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

Sundry Print Report

10/18/2022

Well Name: MORTON

Well Location: T30N / R14W / SEC 23 / NESE / 36.797241 / -108.272552

County or Parish/State: SAN JUAN / NM

Well Number: 2

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMNM26357

Unit or CA Name:

Unit or CA Number:

US Well Number: 3004525766

Well Status: Producing Gas Well

Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2697390

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 10/11/2022

Time Sundry Submitted: 07:37

Date proposed operation will begin: 11/01/2022

Procedure Description: Hilcorp Energy Company requests permission to P&A the subject well per the attached procedures, current and proposed wellbore schematics. The Pre-Disturbance Site Visit was held on 9/29/2022 with Roger Herrera/BLM. The Re-Vegetation Plan is attached. A closed loop system will be used.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Morton_2_P_A_Procedure_20221011073548.pdf

CONFIDENTIAL

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Well Status: Producing Gas Well

Operator: HILCORP ENERGY COMPANY

Conditions of Approval

Additional

30N14W23IKkf_Morton_002_20221013131711.pdf

Authorized

General_Requirement_PxA_20221018090534.pdf

2697390_NOIA_2_3004525766_KR_10182022_20221018090520.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: AMANDA WALKER

Signed on: OCT 11, 2022 07:37 AM

Name: HILCORP ENERGY COMPANY

Title: Operations/Regulatory Technician

Street Address: 1111 TRAVIS ST.

City: HOUSTON **State:** 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: 10/18/2022

Signature: Kenneth Rennick

HILCORP ENERGY COMPANY
MORTON #2
NOTICE OF INTENT TO PERMANENTLY ABANDON

API #:	3004525766

JOB PROCEDURES

☑	NMOCD	**Contact OCD and BLM (where applicable) 24 hrs prior to MIRU. Comply with all NMOCD, BLM (where applicable), and HEC**
☑	BLM	**safety and environmental regulations.**

1. MIRU service rig and associated equipment, record all pressures on wellbore.
2. Load well, ND tree, NU BOPs and test. Keep well loaded throughout when possible.
3. RIH w/ 2-3/8" work string, tag CIBP in place @ 1,232'.
4. **Plug #1 | 1,082' - 1,232' (CIBP @ 1,232')** Spot 150' Class III (25sx, 1.37 yield) cmt on top of CIBP in 4-1/2". WOC.
5. RIH w/ 2-3/8" work string, Tag TOC above 1,082'. Pick up hole to 975'.
6. **Plug #2 | 825' - 975' (Fruitland Top 925')** Spot 150' Class III (25sx, 1.37 yield) cmt from 825' - 975' in 4-1/2". WOC.
7. RU ELU, Tag TOC above 825'. RIH perf circ holes in 7" @ 266'. Attempt to establish circulation up 10-3/4" x 7" annulus.
8. **Plug #3 | 10' - 266' (Surface Shoe 216')** Pump 256' Class III (56sx, 1.37 yield) balanced cmt plug in 10-3/4"x7" & 7" from surface - 266'.
9. Cut all strings at surface, tag TOC & top off as needed. Weld P&A marker. RDMO.
10.

HILCORP ENERGY COMPANY
MORTON #2
NOTICE OF INTENT TO PERMANENTLY ABANDON

MORTON #2 - CURRENT WELLBORE SCHEMATIC

Hilcorp Energy Company

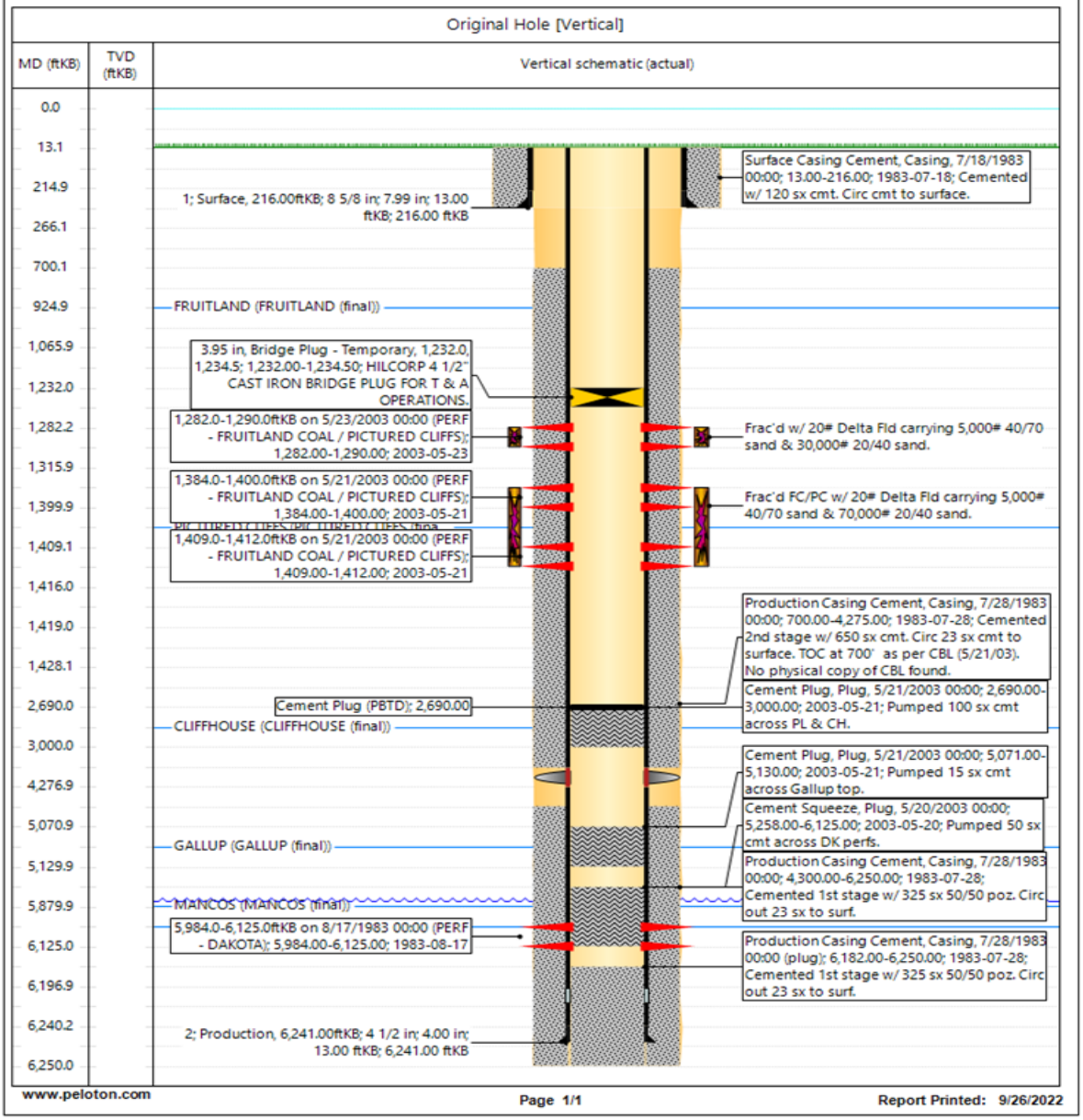
Current Schematic - Completion Comments

Well Name: MORTON #2

API / UWI	Surface Legal Location	Field Name	Route	State/Province	Well Configuration Type
3004525766	T30N-R14W-S23	Harper Hill FS PC	0204	New Mexico	Vertical

Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
5,703.00	5,716.00	13.00		

Original Hole [Vertical]



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HILCORP ENERGY COMPANY
MORTON #2
NOTICE OF INTENT TO PERMANENTLY ABANDON

MORTON #2 - PROPOSED P&A SCHEMATIC

Hilcorp Energy Company

WBD Proposed Formations

Well Name: MORTON #2

API / UWI	Surface Legal Location	Field Name	License No.	State/Province	Well Configuration Type
3004525766	T30N-R14W-S23	Harper Hill FS PC		New Mexico	Vertical
Ground Elevation (ft)	**Casing Flange Elevation (ft)**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**	**Original Spud Date**	**Rig Release Date**
5,703.00		13.00		7/18/1983 00:00	7/25/1983 00:00

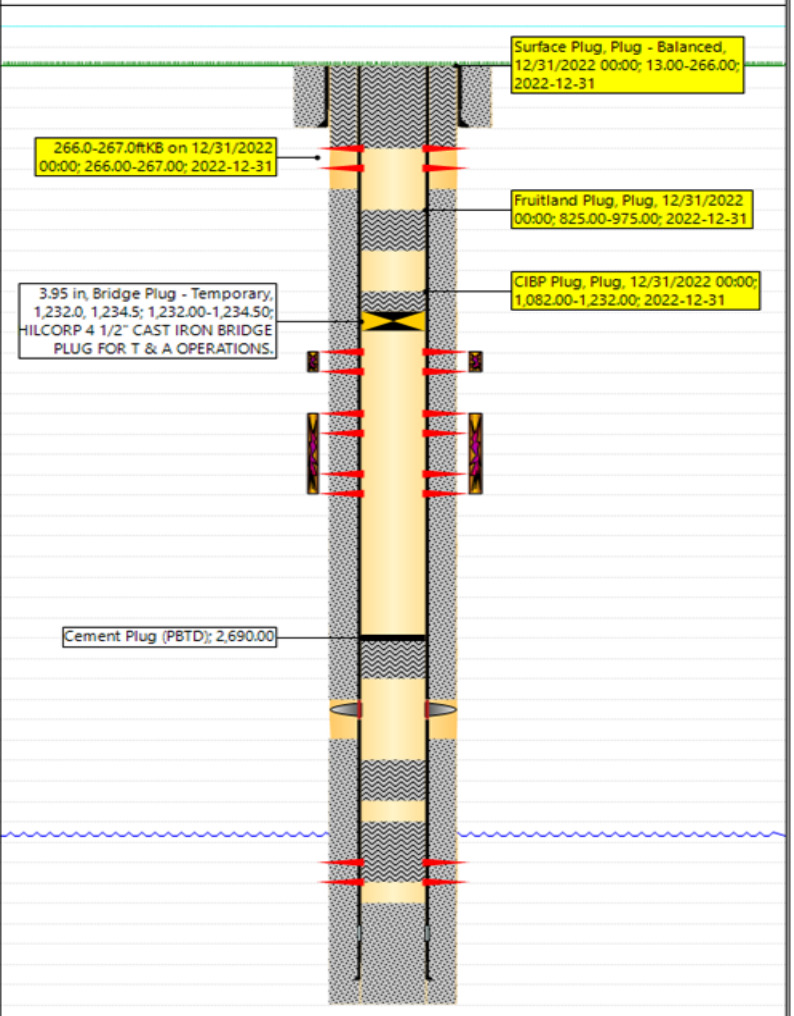
Most Recent Job

Job Category	Primary Job Type	Secondary Job Type	Actual Start Date	End Date
Expense Plug & Abandon	ABANDONMENT T&A		8/2/2022	8/3/2022

Original Hole [Vertical]

MD (ftKB)	TVD (ftKB)	Formation Tops	MD
0.0			
13.1			
214.9			
266.1			
700.1			
924.9		FRUITLAND	925.0
1,065.9			
1,232.0			
1,282.2			
1,315.9			
1,399.9		PICTURED CLIFFS	1,403.0
1,409.1			
1,416.0			
1,419.0			
1,428.1			
2,690.0		CLIFFHOUSE	2,912.0
3,000.0			
4,276.9			
5,070.9		GALLUP	5,121.0
5,129.9			
5,879.9		MANCOS	5,880.0
		DAKOTA	5,984.0
6,125.0			
6,196.9			
6,240.2			
6,250.0			

Vertical schematic (proposed)



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Hilcorp Energy
P&A Final Reclamation Plan
Morton #2
API: 30-045-25766
I - Sec.23-T030N-R014W
Lat: 36.797407, Long: -108.272595
Footage: 1810' FSL & 1100' FEL
San Juan County, NM

1. PRE-RECLAMATION SITE INSPECTION

1.1) A pre-reclamation on-site inspection was completed by Roger Herrera with the BLM and Chad Perkins construction Foreman for Hilcorp Energy on September 29, 2022.

2. LOCATION RECLAMATION PROCEDURE

2.1) The Morton #2 well site is twined with the Morton #2 CDP, Asset Code: 30FAC00613.
2.2) Final reclamation will not be conducted until the Morton #2 CDP is abandoned.
2.3) All production equipment, anchors, and flowlines associated with the Morton #2 will be removed.
2.4) The Below grade tank will be left in service for the Morton #2 CDP.

3. ACCESS ROAD RECLAMATION PROCEDURE:

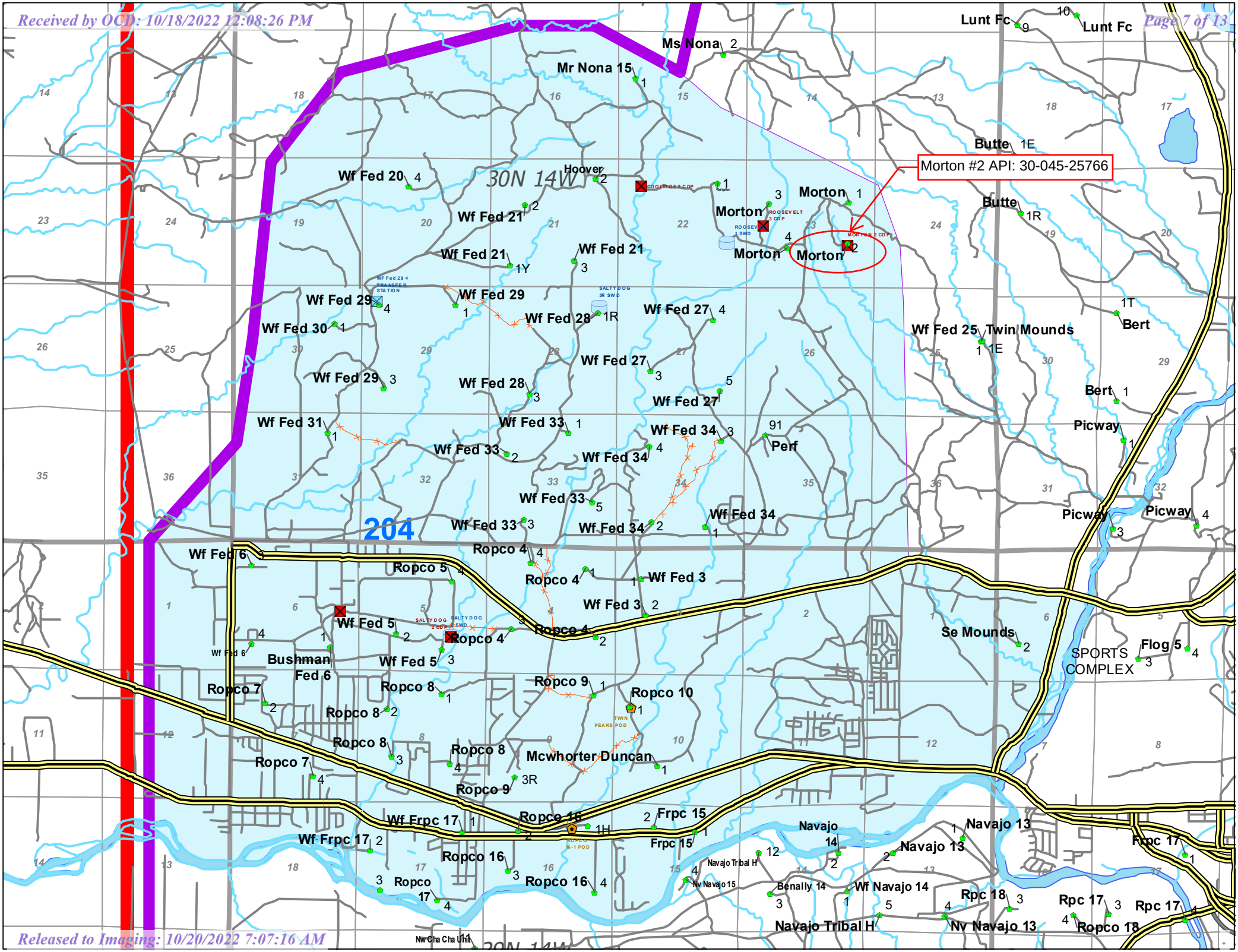
3.1) The lease access road will not be closed and reclaimed; it is lease access for the Morton #2 CDP.

4. SEEDING PROCDURE

4.1) N/A.

5. WEED MANAGEMENT

5.1) No action is required at this time for weed management, no noxious weeds were identified during the onsite.



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Morton #2
Legend
36.79724, -108.27255
Morton #2 CDP Meter
Morton #2 CDP Compressor
The Below Grade tank will be left in service for the Morton #2 CDP compressor.
Google Earth
36.79724, -108.27255
100 ft

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 H_2S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, 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.

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

AFMSS 2 Sundry ID 2697390

Attachment to notice of Intention to Abandon

Well: Morton 2

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 at least 24 hours before the 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 10/18/2022

BLM FLUID MINERALS
P&A Geologic Report

Date Completed: 10/13/2022

Well No. Morton #002 (API# 30-045-25766)		Location	1810	FSL	&	1100	FEL
Lease No. NMNM26357		Sec. 23	T30N			R14W	
Operator Hilcorp Energy Company		County	San Juan		State	New Mexico	
Total Depth 6250’	PBTD 1232’	Formation	Fruitland/Pictured Cliffs				
Elevation (GL) 5704’		Elevation (KB)	5716’				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose					
Nacimiento					
Ojo Alamo Ss					
Kirtland Shale			Surface	925	Possible gas
Fruitland			925	1403	Coal/Gas/Water
Pictured Cliffs Ss			1403	PBTD	Gas
Lewis Shale					
Chacra					
Cliff House Ss					
Menefee					
Point Lookout Ss					
Mancos Shale					
Gallup					
Greenhorn					
Graneros Shale					
Dakota Ss					
Morrison					

Remarks:
P & A

- CIBP set at 1232’ when well was TA’d. Open perfs in the Fruitland and Pictured Cliffs below CIBP are isolated from below by a cement plug at 2690’.
- Fruitland perfs 1282’ – 1400’.
- Pictured Cliffs perfs 1409’ – 1412’.

Reference Well:
1) **Formation Tops**
Same

Prepared by: *Chris Wenman*

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 151656

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 151656
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required	10/20/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	10/20/2022
kpickford	Adhere to BLM approved COAs and plugs. See BLM COAs and GEO report.	10/20/2022