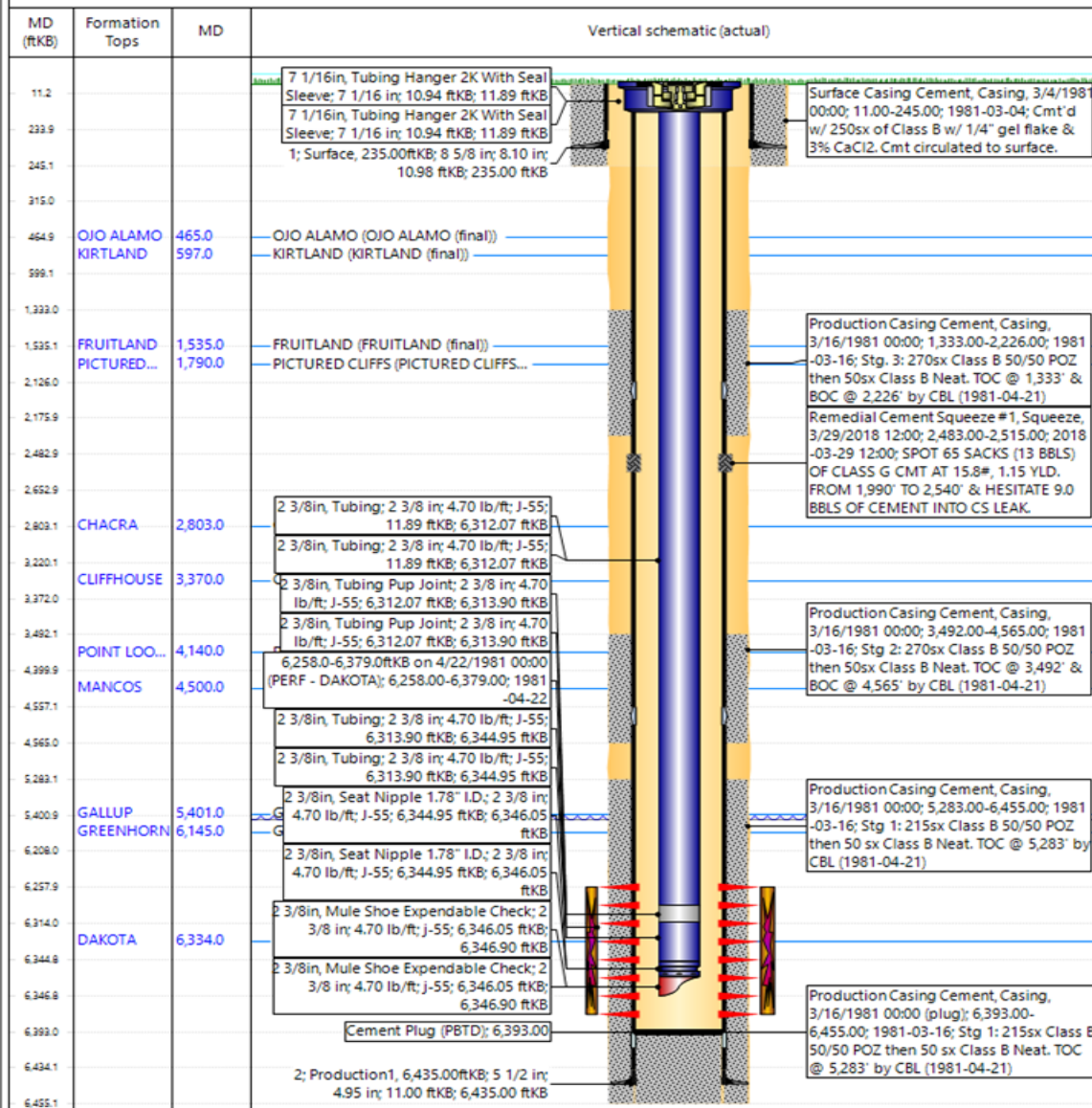


WBD - Current P&A

Well Name: MCDANIEL B #1E

API / UWI 3004624435	Surface Legal Location 017-029N-011W-D	Field Name BASIN DAKOTA (PRORATED GAS)	Route 0703	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 5,623.00	Original KBRT Elevation (ft) 5,634.00	R/G to GL (ft) 11.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

Original Hole



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Page 1/1

Report Printed: 2/8/2024



HILCORP ENERGY COMPANY
MCDANIEL B 1E
P&A NOI

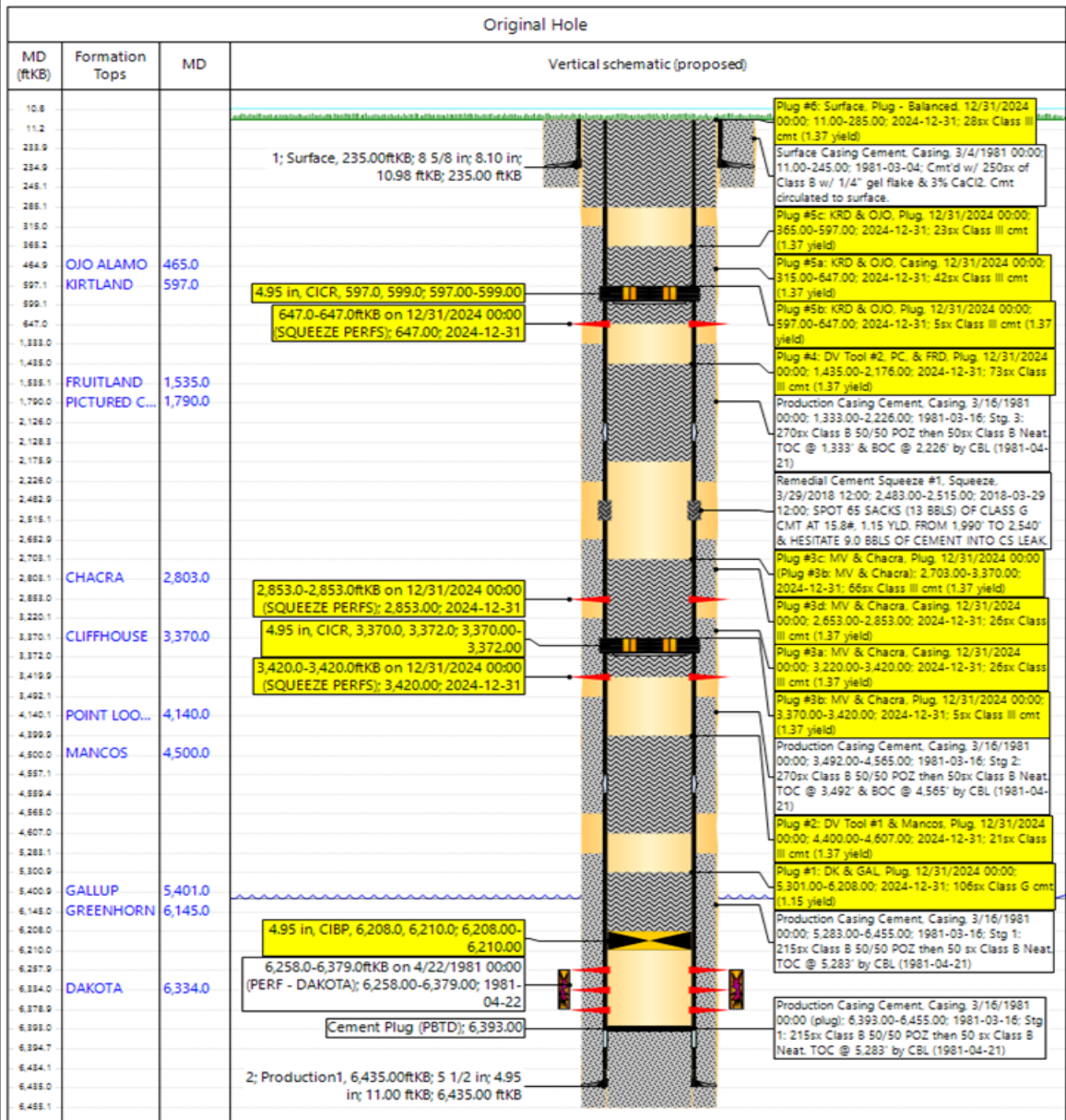
MCDANIEL B 1E - PROPOSED WELLBORE SCHEMATIC



WBD - Proposed P&A

Well Name: MCDANIEL B #1E

API / UWI 3004524435	Surface Legal Location 017-029N-011W-D	Field Name BASIN DAKOTA (PRORATED GAS)	Route 0703	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 5,623.00	Original KB/RT Elevation (ft) 5,634.00	KB to GL (ft) 11.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	



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Page 1/1

Report Printed: 2/8/2024

BLM FLUID MINERALS P&A Geologic Report

Date Completed: 01/26/2024

Well No. McDaniel B 1E (API 30-045-24435)	Location	NWNW				
Lease No. NMSF 0078813	Sec. 17	T29N			R11W	
Operator Hilcorp Energy Company	County	San Juan		State	New Mexico	
Total Depth 6435' (TD)	6393' (PB)	Formation	Dakota			
Elevation (GL) 5623'						

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/freshwater sands
Nacimiento Fm					Possible freshwater sands
Ojo Alamo Ss			465		Aquifer (possible freshwater)
Kirtland Shale			597		
Fruitland Fm			1535		Coal/Gas/Possible water
Pictured Cliffs Ss			1790		Gas
Lewis Shale					
Chacra			2803		Gas
Cliff House Ss			3370		Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos Shale			4500		
Gallup			5401		O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss			6334		O&G/Water

Remarks:

- Available raster log justifies the formation top locations provided by the operator. The reference well also justifies the locations.

Reference Well:

US Well No. 30-045-08332
Mexico Federal N 1
Hilcorp Energy Company
Sec 15, T 29 N, R 11 W

Prepared by: Kenneth Rennick

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

AFMSS 2 Sundry ID 2774274

Attachment to notice of Intention to Abandon

Well: McDaniel B 1E

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. Farmington Office is to be notified before any 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 02/08/2024

**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.

(March 2023 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 312801

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 312801
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	All plugs based on cbl - If no cement at the surface shoe will have to perforate 50 feet below - Notify NMOCD 24 hours prior to moving on	2/8/2024