

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

Sundry Print Report

Well Name: RICHARDSON Well Location: T31N / R12W / SEC 22 / County

NWNW / 36.8887 / -108.08882

County or Parish/State: SAN

JUAN / NM

Well Number: 11

Type of Well: CONVENTIONAL GAS

WELL

Lease Number: NMSF077651 Unit or CA Name:

Unit or CA Number:

Allottee or Tribe Name:

US Well Number: 3004512178 Operator: HILCORP ENERGY

COMPANY

Notice of Intent

Sundry ID: 2820815

Type of Submission: Notice of Intent

Type of Action: Recompletion

Date Sundry Submitted: 11/05/2024

Time Sundry Submitted: 09:08

Date proposed operation will begin: 11/15/2024

Procedure Description: Hilcorp Energy Company requests permission to recomplete the subject well in the Fruitland Coal/Pictured Cliffs formations and downhole quadmingle with the existing Mesaverde/Dakota formations. Please see the attached procedure, current and proposed wellbore diagram, plat and natural gas management plan. A closed loop system will be used. Hilcorp will contact the FFO Surface group within 90 days after the well has been recompleted, before any interim reclamation work, to conduct the onsite. A reclamation plan will be submitted after the onsite.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Richardson_11_RC_NOI_20241105090724.pdf

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JUAN / NM

Well Number: 11 Type of Well: CONVENTIONAL GAS Allottee or Tribe Name:

WELL

Lease Number: NMSF077651 Unit or CA Name: Unit or CA Number:

COMPANY

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: CHERYLENE WESTON Signed on: NOV 05, 2024 09:08 AM

Name: HILCORP ENERGY COMPANY

Title: Operations/Regulatory Tech - Sr

Street Address: 1111 TRAVIS STREET

City: HOUSTON State: TX

Phone: (713) 289-2615

Email address: CWESTON@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:** 11/05/2024

Signature: Matthew Kade



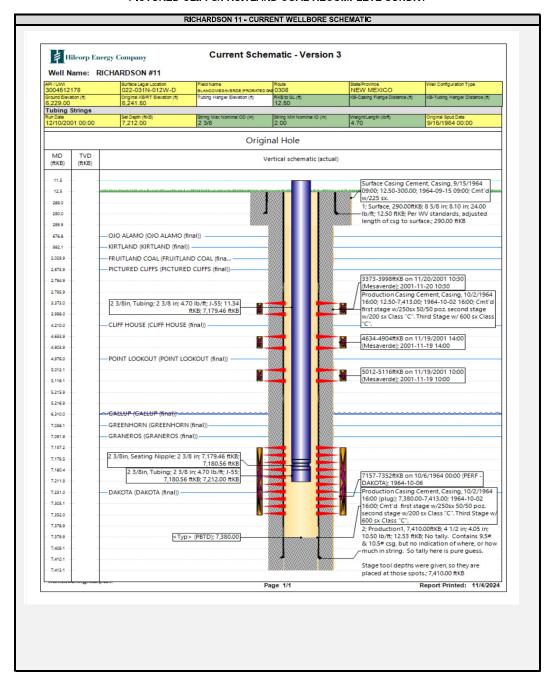
HILCORP ENERGY COMPANY RICHARDSON 11 PICTURED CLIFFS/FRUITLAND COAL RECOMPLETE SUNDRY API 3004512178

JOB PROCEDURES

- 1. MIRU workover rig and associated equipment; NU and test BOP.
- 2. TOOH with tubing.
- 3. Set a plug within 50' of the top Mesaverde perforation (3,373') for zonal isolation.
- 4. Load hole with fluid. RU WL and run CBL to verify TOC. Review results with operations engineer and regulatory agencies.
- 5. Perform MIT on casing with NMOCD witness (notify NMOCD 24+ hours before test) and submit results to regulatory group.
- 6. If frac'ing down casing: pressure test casing to frac pressure.
- 7. RU WL. Perforate the Pictured Cliffs. Top perforation @2674', bottom perforation @ 2783'.
- 8. If frac'ing down frac string: RIH $\mbox{w/}$ frac string and packer.
- 9. ND BOP, NU frac stack. Pressure test frac stack to frac pressure. Pressure test frac string (if applicable) to frac pressure. RDMO.
- 10. RU stimulation crew. Frac the Pictured Cliffs in one or more stages. Set plugs in between stages, if necessary.
- 11. Perforate the Fruitland Coal. Top perforation @ 2,311', bottom perforation @ 2,673'.
- 12. Frac the Fruitland Coal in one or more stages. Set plugs in between stages, if necessary.
- 13. MIRU workover rig and associated equipment; NU and test BOP.
- 14. If frac was performed down frac string: POOH w/ frac string and packer.
- 15. TIH with mill and clean out to isolation plug.
- 16. Mill out isolation plug. Cleanout to PBTD. TOOH with cleanout assembly.
- 17. TIH and land production tubing. Flowback the well. Return well to production as a Fruitland Coal/Pictured Cliffs/Mesaverde/Dakota producer

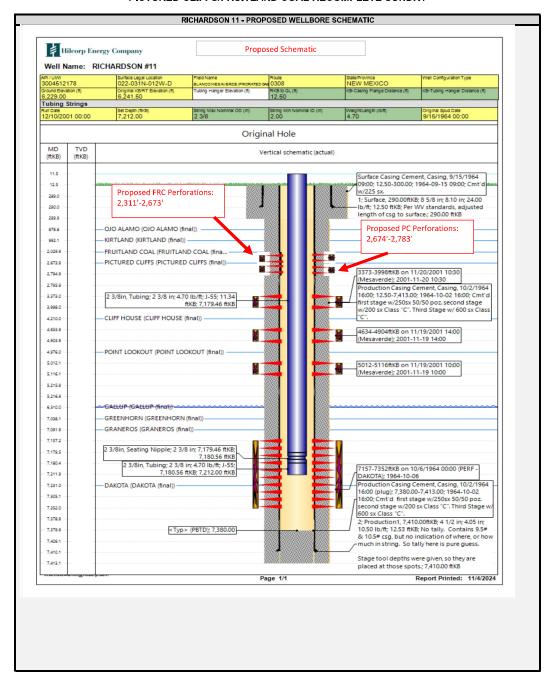


HILCORP ENERGY COMPANY RICHARDSON 11 PICTURED CLIFFS/FRUITLAND COAL RECOMPLETE SUNDRY





HILCORP ENERGY COMPANY RICHARDSON 11 PICTURED CLIFFS/FRUITLAND COAL RECOMPLETE SUNDRY



Phone: (505) 476-3441 Fax: (55) 476-3462

General Information Phone: (505) 629-6116

Online Phone Directory Visit:

attps://www.emnrd.nm.gov/ocd/contact-us/

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

	Revised July 9, 2024
	Submit Electronically
	via OCD Permitting
	☐ Initial Submittal
Submittal Type:	☐ Amended Report
<i>7</i> 1	□ As Deillod

								☐ As E	Drilled	
					WELL LOCAT	TION INFORMATION	Ň			
API Nu	mber		Pool Code			Pool Name				
30-045-	12178		71629			Basin Fruitland Coal				
Property	y Code		Property Na	ame				Well	Number	
318679			Richardson	l				11		
OGRID	No.		Operator N					Groun	nd Level Elevation	
372171			Hilcorp Ene		ny			6229'		
Surface	Owner: 🗆 S	State □ Fee □	Tribal ⊠ Fee	deral		Mineral Owner: [☐ State ☐ Fee ☐ 7	Γribal ⊠ Federal		
					Surf	ace Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County	
D	22	31N	12W	4	990' N	990' W	36.8887	-108.0888	-	
					Bottom	Hole Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County	
		,								
	ed Acres	Infill or Defin	ning Well	Defining	g Well API	Overlapping Spaci	3 - ()	onsolidation Code		
294.96	-W/2				No	No N/A				
Order N	Jumbers.			1		Well setbacks are i	Well setbacks are under Common Ownership: □Yes □No			
						Well beloach are	ander common o wi	тегатр. — гез — г	10	
				_	Kick O	off Point (KOP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County	
		l								
	1	,				ake Point (FTP)	1			
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County	
					Last Ta	ıke Point (LTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County	
			8-							
		- 								
Unitize	d Area or Are	ea of Uniform I	nterest	Spacing	Unit Type □ Horiz	zontal 🛛 Vertical	Ground 1	Floor Elevation:		
				' -8	71		6229'			
OPER A	TOR CERT	IFICATIONS				SURVEYOR CERTI	FICATIONS			
OPERATOR CERTIFICATIONS						SOR, LICK CERTIFICATIONS				

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

Cher	ylene	Weston

Signature

Ernest V. Echohawk

Signature and Seal of Professional Surveyor

Cherylene Weston, Operations/Regulatory Tech-Sr.

Printed Name

cweston@hilcorp.com

Email Address

Certificate Number

3602

my belief.

Date of Survey 9/9/1964

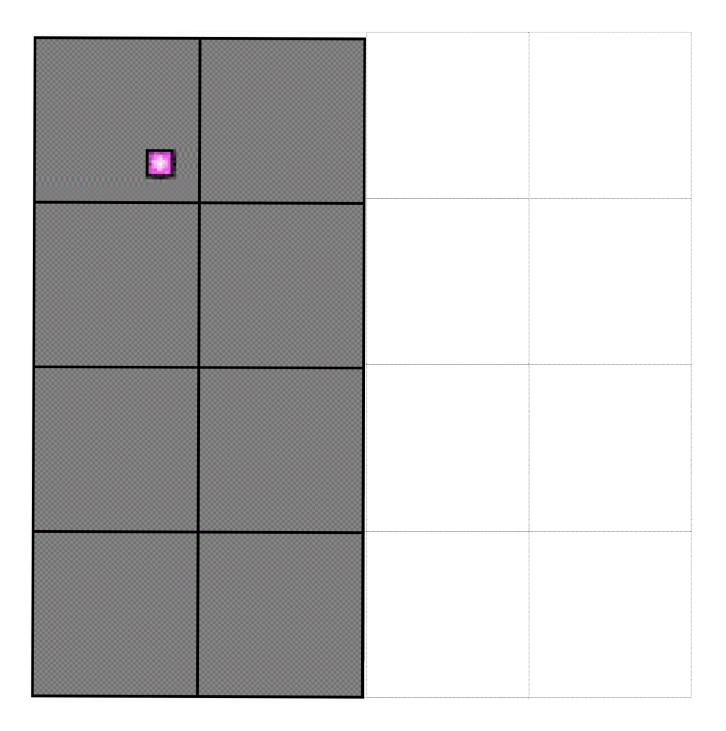
I hereby certify that the well location shown on this plat was plotted from field notes of actual

surveys made by me or under my supervision, and that the same is true and correct to the best of

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



Received by OCD: 11/5/2024 3:23:35 PM Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

	Revised July 9, 2024
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	via OCD Permitting
	☐ Initial Submittal
Submittal Type:	☐ Amended Report
71	□ A a Duilla d

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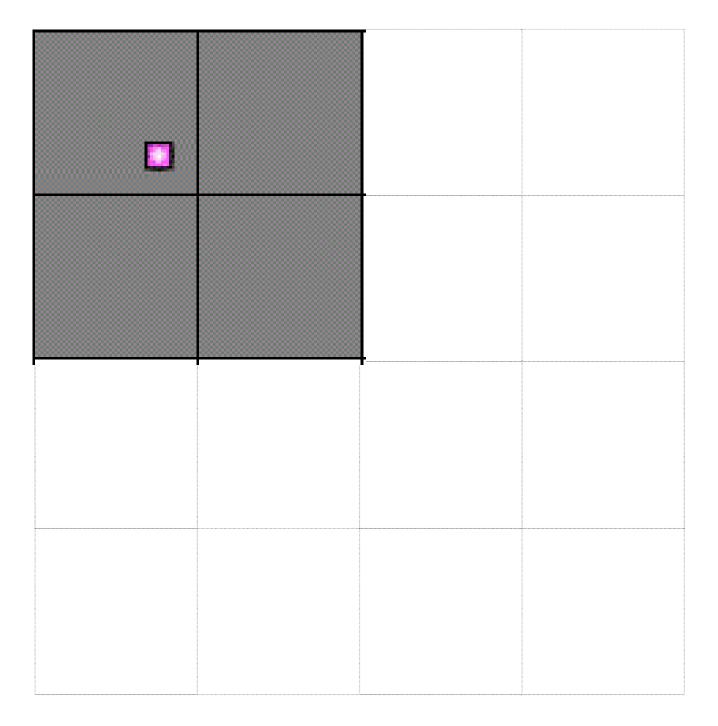
nttps://www	.emnrd.nm.	gov/ocd/	contact-us/	

								☐ As Dril	led	
					WELL LOCA	ATION INFORMATION	1			
API No 30-045	umber 5-12178		Pool Code 71280			Pool Name Aztec Pictured Cliffs				
Proper	ty Code		Property N Richardson					Well Nu	mber	
OGRII 372171			Operator N Hilcorp End	Jame	anv			Ground 1	Level Elevation	
		State □ Fee □			<u></u>	Mineral Owner:	☐ State ☐ Fee ☐	☐ Tribal 🖾 Federal		
					Su	rface Location				
UL D	Section 22	Township 31N	Range 12W	Lot 4	Ft. from N/S 990' N	Ft. from E/W 990' W	Latitude 36.8887	Longitude -108.08882	County San Juan	
					Botto	om Hole Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County	
	ated Acres 2 - NW/4	Infill or Defi	ning Well	Definin	ng Well API	Overlapping Spacia No		Consolidation Code N/A		
Order	Numbers.					Well setbacks are u	ınder Common O	wnership: □Yes □No		
					Kick	Off Point (KOP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County	
	_l	<u> </u>			First	Take Point (FTP)		I		
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County	
					Last	Take Point (LTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County	
TT'4'-	. 1 4 4		Testa escat	T a ·		157 1		nd Floor Elevation:		
Unitize	ed Area or Ar	rea of Uniform I	Interest	Spacing	JUnit Type ⊔ Ho	orizontal 🛛 Vertical	6229'			
OPER.	ATOR CERT	TFICATIONS				SURVEYOR CERTIF	FICATIONS			
OPERATOR CERTIFICATIONS I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed										
		d or obtained a co			m the division.					
Signatur	erylene i	<u>Weston</u>	11/4 Date	1/2024		Ernest V. Echoh Signature and Seal of Profe				
Cher	ylene Wes	ton, Operati	ions/Regula	atory Tec	:h-Sr.					
Printed	Name	-				Certificate Number 3602	Date of Survey 9/9/1964	у		
Lewest	ton@hilco	rp.com					I			

Email Address

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

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State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

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

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description <u>Effective May 25, 2021</u>

I. Operator: Hilcorp E	nergy Compan	У	OGRID:	372171	Date:	11/ 05 / 2024
II. Type: ☒ Original ☐	☐ Amendment	due to □ 19.15.2	7.9.D(6)(a) NMAC	□ 19.15.27.9.D((6)(b) NMAC □	Other.
If Other, please describe	ə: <u> </u>					
III. Well(s): Provide the be recompleted from a s					wells proposed to	be drilled or proposed to
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Richardson 11	3004512178	D-22-31N-12W	990' FNL, 990' FWL	0 bbl/d	101 mcf/d	1 bbl/d
	<u> </u>	<u> </u>				
IV. Central Delivery P V. Anticipated Schedul proposed to be recomple Well Name	le: Provide the	e following inform			vell or set of wells	
Richardson 11	3004512178		+			2025
VII. Operational Prac Subsection A through F	etices: \(\times\) Attac f of 19.15.27.8 Int Practices: \(\tilde{D}\)	ch a complete desc NMAC.	cription of the acti	ions Operator wil	I take to comply	with the requirements of tices to minimize venting

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☑ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the
production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of
the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. I	Line Capacity.	The natural g	gas gathering system	\square will \square will	l not have capacit	y to gather	100% of the	anticipated	natural gas
produ	ction volume fr	rom the well pr	rior to the date of firs	st production.					

XIII. Line Pressure. Operator \square does \square does not anticipate that its existing well(s) connected to the same segment, or po	rtion, of the
natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the n	ew well(s).

П	Attach (Onerator's nlan	to manage pro	duction in	resnonse to	o the increased	line pressure

XIV. Confidentiality: 🗆 O	perator asserts co	nfidentiality pur	suant to Se	ection 71-2-8	NMSA 197	8 for the in	formation p	provided in
Section 2 as provided in Para	graph (2) of Subse	ection D of 19.15	5.27.9 NMA	C, and attach	es a full des	cription of th	ne specific i	nformation
for which confidentiality is as	sserted and the bas	sis for such asser	rtion.					

(h)

(i)

Section 3 - Certifications Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal: 🗵 Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or ☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. If Operator checks this box, Operator will select one of the following: Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or Venting and Flaring Plan. \square Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including: power generation on lease; (a) power generation for grid; **(b)** (c) compression on lease; (d) liquids removal on lease; (e) reinjection for underground storage; **(f)** reinjection for temporary storage; reinjection for enhanced oil recovery; **(g)** fuel cell production; and

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

other alternative beneficial uses approved by the division.

- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:	Cherylene Westen				
Printed Name:	Cherylene Weston				
Title:	Operations/Regulatory Tech-Sr.				
E-mail Address:	cweston@hilcorp.com				
Date:	11/5/2024				
Phone:	713-289-2615				
	OIL CONSERVATION DIVISION				
	(Only applicable when submitted as a standalone form)				
Approved By:					
Title:					
Approval Date:					
Conditions of Approval:					

VI. Separation Equipment:

Hilcorp Energy Company (HEC or Operator) production facilities include separation equipment designed to efficiently separate gas from liquid phases to optimize gas capture based on projected and estimated volumes from the targeted pool of our recomplete project. HEC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the recomplete to optimize gas capture and send gas to sales or flare based on analytical composition. HEC operates facilities that are typically one-well facilities. Production separation equipment is upgraded prior to well being completed, if determined to be undersized or inadequate. This equipment is already on-site and tied into our sales gas lines prior to the recomplete operations.

VII. Operational Practices:

- 1. Subsection (A) Venting and Flaring of Natural Gas
 - HEC understands the requirements of NMAC 19.15.27.8 which outlines that the venting and flaring of natural gas during drilling, completion or production operations that constitutes waste as defined in 19.15.2 are prohibited.
- 2. Subsection (B) Venting and Flaring during drilling operations
 - This gas capture plan isn't for a well being drilled.
- 3. Subsection (C) Venting and flaring during completion or recompletion
 - Flowlines will be routed for flowback fluids into a completion or storage tank and if feasible under well conditions, flare rather than vent and commence operation of a separator as soon as it is technically feasible for a separator to function.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
- 4. Subsection (D) Venting and flaring during production operations
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
 - Monitor manual liquid unloading for wells on-site or in close proximity (<30 minutes' drive time), take reasonable actions to achieve a stabilized rate and pressure at the earliest practical time, and take reasonable actions to minimize venting to the maximum extent practicable.
 - HEC will not vent or flare except during the approved activities listed in NMAC 19.15.27.8 (D) 1-
- 5. Subsection (E) Performance standards
 - All tanks and separation equipment are designed for maximum throughput and pressure to minimize waste.
 - If a flare is utilized during production operations it will have a continuous pilot and is located more than 100 feet from any known well or storage tanks.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.

- 6. Subsection (F) Measurement or estimation of vented and flared natural gas
 - Measurement equipment is installed to measure the volume of natural gas flared from process piping.
 - When measurement isn't practicable, estimation of vented and flared natural gas will be completed as noted in 19.15.27.8 (F) 5-6.

VIII. Best Management Practices:

- 1. Operator has adequate storage and takeaway capacity for wells it chooses to recomplete as the flowlines at the sites are already in place and tied into a gathering system.
- 2. Operator will flare rather than vent vessel blowdown gas when technically feasible during active and/or planned maintenance to equipment on-site.
- 3. Operator combusts natural gas that would otherwise be vented or flared, when technically feasible.
- 4. Operator will shut in wells in the event of a takeaway disruption, emergency situation, or other operations where venting or flaring may occur due to equipment failures.

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Action 399761

CONDITIONS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	399761
	Action Type:
	[C-103] NOI Recompletion (C-103E)

CONDITIONS

Created By		Condition Date
ward.rikala	Notify OCD prior to the commencement of operations and MIT's.	2/3/2025
ward.rikala	Must have approved DHC prior to production.	2/3/2025