

Revised March 23, 2017

| | | | |
|-----------|-----------|-------|---------|
| RECEIVED: | REVIEWER: | TYPE: | APP NO: |
|-----------|-----------|-------|---------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: _____ OGRID Number: _____
 Well Name: _____ API: _____
 Pool: _____ Pool Code: _____

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

 Print or Type Name

 Signature

 Date

 Phone Number

 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240

District II
811 S. First St., Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-107A
Revised August 1, 2011

APPLICATION TYPE
☐ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Hilcorp Energy Company
Operator

382 Road 3100, Aztec, NM 87410
Address

Riddle C LS
Lease

1B
Well No.

F, 31, 31N, 09W Lot 10
Unit Letter-Section-Township-Range

San Juan
County

OGRID No. 372171 Property Code 319391 API No.30-045-31095 Lease Type: ☒ Federal ☐ State ☐ Fee

| DATA ELEMENT | UPPER ZONE | INTERMEDIATE ZONE | LOWER ZONE |
|---|----------------------------|-------------------|---|
| Pool Name | Basin Fruiland Coal | | Blanco Mesaverde |
| Pool Code | 71629 | | 72319 |
| Top and Bottom of Pay Section (Perforated or Open-Hole Interval) | 3145' – 3653' Estimated | | 5190' - 6215 |
| Method of Production (Flowing or Artificial Lift) | New Zone | | Artificial Lift |
| Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone) | 897 | | 497 |
| Oil Gravity or Gas BTU (Degree API or Gas BTU) | 1128 BTU | | 1220 BTU |
| Producing, Shut-In or New Zone | New Zone | | Producing |
| Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.) | Date: Rates: | Date: Rates: | Date: 2/1/2022 Rates: Gas: 3238 MCF Oil: 5 BBL Water: 0 BBL |
| Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.) | Oil Gas See Attachments | Oil Gas % % | Oil Gas See Attachments |

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes _____ No ☒
Yes ☒ No _____

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No _____

Will commingling decrease the value of production?

Yes _____ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☒ No _____

NMOCD Reference Case No. applicable to this well:

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.

Production curve for each zone for at least one year. (If not available, attach explanation.)

For zones with no production history, estimated production rates and supporting data.

Data to support allocation method or formula.

Notification list of working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE _____

TITLE Operations/Regulatory Technician Sr. DATE 5/2/2022

TYPE OR PRINT NAME Amanda Walker

TELEPHONE NO. (346) 237-2177

E-MAIL ADDRESS mwalker@hilcorp.com

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

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

| | | |
|-------------------------------|--|--|
| 1. API Number 30-045-31095 | 2. Pool Code 71629 | 3. Pool Name BASIN FRUITLAND COAL (GAS) |
| 4. Property Code 319391 | 5. Property Name RIDDLE C LS | 6. Well No. 001B |
| 7. OGRID No. 372171 | 8. Operator Name HILCORP ENERGY COMPANY | 9. Elevation 6606 |

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| F | 31 | 31N | 09W | 10 | 2160 | N | 990 | W | SAN JUAN |

| | | | | | | | | | |
|-------------------------------|---------------|-----------------|---------------------|--------------|------------------------|-------------------|------------------|----------------------------------|--------------------|
| UL - Lot C | Section 31 | Township 31N | Range 09W | Lot Idn 7 | Feet From 952 | N/S Line North | Feet From 998 | E/W Line West | County San Juan |
| 12. Dedicated Acres 299.10 | | | 13. Joint or Infill | | 14. Consolidation Code | | | 15. Order No. NSP 1894/1894-1 | |

OPERATOR CERTIFICATION

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

E-Signed By: *[Signature]*

Title: Operations Regulatory Tech Sr.

Date: 04/26/2022

SURVEYOR CERTIFICATION

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 my belief.

Surveyed By: Gary Vann

Date of Survey: 3/19/2002

Certificate Number: 7016

באגב 3 של 5A

District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|---|--|---|--|--|----------------------------------|
| ¹ API Number 30-045-31095 | | ² Pool Code 7231.9 | | ³ Pool Name BLANCO MESAVERDE | |
| ⁴ Property Code 000976 | | ⁵ Property Name RIDDLE C LS | | | ⁶ Well Number # 1B |
| ⁷ OGRID No. 000778 | | ⁸ Operator Name BP AMERICA PRODUCTION COMPANY | | | ⁹ Elevation 6606 |

¹⁰ Surface Location

| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| F(Lot 10) | 31 | 31 N | 9 W | | 2160 | NORTH | 990 | WEST | SAN JUAN |

¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| | 31 | 31N | 9W | | 960 | NORTH | 990 | WEST | SAN JUAN |

¹² Dedicated Acres: 29.1
¹³ Joint or Infill:
¹⁴ Consolidation Code:
¹⁵ Order No.: R-35

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

16

(R) - BLM Record

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: Mary Corley
Printed Name: MARY CORLEY
Title: REGULATORY ANALYST
Date: 05.13.2002

18 SURVEYOR CERTIFICATION

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 my belief.

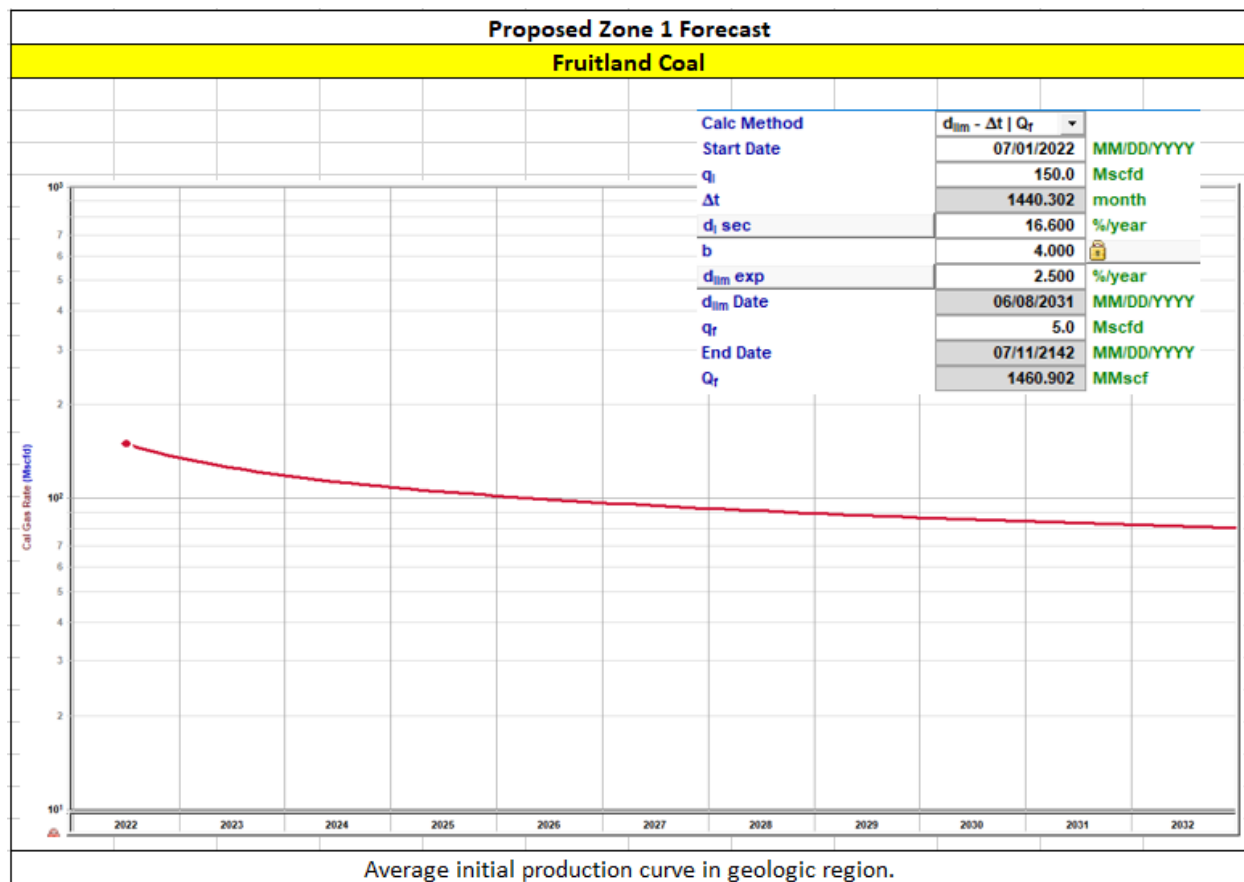
Date of Survey: March 19, 2002

Signature and Seal of Professional Surveyor: [Signature]

Certificate Number: 7016

These zones are proposed to be commingled because the application of dual completions impedes the ability to produce the shallow zone without artificial lift and the deeper zones with reduced artificial lift efficiency. All horizons will require artificial lift due to low bottomhole pressure (BHP) and permeability.

The BHPs of all zones, producing and non-producing, were estimated based upon basinwide Moving-Domain Material Balance models that have proven to approximate the pressure in the given reservoirs well in this portion of the basin. These models were constructed incorporating reservoir dynamics and physics, historic production, and observed pressure data. Historic commingling operations have proven reservoir fluids are compatible.

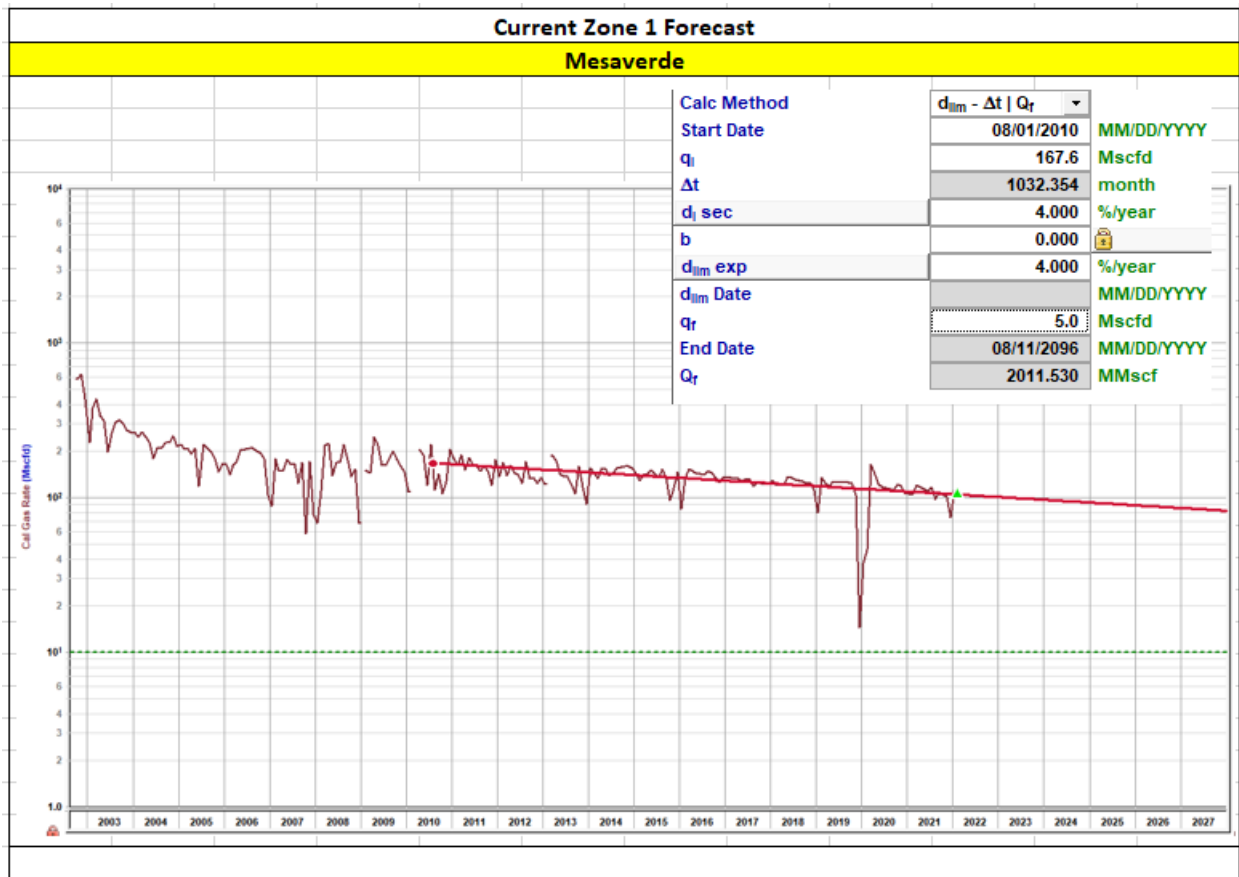


Production Allocation Method - Subtraction

Gas Allocation:

Production for the downhole commingle will be allocated using the subtraction method in agreement with local agencies. The base formation is the Mesaverde and the added formation to be commingled is the Fruitland Coal. The subtraction method applies an average monthly production forecast to the base formation using historic production. All production from this well exceeding the forecast will be allocated to the new formation.

After 3 years production will stabilize. A production average will be gathered during the 4th year and will be utilized to create a fixed percentage based allocation.



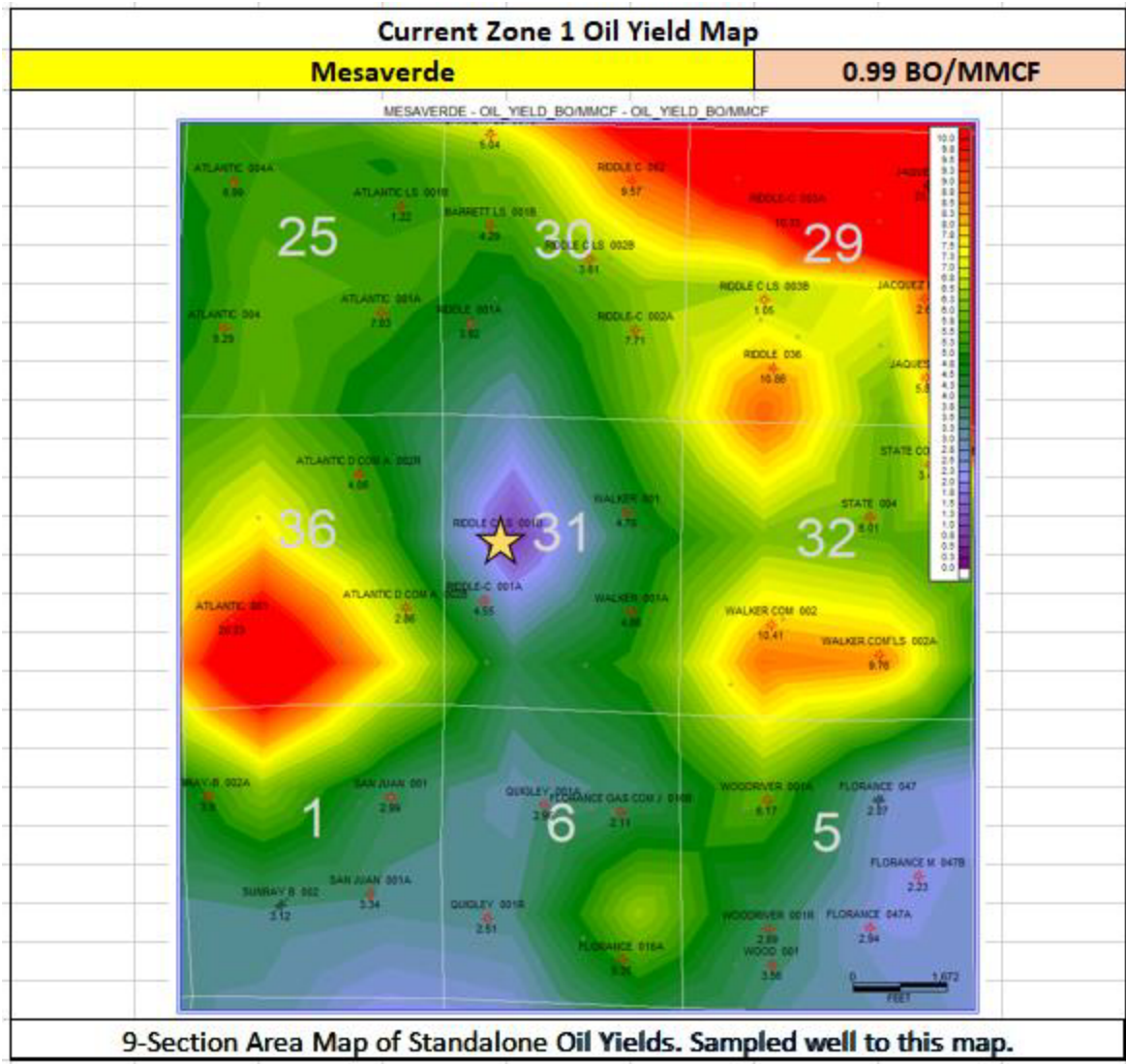
Oil Allocation:

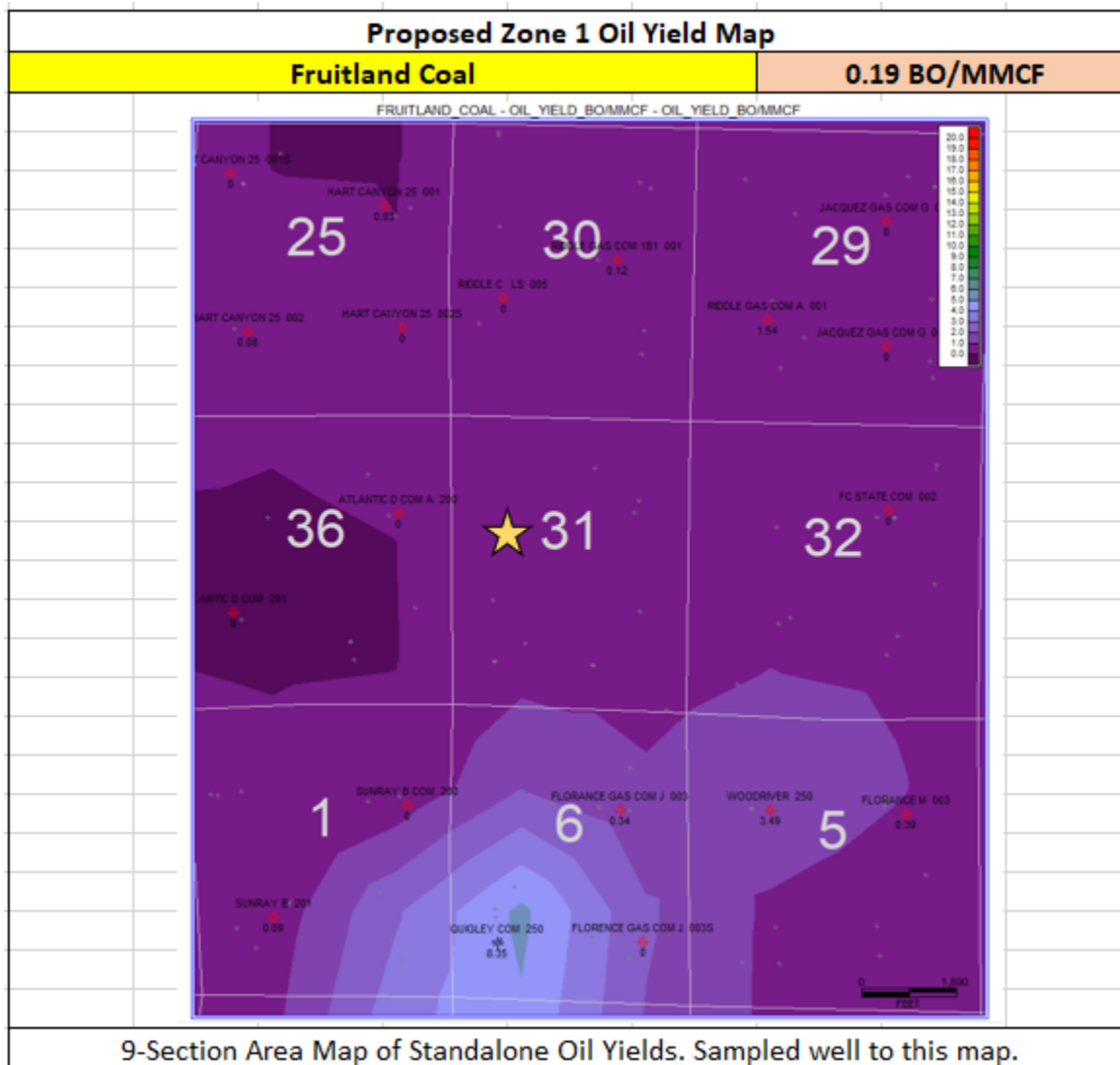
Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years.

After 4 years oil will be reevaluated and adjust as needed based on average formation yields and new fixed gas allocation.

| Formation | Yield (bbl/MM) | Remaining Reserves (MMcf) | % Oil Allocation |
|-----------|----------------|---------------------------|------------------|
| MV | 0.99 | 893 | 84% |
| FRC | 0.19 | 917 | 16% |
| | | | 100% |

All documentation will be submitted to NMOCD.







May 6, 2022

Mailed Certified / Electronic Return Receipt Requested

To: All Interest Owners

RE: Application to Downhole Commingle Production
Well: RIDDLE C LS #001B
API: 30-045-31095
Township 31 North, Range 9 West, Section 31
San Juan County, New Mexico

Ladies and Gentlemen:

Hilcorp Energy Company ("Hilcorp"), as Operator of the subject well, has filed application with the New Mexico Oil Conservation Division for approval to downhole commingle production from the **Fruitland Coal** and **Pictured Cliffs**, two formations Hilcorp soon intends to perforate, with existing production from the **Mesaverde** formation. This letter and the application copy enclosed serve to provide you, an owner in one or more of the aforementioned formations, with written notice as prescribed by Subsection C of 19.15.12.11 New Mexico Administrative Code.

No action is required by you unless you wish to pursue a formal protest (see details italicized below).

If you no longer own an interest in this well or need to make changes to your address, etc., please email ownerrelations@hilcorp.com. For those without email access, please call (713) 209-2457.

Hilcorp is eager to explore this potential opportunity to enhance production. Thank you for your support.

Sincerely,

A blue ink signature of Robert Carlson, consisting of a stylized 'R' followed by a cursive 'C' and 'L'.

Robert Carlson
Sr. Landman
(832) 839-4596
rcarlson@hilcorp.com

RTC:dpk
Enclosures

Protesting:

Protests must be in writing and received within twenty (20) days from the date of this letter. In your response, please include your contact information, details referenced herein and the specific concerns and/or reasoning behind your decision. You are encouraged to email me an electronic copy and, subsequently, mailing (overnight) a hard copy to my attention at the address in the footer below. Upon receipt, I will follow up by phone to discuss your concerns. Should we be unable to resolve them, a formal protest will be set for hearing with the New Mexico Oil & Conservation Division in Santa Fe, NM, wherein your attendance and testimony will be required.

1111 Travis Street Houston, Texas 77002
Phone: 713-209-2400

| Certified Number | Sender | Recipient | Date Mailed | Delivery Status |
|---|------------|---|-------------|--|
| 92148969009997901811594174 Request Signature via Email | Dani Kuzma | , LINDSAY PRODUCTION, and ROYALTIES LTD, FREDERICKSBURG, TX, 78624 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Left with Individual May 9, 2022 Signature Pending |
| 92148969009997901811594198 | Dani Kuzma | , THE NORDAN TRUST, RANDOLPH C MARCEAU TRUSTEE, SAN ANTONIO, TX, 78209 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | In Transit, Arriving Late Signature Pending |
| 92148969009997901811594204 | Dani Kuzma | , XTO ENERGY INC., , DALLAS, TX, 75284-0791 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | In Transit, Arriving Late Signature Pending |
| 92148969009997901811594211 Request Signature via Email | Dani Kuzma | , OFFICE OF NATURAL RESOURCES REVENUE, LAKEWOOD ACCTG CENT ONSHORE, DENVER, CO, 80225-0627 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered May 11, 2022 Signature Pending |
| 92148969009997901811594228 | Dani Kuzma | , PRIMITIVE PETROLEUM INC., , MIDLAND, TX, 79707 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | In Transit, Arriving Late Signature Pending |
| 92148969009997901811594235 | Dani Kuzma | , WESLEY WEST MINERALS LTD, , HOUSTON, TX, 77001 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Reminder to Schedule Redelivery of your item Signature Pending |
| 92148969009997901811594242 Request Signature via Email | Dani Kuzma | , FREDERICKSBURG ROYALTY LTD, , SAN ANTONIO, TX, 78295-1481 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Individual Picked Up at Post Office May 9, 2022 Signature Pending |
| 92148969009997901811594259 Request Signature via Email | Dani Kuzma | , KENNEDY MINERALS LTD, , MIDLAND, TX, 79701 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Left with Individual May 12, 2022 Signature Pending |
| 92148969009997901811594266 Request Signature via Email | Dani Kuzma | , BHCH MINERAL LTD, , SAN ANTONIO, TX, 78296-1817 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Individual Picked Up at Post Office May 9, 2022 Signature Pending |
| 92148969009997901811594273 Request Signature via Email | Dani Kuzma | , MARGARET A KEARNS TRUST FBO, HELENE D GORMAN AND AS TRUSTEE, NAPLES, FL, 34102 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered May 11, 2022 Signature Pending |
| 92148969009997901811594280 Request Signature via Email | Dani Kuzma | , MARGARET A KEARNS TRUST FBO, JAMES B DRAPER TRUSTEE, COLORADO SPRINGS, CO, 80904-1029 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Left with Individual May 10, 2022 Signature Pending |
| 92148969009997901811594297 | Dani Kuzma | , CYNTHIA GRAY MILANI ESTATE, JPMORGAN CHASE BANK AGENT and AIF, FT WORTH, TX, 76199-0084 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Reminder to Schedule Redelivery of your item Signature Pending |
| 92148969009997901811594303 | Dani Kuzma | , CLAUD W RAYBOURN, , APPLE VALLEY, CA, 92307 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Forward Expired May 12, 2022 Signature Pending |
| 92148969009997901811594310 | Dani Kuzma | , ELSR LP, , DALLAS, TX, 75206-1844 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | In Transit, Arriving Late Signature Pending |
| 92148969009997901811594327 Request Signature via Email | Dani Kuzma | , GROVER FAMILY LP, , MIDLAND, TX, 79702-3666 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Individual Picked Up at Post Office May 16, 2022 Signature Pending |
| 92148969009997901811594334 Request Signature via Email | Dani Kuzma | , FLORENCIA EXPLORATION INC., , SAN ANTONIO, TX, 78296-1817 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Individual Picked Up at Post Office May 9, 2022 Signature Pending |

| | | | | |
|---|------------|---|----------|---|
| 92148969009997901811594341 Request Signature via Email | Dani Kuzma | , ARCHER PEARL ENERGY LTD, , SAN ANTONIO, TX, 78209 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Left with Individual May 13, 2022 Signature Pending |
| 92148969009997901811594358 Request Signature via Email | Dani Kuzma | , CHARLES RUSSELL BELL JR, , BELLVILLE, TX, 77418-0042 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered May 13, 2022 Signature Pending |
| 92148969009997901811594365 Request Signature via Email | Dani Kuzma | , VALERIE L JONES HUNDLEY, , CORPUS CHRISTI, TX, 78468-1242 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Individual Picked Up at Post Office May 12, 2022 Signature Pending |
| 92148969009997901811594372 Request Signature via Email | Dani Kuzma | , JOHN HUNTER JONES, , AUSTIN, TX, 78746 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Left with Individual May 9, 2022 Signature Pending |
| 92148969009997901811594389 Request Signature via Email | Dani Kuzma | , JESSICA DAVANT STANLEY, , AUSTIN, TX, 78732 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Left with Individual May 9, 2022 Signature Pending |
| 92148969009997901811594396 Request Signature via Email | Dani Kuzma | , AMELIA ANNE SUNDBERG, , RICHMOND, TX, 77406-6727 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Left with Individual May 9, 2022 Signature Pending |
| 92148969009997901811594402 Request Signature via Email | Dani Kuzma | , HDBC INVESTMENTS LTD, A TEXAS LTD PTRSHP, DALLAS, TX, 75225 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Individual Picked Up at Post Office May 12, 2022 Signature Pending |
| 92148969009997901811594419 Request Signature via Email | Dani Kuzma | , PAUL DAVIS LTD, , MIDLAND, TX, 79702 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered May 12, 2022 Signature Pending |
| 92148969009997901811594426 | Dani Kuzma | , MULLIGAN LP, , RICHARDSON, TX, 75080-4611 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | In Transit, Arriving Late Signature Pending |
| 92148969009997901811594433 Request Signature via Email | Dani Kuzma | , OKLAHOMA STATE UNIVERSITY FOUN, , OKLAHOMA CITY, OK, 73196-0484 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Individual Picked Up at Postal Facility May 9, 2022 Signature Pending |
| 92148969009997901811594440 Request Signature via Email | Dani Kuzma | , REBECCA ANN HOWARD MUNNELL, , SUGAR LAND, TX, 77479-1470 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Front Desk/Reception/Mail Room May 9, 2022 Signature Pending |
| 92148969009997901811594457 Request Signature via Email | Dani Kuzma | , RICHARD HOWARD, , HOUSTON, TX, 77024 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Individual Picked Up at Post Office May 12, 2022 Signature Pending |
| 92148969009997901811594464 Request Signature via Email | Dani Kuzma | , ROBERT LOUIS HOWARD JR, , CLARKESVILLE, GA, 30523 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Individual Picked Up at Post Office May 11, 2022 Signature Pending |
| 92148969009997901811594471 Request Signature via Email | Dani Kuzma | , CROSS TIMBERS ENERGY LLC, C/O DRILLINGINFO MAIL, HOUSTON, TX, 77210-4869 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, PO Box May 26, 2022 Signature Pending |
| 92148969009997901811594488 Request Signature via Email | Dani Kuzma | , WILLIAM C EILAND, , MIDLAND, TX, 79702 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered May 12, 2022 Signature Pending |
| 92148969009997901811594495 Request Signature via Email | Dani Kuzma | , PNH RESOURCES LLC, PHILIP N HUDSON MANAGER, SAN ANTONIO, TX, 78280 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered May 9, 2022 Signature Pending |
| 92148969009997901811594501 Request Signature via Email | Dani Kuzma | , FREDERICK EUGENE TURNER, JGT ESTATE, DALLAS, TX, 75206-4079 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Left with Individual |

| | | | | |
|---|------------|--|----------|---|
| | | | | May 10, 2022 Signature Pending |
| 92148969009997901811594518 Request Signature via Email | Dani Kuzma | , FRED ELDON SPENCER, and JANE B SPENCER JTWROS, MUSTANG, OK, 73064 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Individual Picked Up at Post Office May 10, 2022 Signature Pending |
| 92148969009997901811594525 Request Signature via Email | Dani Kuzma | , LINDA JEANNE LUNDELL LINDSEY, , NACOGDOCHES, TX, 75963 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered, Individual Picked Up at Post Office May 17, 2022 Signature Pending |
| 92148969009997901811594532 Request Signature via Email | Dani Kuzma | , JAMES R LEETON JR, , MIDLAND, TX, 79702 Code: RIDDLE C LS 1B DHC NOTICE | 5/6/2022 | Delivered May 20, 2022 Signature Pending |

CONFIRMATION

HILCORP ENERGY
382 RD 3100
AZTEC NM 87410-

PO#:

| <u>Account</u> | <u>AD#</u> | <u>Ordered By</u> | <u>Tax Amount</u> | <u>Total Amount</u> | <u>Payment Method</u> | <u>Payment Amount</u> | <u>Amount Due</u> |
|----------------|------------|-------------------|-------------------|---------------------|-----------------------|-----------------------|-------------------|
| 1417868 | 0005248818 | Ben Mitchell | \$61.91 | \$801.31 | Credit Card | \$0.00 | \$801.31 |

Ad Order Notes:

Sales Rep: MKashifuddin

Order Taker: MKashifuddin

Order Created 05/05/2022

| Product | Placement | Class | # Ins | Start Date | End Date |
|---------------------|-------------|---------------|-------|------------|------------|
| ELP-daily-times.com | ELPW-Legals | Legal Notices | 10 | 05/08/2022 | 05/18/2022 |
| ELP-FM Daily-Times | ELP-Legals | Legal Notices | 10 | 05/08/2022 | 05/18/2022 |

Text of Ad: 05/05/2022

Notice by Hilcorp Energy Company for Downhole Commingling, San Juan County, New Mexico. Pursuant to Paragraph (2) of Subsection C of 19.15.12.11 NMAC, Hilcorp Energy Company, as Operator, has filed form C-107-A with the New Mexico Energy, Minerals and Natural Resources Department – Oil Conservation Division (NMOCD) seeking administrative approval to downhole commingle new production from the Basin-Fruitland Coal Gas Pool (71629) with existing production from the Blanco-Mesaverde Gas Pool (72319) in the **RIDDLE C LS #001B** well (API No. 30-045-31095) located in Unit F, Section 31, Township 31 North, Range 9 West, NMPM, San Juan County, New Mexico. Commingling will not reduce the value of production. Allocation method to be determined upon completion of this project. This notice is intended for certain unlocatable royalty interest owners in the aforementioned well for which certified mail delivery is not possible. Should you (the interest owner for which this notice is intended) have an objection, you are required to respond within twenty (20) days from the date of this publication. Please mail your objection letter, referencing the well details above, to the following address: Hilcorp Energy Company, Attn: San Juan Land, 1111 Travis Street, Houston, TX 77002
#5248818, Daily Times, May 8-18, 2022

| | | |
|----------------------------|---|---------------------------------------|
| Well Name: RIDDLE C LS COM | Well Location: T31N / R9W / SEC 31 / SENW / 36.856429 / -107.823965 | County or Parish/State: SAN JUAN / NM |
| Well Number: 001B | Type of Well: CONVENTIONAL GAS WELL | Allottee or Tribe Name: |
| Lease Number: NMSF078316F | Unit or CA Name: RIDDLE | Unit or CA Number: NMNM73203 |
| US Well Number: 3004531095 | Well Status: Producing Gas Well | Operator: HILCORP ENERGY COMPANY |

Notice of Intent

Sundry ID: 2669285

| | |
|--|------------------------------|
| Type of Submission: Notice of Intent | Type of Action: Recompletion |
| Date Sundry Submitted: 05/02/2022 | Time Sundry Submitted: 06:43 |
| Date proposed operation will begin: 06/01/2022 | |

Procedure Description: Hilcorp Energy Company requests permission to recompleate the subject well in the Fruitland Coal and downhole commingle with the existing Mesaverde. Please see the attached procedure, current and proposed wellbore diagram, plat and natural gas management plan. A closed loop system will be used. A pre-reclamation site visit was held on 3/15/2022 with Roger Herrera/BLM. The reclamation plan is attached.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

30045310950000_Riddle_C_LS_1B_NOI_FC_RC_20220502064206.pdf

| | | |
|----------------------------|---|---------------------------------------|
| Well Name: RIDDLE C ES COM | Well Location: T31N / R9W / SEC 31 / SENW / 36.856429 / -107.823965 | County or Parish/State: SAN JUAN / NM |
| Well Number: 001B | Type of Well: CONVENTIONAL GAS WELL | Allottee or Tribe Name: |
| Lease Number: NMSF078316F | Unit or CA Name: RIDDLE | Unit or CA Number: NMNM73203 |
| US Well Number: 3004531095 | Well Status: Producing Gas Well | Operator: HILCORP ENERGY 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: AMANDA WALKER

Signed on: MAY 02, 2022 06:42 AM

Name: HILCORP ENERGY COMPANY

Title: Operations/Regulatory Technician

Street Address: 1111 TRAVIS ST.

City: HOUSTONState: 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: 05/02/2022

Signature: Kenneth Rennick



HILCORP ENERGY COMPANY
Riddle C LS 1B
FRUITLAND COAL RECOMPLETION SUNDRY

| | |
|--------------------------|----------------|
| Prepared by: | Scott Anderson |
| Preparation Date: | April 20, 2022 |

| WELL INFORMATION | | | |
|-------------------|----------------|-------------------|--|
| Well Name: | Riddle C LS 1B | State: | NM |
| API #: | 3004531095 | County: | SAN JUAN |
| Area: | 4 | Location: | 2160' FNL & 990' FWL - Unit F - Section 31 - T 031N - R 009W |
| Route: | 408 | Latitude: | 36.85636 N |
| Spud Date: | 7/31/2002 | Longitude: | -107.82349 W |

| PROJECT DESCRIPTION |
|--|
| Isolate the Mesaverde producing formation, perforate and stimulate the Fruitland Coal formation in 1 stage and commingle the Fruitland Coal production with the existing Mesaverde production. Strip facilities if necessary; repair production eqmt as needed |

| CONTACTS | | | |
|----------------------|-----------------|----------------|--------------|
| Title | Name | Office Phone # | Cell Phone # |
| Engineer | Scott Anderson | | 248-761-3965 |
| Area Foreman | Colter Faverino | | 326-9758 |
| Lead | Ramon Florez | | 486-9680 |
| Artificial Lift Tech | Chris Huff | | 599-3479 |
| Operator | Dennis Jacquez | | 787-1639 |



HILCORP ENERGY COMPANY
Riddle C LS 1B
FRUITLAND COAL RECOMPLETION SUNDRY

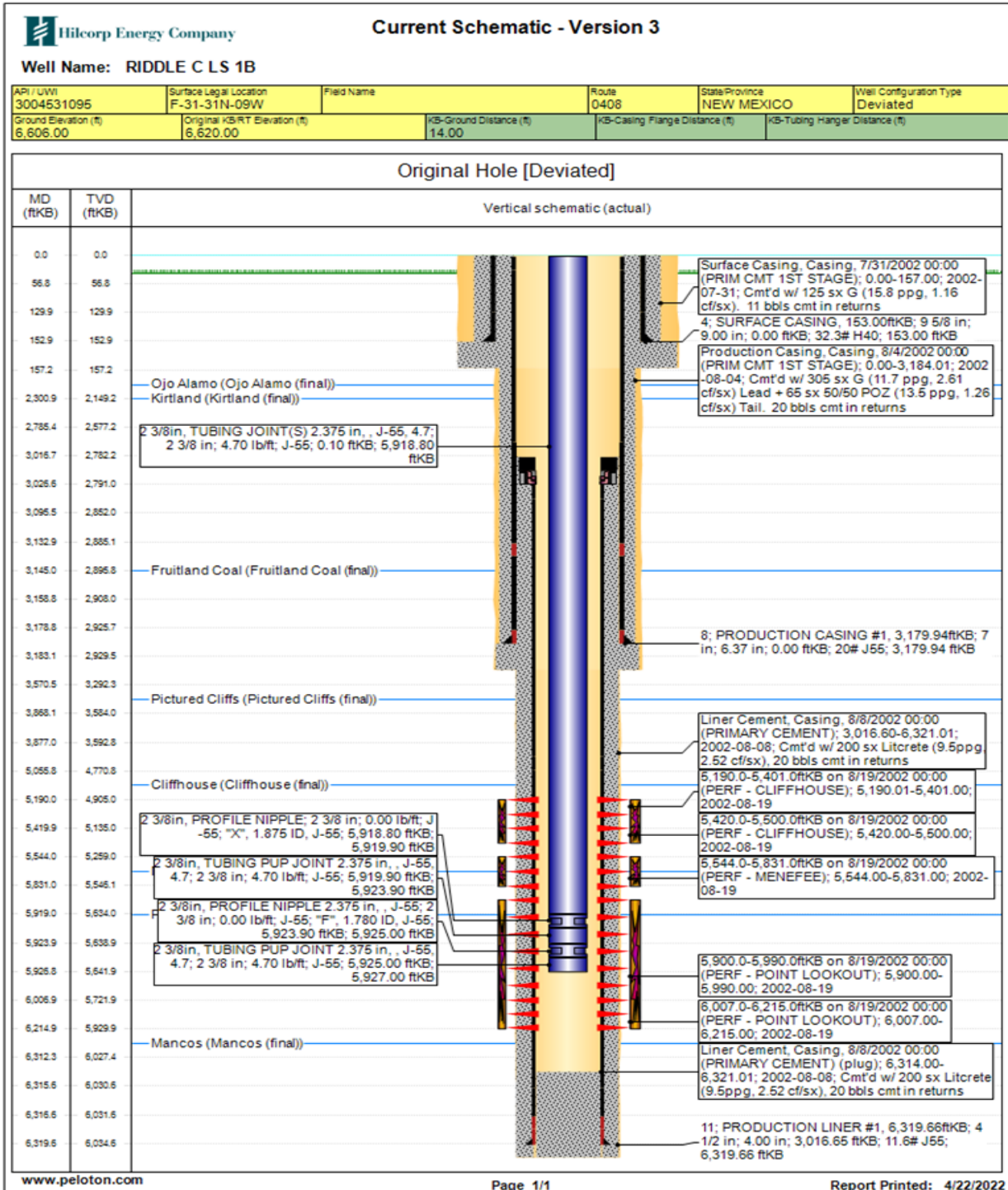
JOB PROCEDURES

1. MIRU workover rig and associated equipment; NU and test BOPs per industry and regulatory requirements.
2. TOOH with 2 3/8" tubing set at 6,200'.
3. Set a 4-1/2" cast iron bridge plug at +/- 5,140' to isolate the Mesaverde
4. Pressure test the 7" casing to 560 psi and conduct a formal MIT with the NMOCD
5. Load hole with KCl fluid and run a CBL on the 4-1/2" and 7" casing from the CIBP at 5,140' to surface. Verify cement bond across the **Fruitland Coal formation** and sufficient isolation above the top perforation. Review CBL results with engineering/NMOCD and perform cmt remediation, if required.
6. Set a 7" cast iron bridge plug at +/- 3,753' to establish a base of frac.
7. Perforate the **Fruitland Coal**. (Top perforation @ 3,145'; Bottom perforation @ 3,653')
8. Breakdown the FRC perms with acid via a pin-point injection tool
9. Frac will be completed via a frac string. RIH w/ frac string and set packer ~100' above top perforation: ~3,045'.
10. N/D BOP, N/U frac stack and pressure test frac stack to anticipated frac pressure. Open well and PT frac string to 9,000# against the ceramic disc.
11. RU slickline. RIH and break ceramic disc. RD slickline.
12. Frac the **Fruitland Coal** in a single stage.
13. RU flowback eqmt if necessary. Flowback well until tubing pressure drops to working level and sand subsides, or well loads up. RD flowback eqmt.
14. MIRU workover rig. Nipple down frac stack, nipple up and test BOPs per industry and regulatory requirements..
15. Release the pkr and POOH LD frac string
16. PU workstring and clean out to the base of frac CIBP at 3,753'. Take and analyze a **Fruitland Coal** gas sample.
17. Pending C107A approval, mill out the CIBP at 5,140'. Clean out to PBTD at 6,314'
18. TIH and land production tubing. Get a trimmingle **Fruitland Coal/Mesa Verde** flow rate.



HILCORP ENERGY COMPANY
Riddle C LS 1B
FRUITLAND COAL RECOMPLETION SUNDRY

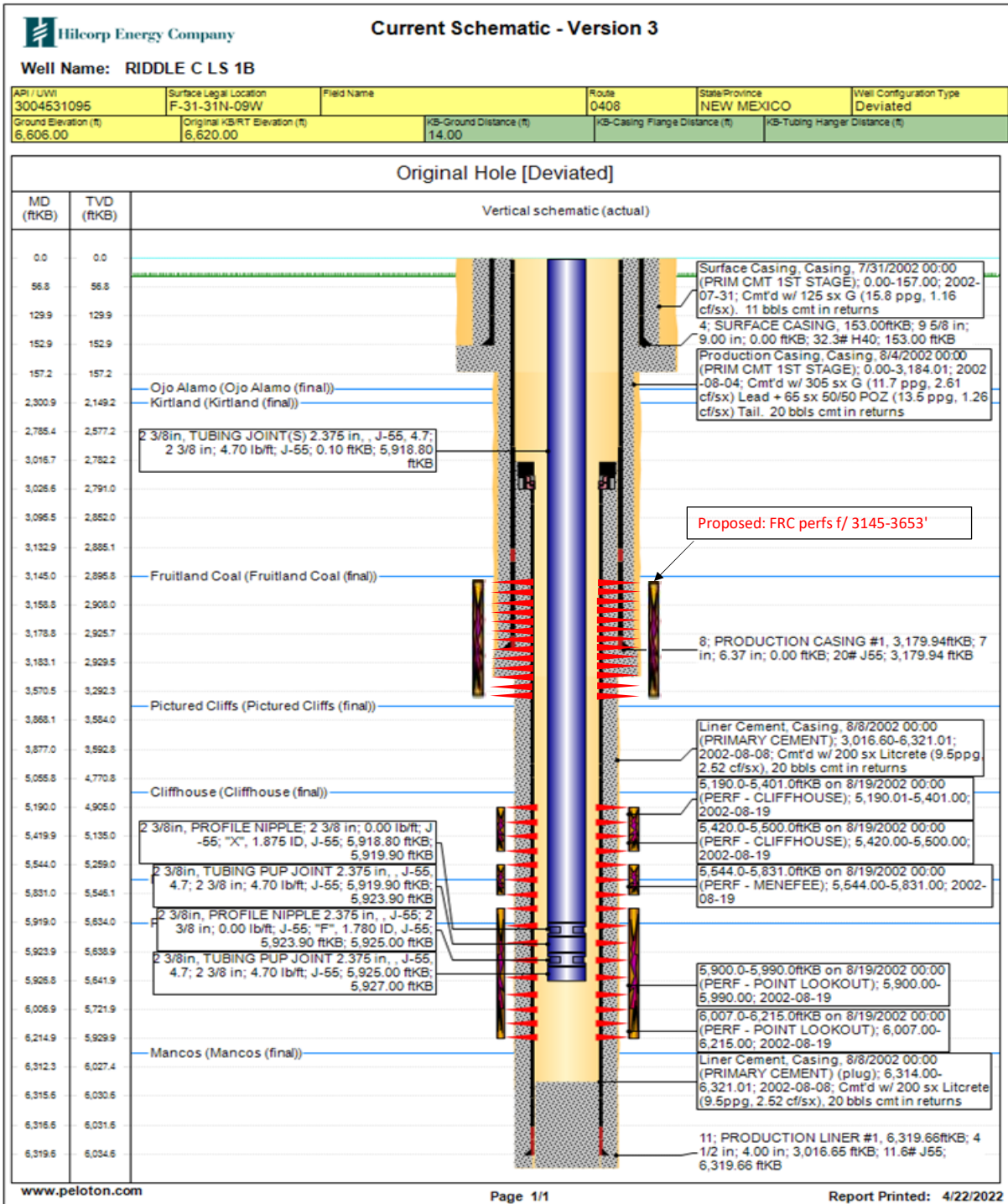
Riddle C LS 1B - CURRENT WELLBORE SCHEMATIC





HILCORP ENERGY COMPANY
Riddle C LS 1B
FRUITLAND COAL RECOMPLETION SUNDRY

Riddle C LS 1B - PROPOSED WELLBORE SCHEMATIC



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

Form C-102
 August 1, 2011

Permit 314896

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------------------|--|--|
| 1. API Number 30-045-31095 | 2. Pool Code 71629 | 3. Pool Name BASIN FRUITLAND COAL (GAS) |
| 4. Property Code 319391 | 5. Property Name RIDDLE C LS | 6. Well No. 001B |
| 7. OGRID No. 372171 | 8. Operator Name HILCORP ENERGY COMPANY | 9. Elevation 6606 |

10. Surface Location

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|---------------|-------------------|---------------|------------------|---------------|--------------------|
| UL - Lot F | Section 31 | Township 31N | Range 09W | Lot Idn 10 | Feet From 2160 | N/S Line N | Feet From 990 | E/W Line W | County SAN JUAN |
|---------------|---------------|-----------------|--------------|---------------|-------------------|---------------|------------------|---------------|--------------------|

11. Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|-------------------------------|---------------|-----------------|---------------------|--------------|------------------------|-------------------|------------------|----------------------------------|--------------------|
| UL - Lot C | Section 31 | Township 31N | Range 09W | Lot Idn 7 | Feet From 952 | N/S Line North | Feet From 998 | E/W Line West | County San Juan |
| 12. Dedicated Acres 299.10 | | | 13. Joint or Infill | | 14. Consolidation Code | | | 15. Order No. NSP 1894/1894-1 | |

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

| | |
|--|---|
| <p>The map shows a 6x5 grid of lots. Lot 1 is at the top left, and Lot 30 is at the bottom right. A well location is marked with a circle and 'BHL' in Lot 7. Dimensions are provided for various sections: 13' (top left), 16' (top middle), 5 379' (R) (left edge), 1307' (R) (middle left), 2614' (R) (middle right), 30 29 31 32 (top right), 2160' (middle left), 990' (bottom left), 5188' (R) (left edge), 5238' (R) (right edge), 293' (R), 1303' (R) (bottom left), and 2604' (R) (bottom right).</p> | <h4>OPERATOR CERTIFICATION</h4> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>E-Signed By: <i>[Signature]</i> Title: Operations Regulatory Tech Sr. Date: 04/26/2022</p> <h4>SURVEYOR CERTIFICATION</h4> <p>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 my belief.</p> <p>Surveyed By: Gary Vann Date of Survey: 3/19/2002 Certificate Number: 7016</p> |
|--|---|

Recorded by OCD: 3/14/2024 5:00:24 PM

Page 30 of 33

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

Submit Electronically
Via E-permitting

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

Effective May 25, 2021

I. Operator: Hilcorp Energy Company **OGRID:** 372171 **Date:** 4/26/2022

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name | API | ULSTR | Footages | Anticipated Oil BBL/D | Anticipated Gas MCF/D | Anticipated Produced Water |
|----------------|------------|-------------------|------------------|-----------------------|-----------------------|----------------------------|
| Riddle C LS 1B | 3004531095 | F-31-31N-09W Lot: | 2160 FNL 990 FWL | 0 | 150 | 1 |
| | | | | | | |

IV. Central Delivery Point Name: Chaco Processing Plant [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name | API | Spud Date | TD Reached Date | Completion Commencement Date | Initial Flow Back Date | First Production Date |
|-----------------------|-------------------|-----------|-----------------|------------------------------|------------------------|-----------------------|
| <u>Riddle C LS 1B</u> | <u>3004531095</u> | | | | | <u>2022</u> |
| | | | | | | |

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

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. ☐ 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:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

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

(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

(b) 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:  |
| Printed Name: Amanda Walker |
| Title: Operations/Regulatory Tech Sr. |
| E-mail Address: mwalker@hilcorp.com |
| Date: 4/26/2022 |
| Phone: 346-237-2177 |
| 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 recompleting project. HEC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the recompleting 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 recompleting 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 recompleting
 - 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) 1-4.
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.

Hilcorp Energy
Interim Reclamation Plan
Riddle C LS #1B
API: 30-045-31095
F – Sec.31-T031N-R009W
Lat: 36.85636, Long: -107.82349
Footage: 2160' FNL & 990' FWL
San Juan County, NM

1. PRE- INTERIM RECLAMATION SITE INSPECTION
 - 1.1) A pre-interim reclamation site inspection was completed by Roger Herrera with the BLM and Chad Perkins construction Foreman for Hilcorp Energy on March 15, 2022.
2. LOCATION INTERIM RECLAMATION PROCEDURE
 - 2.1) Interim reclamation work will only be completed after well recompletion.
 - 2.2) The interim reclamation work will be completed during spring or fall months.
 - 2.3) Location tear drop will be re-defined as applicable for the interim reclamation.
 - 2.4) All diversion ditches and silt traps will be cleaned and re-established as applicable for the interim reclamation.
 - 2.5) All disturbed areas will be seeded, any disturbed areas that are compacted will be ripped before seeding.
 - 2.6) All trash and debris will be removed within 50' buffer outside of the location disturbance during reclamation.
3. ACCESS ROAD RECLAMATION PROCEDURE:
 - 3.1) No lease access road issues were identified at the time of onsite.
4. SEEDING PROCEDURE
 - 4.1) A Pinion/Juniper seed mix will be used for all reclaimed and disturbed areas of the location.
 - 4.2) Drill seeding 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.
 - 4.3) Timing of the seeding will take place when the ground is not frozen or saturated.
5. WEED MANAGEMENT
 - 5.1) No action is required at this time for weed management, no noxious weeds were identified during the onsite.

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 323425

CONDITIONS

| | |
|--|--|
| Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002 | OGRID: 372171 |
| | Action Number: 323425 |
| | Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|--------------------------------------|----------------|
| dmcclure | Withdrawn at the Applicant's Request | 3/14/2024 |