

Well Name: KAUFMAN	Well Location: T31N / R13W / SEC 33 / SENE / 36.859741 / -108.203156	County or Parish/State: SAN JUAN / NM
Well Number: 1	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078463A	Unit or CA Name:	Unit or CA Number: NMNM73637
US Well Number: 3004510174	Well Status: Gas Well Shut In	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2703362

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 11/16/2022

Time Sundry Submitted: 11:41

Date proposed operation will begin: 12/07/2022

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 11/15/2022 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

PA_NOI_Kaufman_1_20221116114056.pdf

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Operator: HILCORP ENERGY COMPANY

Conditions of Approval

Additional

31N13W33HKd_Kaufman_001_20221122145230.pdf

Authorized

General_Requirement_PxA_20221122163729.pdf

2703362_NOIA_1_3004510174_KR_11222022_20221122163719.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: NOV 16, 2022 11:41 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: 11/22/2022

Signature: Kenneth Rennick



**HILCORP ENERGY COMPANY
KAUFMAN #1
NOTICE OF INTENT TO PERMANENTLY ABANDON**

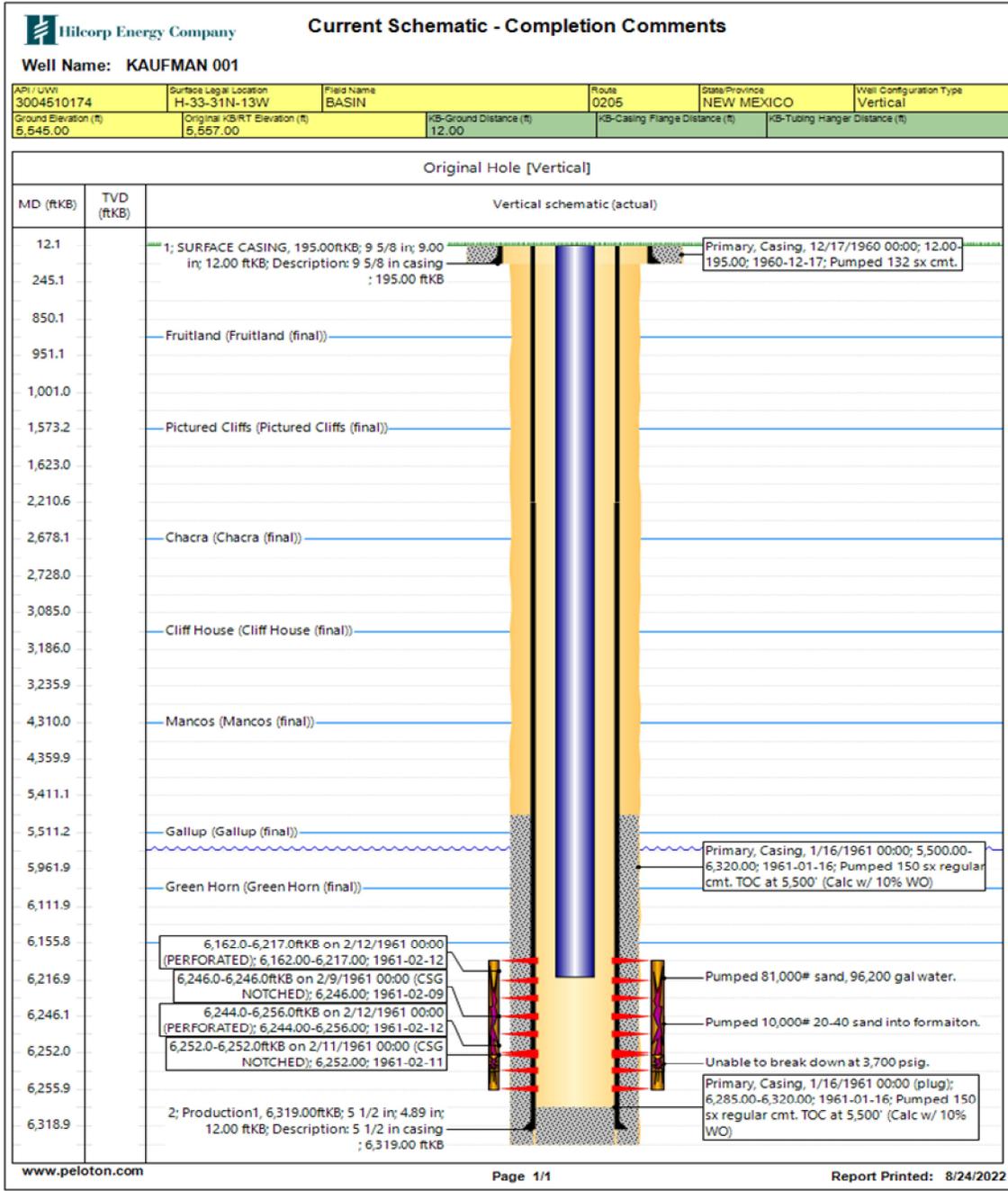
API #:	3004510174
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JOB PROCEDURES	
<input checked="" type="checkbox"/>	NMOCD Contact OCD and BLM (where applicable) 24 hrs prior to MIRU. Comply with all NMOCD, BLM (where applicable), and HEC safety and environmental regulations.
<input checked="" type="checkbox"/>	BLM
1.	MIRU service rig and associated equipment, record all pressures on wellbore.
2.	Load well, ND tree, NU BOPs and test. TOOH w/ 2-3/8" 4.7# EUE J55 tbg and open-ended tubing set at 6,207'.
3.	MU 5-1/2" 17# csg scraper, clear csg to 6,130', POOH. MU 5-1/2" CIBP and set @ 6,112' (DK Top Perf @ 6,162').
4.	Load well with inhibited brine & circulate clean. Pressure test the csg to 560 psi. Monitor for 30 minutes.
5.	MIRU ELU, run CBL from 6,110' to surface (expected TOC = 5,425'). RD ELU, send CBL to engineer & BLM/NMOCD for review.
6.	RIH w/ WS to 6,110'.
7.	Plug #1, 5,962' - 6,112' (CIBP @ 6,112' Dakota Perforations: 6,162' - 6,256') Mix/pump 18 SX of Class G cement and spot balanced plug to cover CIBP @ 6,112'. PU and reverse circulate tubing clean.
8.	Plug #2, 5,411' - 5,561' (Gallup Top @ 5,511') Mix/pump 18 SX of Class G cement and spot an inside plug to cover the Mancos Top.
9.	RU ELU, Perf circulating holes @ 4,360'.
10.	Plug #3, 4,210' - 4,360' (Mancos Top @ 4,310') Mix/pump 49 SX of Class G cement and spot an inside/outside plug to cover the Mancos Top.
11.	RU ELU, Perf circulating holes @ 3,235'.
12.	Plug #4, 3,085' - 3,235' (Cliff House Top @ 3,185') Mix/pump 49 SX of Class G cement and spot an inside/outside plug to cover the Cliff House Top.
13.	RU ELU, Perf circulating holes @ 2,728'.
14.	Plug #5, 2,578' - 2,728' (Chacra Top @ 2,678') Mix/pump 49 SX of Class G cement and spot an inside/outside plug to cover the Chacra Top.
15.	RU ELU, Perf circulating holes @ 1,623'.
16.	Plug #6, 1,473' - 1,623' (Pictured Cliffs Top @ 1,573') Mix/pump 49 SX of Class G cement and spot an inside/outside plug to cover the Pictured Cliffs Top.
17.	RU ELU, Perf circulating holes @ 1,000'.
18.	Plug #7, 850' - 1,000' (Fruitland Top @ 950') Mix/pump 49 SX of Class G cement and spot an inside/outside plug to cover the Fruitland Top.
19.	RU ELU, Perf circulating holes @ 245'. Establish circulation to surface.
20.	Plug #8, 12' - 245' (Surface Shoe @ 195') Mix/pump 84 SX of Class G cement and spot an inside/outside plug to cover the surface shoe to surface.
21.	LD tubing. ND BOP and cut off wellhead below surface casing flange as per NMOCD. Top off cement at surface as needed. Weld new P&A maker.



HILCORP ENERGY COMPANY
KAUFMAN #1
NOTICE OF INTENT TO PERMANENTLY ABANDON

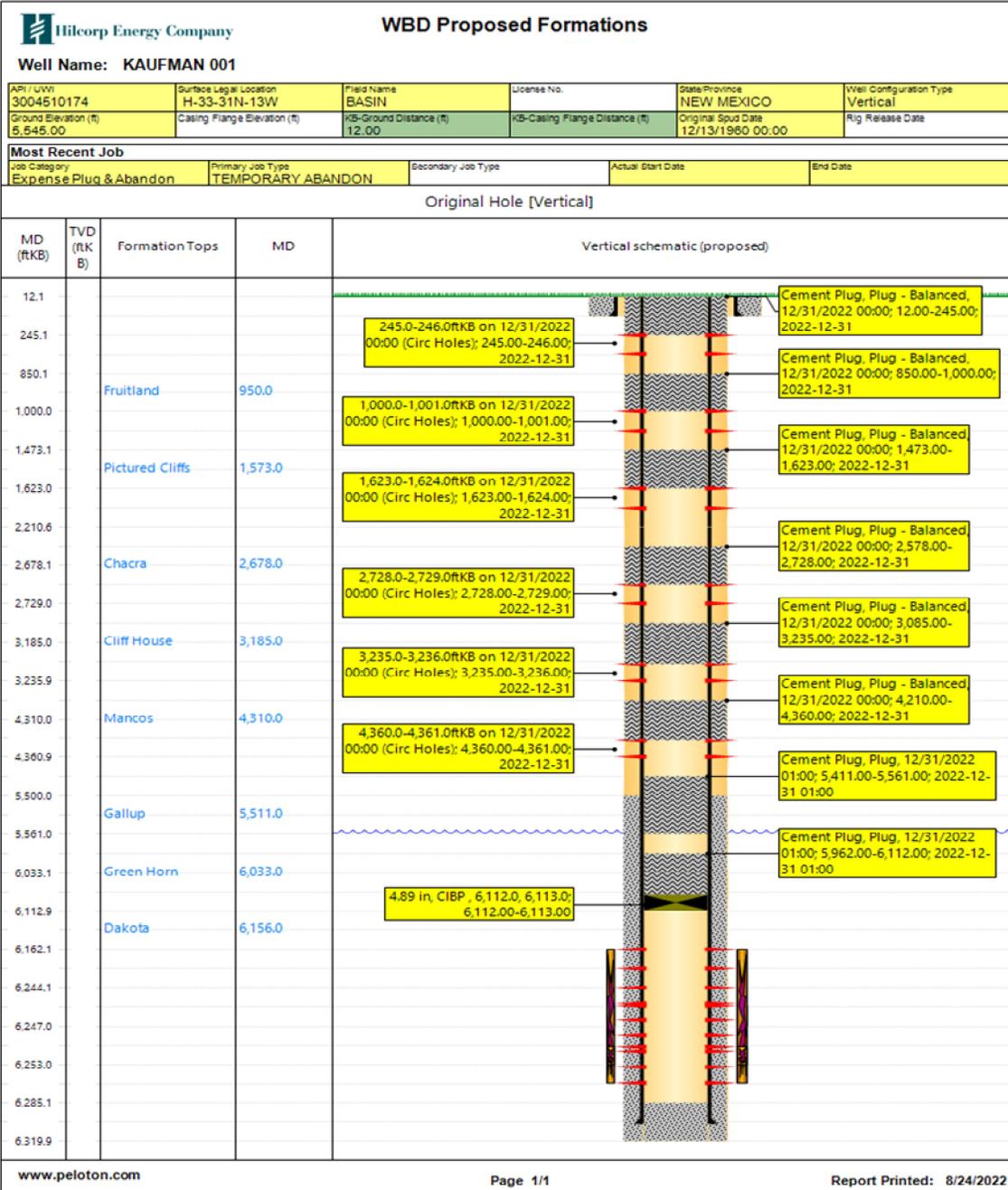
KAUFMAN #1 - CURRENT WELLBORE SCHEMATIC





HILCORP ENERGY COMPANY
KAUFMAN #1
NOTICE OF INTENT TO PERMANENTLY ABANDON

KAUFMAN #1 - PROPOSED P&A SCHEMATIC



Hilcorp Energy
P&A Final Reclamation Plan
Kaufman # 1
API: 30-045-10174
H – Sec.33-T031N-R013W
Lat: 36.859703, Long: -108.203085
Footage: 1450' FNL & 790' 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 November 15, 2022.

2. LOCATION RECLAMATION PROCEDURE

- 2.1) Final reclamation work will be completed after the well is Plugged.
- 2.2) All production equipment, rig anchors, and flowlines will be removed.
- 2.3) Hilcorp Energy will be responsible for pipeline removal.
- 2.4) Test wells will be plugged and abandoned.
- 2.5) Well pad surface will be left as is, no re-contouring or seeding required.
- 2.6) All trash and debris will be removed within 50' buffer outside of the location disturbance during reclamation.

3. ACCESS ROAD RECLAMATION PROCEDURE:

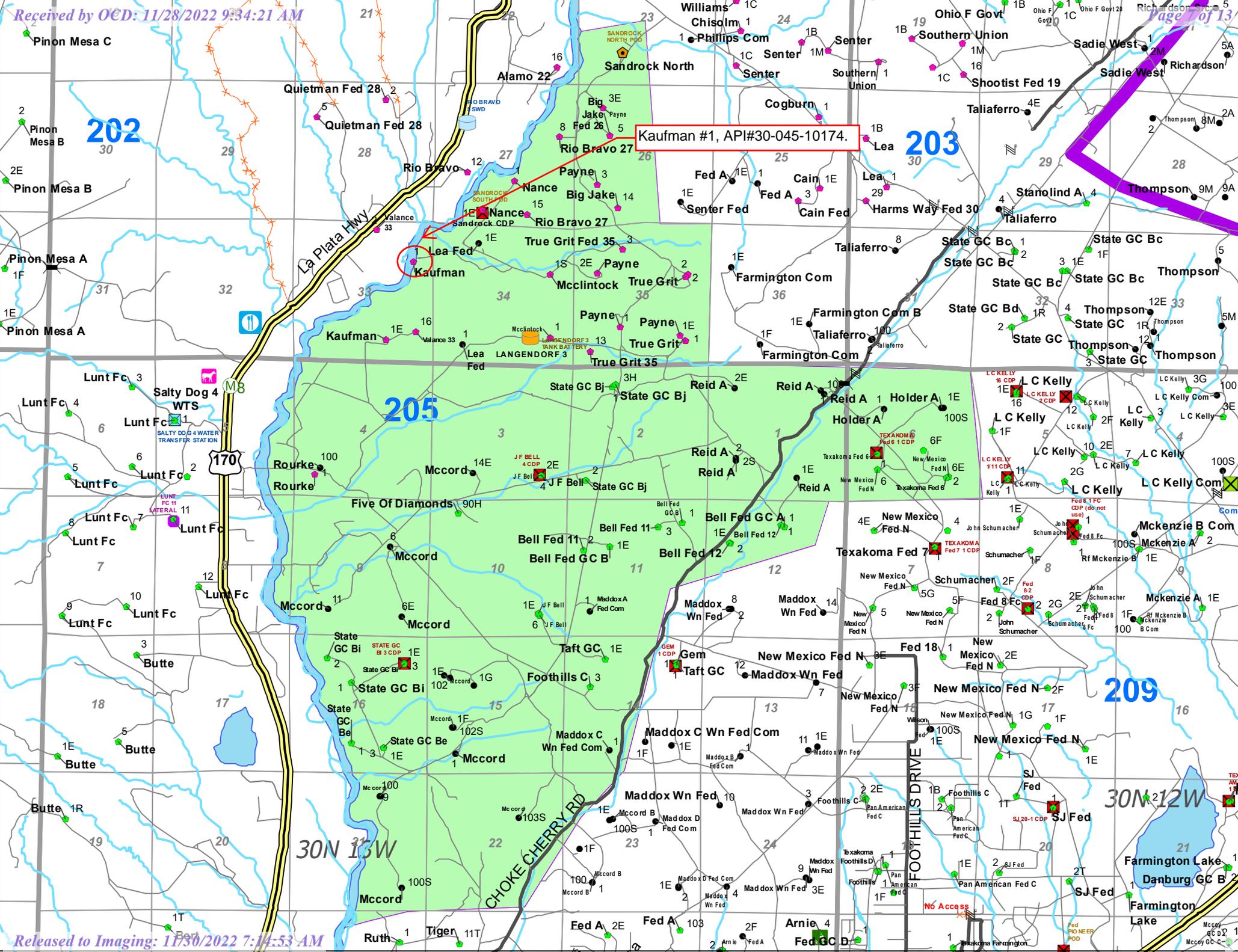
- 3.1) The main lease access road is approximately ~850 feet long.
- 3.2) No culverts were identified on the lease access road during the on-site inspection.
- 3.3) Rip and re-contour lease road with shallow swales and or silt traps for major drainage to create a rolling terrain that matches natural topography drainage features to limit erosion.
- 3.4) All trash and debris will be removed within 50' buffer outside of the road disturbance during reclamation.

4. SEEDING PROCEDURE

- 4.1) A Pinion/Juniper seed mix will be used for all reclaimed and disturbed areas of the location and lease road.
- 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.



Kaufman #1

Reclamation Plan

Legend

 36.75247, -108.07349

Well pad surface will be left as is, no re-contouring or seeding required.

Approximately ~850 feet of lease road will be reclaimed.

Kaufman #1, API#30-045-10174

 36.859703, -108.203085



**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), 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.

(October 2012 Revision)

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

AFMSS 2 Sundry ID 2703362

Attachment to notice of Intention to Abandon

Well: Kaufman 1

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 11/22/2022

**BLM FLUID MINERALS
P&A Geologic Report**

Date Completed: 11/22/2022

Well No. Kaufman #001 (API# 30-045-33382)	Location	1450	FNL	&	790	FEL
Lease No. NMSF078463A	Sec. 33	T31N			R13W	
Operator Hilcorp Energy Company	County	San Juan		State	New Mexico	
Total Depth 6319'	PBTD 6285'	Formation Dakota				
Elevation (GL)		Elevation (KB) 5557'				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose					
Nacimiento					
Ojo Alamo Ss					
Kirtland Shale	Surface	950			Possible Gas/isolated water sands
Fruitland	950	1573			Coal/Gas/Water
Pictured Cliffs Ss	1573	1760			Probable Gas
Lewis Shale	1760	2678			
Chacra	2678	3185			Possible gas
Cliff House Ss	3185	3322			Possible gas
Menefee	3322	3972			Possible gas
Point Lookout Ss	3972	4310			Possible gas
Mancos Shale	4310	5511			Probable Gas
Gallup	5511	6033			Probable Gas
Greenhorn	6033	6090			
Graneros Shale	6090	6156			
Dakota Ss	6156	PBTD			Oil & Gas
Morrison					

Remarks:

P & A

- No well log available for subject well. Tops estimated based on Operator submission, well data, and well logs from Reference Well #1.
- Dakota perfs 6162' – 6256'.

Reference Well:

1) **Formation Tops**
Hilcorp Energy Company
Valance 33 #002
320 FNL, 2145 FEL
Sec. 33, T31N, R13W
5555' KB elev.

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 161513

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 161513
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required	11/30/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	11/30/2022
kpickford	Adhere to BLM approved COAs and plugs. See BLM COAs and GEO report.	11/30/2022