

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMSF078389A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.
891000569A

8. Well Name and No.
SAN JUAN 32-9 UNIT 95R

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
HILCORP ENERGY COMPANY
Contact: PRISCILLA SHORTY
E-Mail: pshorty@hilcorp.com

9. API Well No.
30-045-24875-00-S1

3a. Address
1111 TRAVIS STREET
HOUSTON, TX 77002

3b. Phone No. (include area code)
Ph: 505-324-5188

10. Field and Pool or Exploratory Area
BLANCO PICTURED CLIFFS

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 11 T31N R10W SWSW 0870FSL 0790FWL
36.908066 N Lat, 107.857559 W Lon

11. County or Parish, State
SAN JUAN COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Hilcorp Energy requests permission to P&A the subject well per the attached procedure, current and proposed wellbore schematics. A close loop system will be utilized. The pre-disturbance site visit was held on January 21, 2020 with Bob Switzer, BLM. The reclamation plan is attached.

NMOC

FEB 13 2020

DISTRICT III

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #500228 verified by the BLM Well Information System
For HILCORP ENERGY COMPANY, sent to the Farmington
Committed to AFMSS for processing by ALBERTA WETHINGTON on 01/23/2020 (20AMW0146SE)**

Name (Printed/Typed) PRISCILLA SHORTY

Title OPERATIONS REGULATORY TECH SR

Signature (Electronic Submission)

Date 01/22/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JOE KILLINS

Title ENGINEER

Date 02/13/2020

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Farmington

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

AV

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HILCORP ENERGY COMPANY
SAN JUAN 32-9 UNIT 95R
NOTICE OF INTENT TO PERMANENTLY ABANDON

API #:	3004524875
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JOB PROCEDURES

1. MIRU service rig and associated equipment
2. Load well, ND tree, NU BOPs and test
3. PU rental workstring and RIH.
4. **Install plugs per the attached plugging procedure**
5. ND BOPs, NU dry hole tree. RDMO.



HILCORP ENERGY COMPANY
SAN JUAN 32-9 UNIT 95R
NOTICE OF INTENT TO PERMANENTLY ABANDON

PLUGGING PROCEDURE



Hilcorp Energy Company
Plug & Abandon Procedure
January 9, 2020

Well:	San Juan 32-9 Unit #95R	API:	30-045-24875
Location:	870' FSL & 790' FWL	Field:	Blanco Pictured Cliffs
Sec,T, R:	Sec 11, T31N, R10W	Elevation:	GL: 6227'
Cnty/State:	San Juan, New Mexico	By:	Aztec Well Servicing
Lat/Long:	36.9080315,-107.8580856		

Objective:

Permanently plug & abandon the well from 3173' to surface containing 3 cement plugs.

Note:

All cement volumes use 100% excess outside casing and 50' excess inside pipe. Stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Class G neat yield or equivalent. If casing pressure tests tagging plugs will not be required.

Prior to Rig:

1. Notify BLM & NMOCD
2. Note: verify all cement volumes based on actual slurry to be pumped.
3. See attached COA's from BLM & NMOCD.

Procedure:

1. MIRU well servicing rig and cement equipment.
2. Check casing, tubing, and BH pressures.
3. Removed existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Kill well as necessary. Ensure well is dead or on a vacuum.
4. ND wellhead and NU BOP. Function test BOP. RU floor and 2-3/8" handling tools.
5. PU and tally 2-3/8 tubing with 4-1/2 casing scraper to 860'
6. TOOH LD casing scraper.
7. TIH with 4-1/2 CICR and set @ 850'.
8. Load hole, and pressure test casing to 500 psi. If casing does not test, then spot or tag subsequent plugs as appropriate. WOC to be determined on pressure test.
9. **Plug 1: 3153'-850' (PC Perfs 3025-3153', PC top: 3041', Fruitland top: 2630', Kirtland top: 1550', Ojo Alamo top: 1428)** Mix and pump 350 sacks Class G cement and spot a plug below CICR to cover PC perfs, PC, Fruitland, Kirtland and Ojo Alamo tops. PU and reverse circulate tubing clean.
10. LD tubing to 798' and TOOH with tubing.
11. RU WL and perforate @ 848', RD WL.
12. TIH with 4-1/2 CICR and set @798'
13. **Plug 2: 848'-748'**, Mix and pump 30 sacks Class G cement and spot an inside/outside plug pumping 12 sxs inside and 18 sxs outside. PU and reverse circulate tubing clean.



HILCORP ENERGY COMPANY
SAN JUAN 32-9 UNIT 95R
NOTICE OF INTENT TO PERMANENTLY ABANDON

PLUGGING PROCEDURE CONT'D



Hilcorp Energy Company
Plug & Abandon Procedure
January 9, 2020

Well:	San Juan 32-9 Unit #95R	API:	30-045-24875
Location:	870' FSL & 790' FWL	Field:	Blanco Pictured Cliffs
Sec,T, R:	Sec 11, T31N, R10W	Elevation:	GL: 6227'
Cnty/State:	San Juan, New Mexico		
Lat/Long:	36.9080315,-107.8580856	By:	Aztec Well Servicing

- LD all tubing.
- RU WL and perforate @ 265', RD WL.
- Plug 3: 215' - Surface (Surface shoe: 215')** Establish injection rate. Mix 85 sacks Class G cement down casing and circulate out BH until good cement returns to surface. If unable to circulate top of cement as necessary.
- ND BOP and cut off wellhead below surface casing flange per regulation. Top off w/cement if needed. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.



**HILCORP ENERGY COMPANY
SAN JUAN 32-9 UNIT 95R
NOTICE OF INTENT TO PERMANENTLY ABANDON**

WELLBORE DIAGRAM - CURRENT

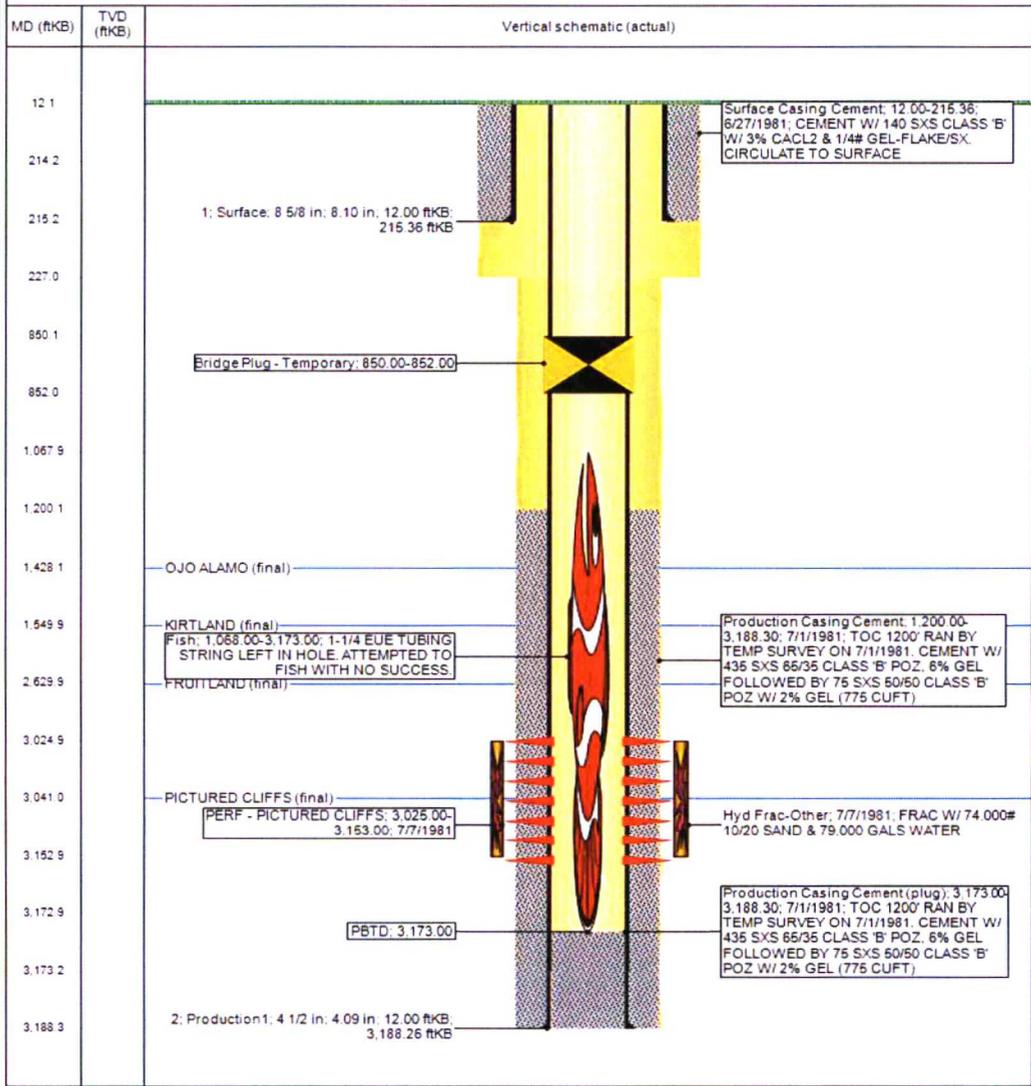


Current Schematic

Well Name: SAN JUAN 32-9 UNIT #95R

API / UWI 3004524875	Surface Leg: Location 011-031N-010W-M	Field Name BLANCO PICTURED CLIFFS (GAS)	Route 0403	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 6,227.00	Original KB RT Elevation (ft) 6,239.00	KB-Ground Distance (ft) 12.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

Original Hole, 1/10/2020 10:25:11 AM





**HILCORP ENERGY COMPANY
SAN JUAN 32-9 UNIT 95R
NOTICE OF INTENT TO PERMANENTLY ABANDON**

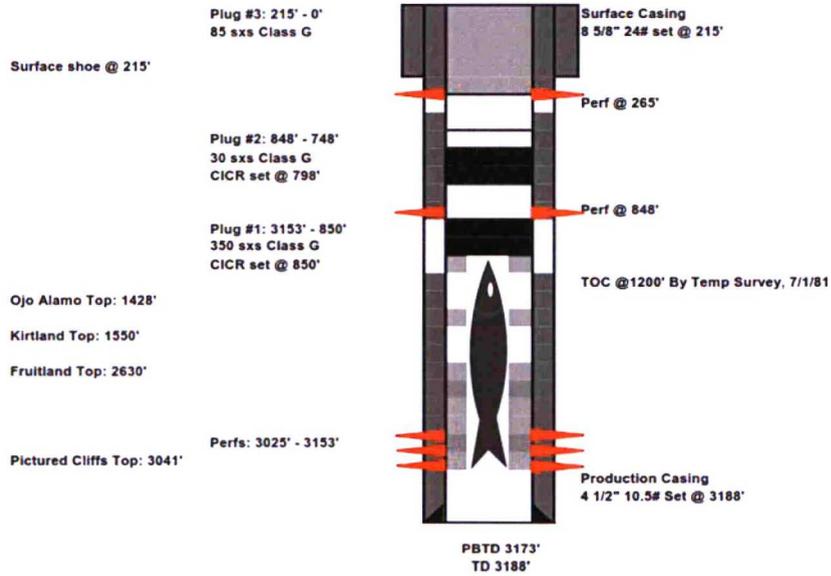
WELLBORE DIAGRAM - PROPOSED



**Hilcorp Energy Company
Plug & Abandon Procedure
January 9, 2020**

Well:	San Juan 32-9 Unit #95R	API:	30-045-24875
Location:	870' FSL & 790' FWL	Field:	Blanco Pictured Cliffs
Sec,T, R:	Sec 11, T31N, R10W	Elevation:	GL: 6227'
Cnty/State:	San Juan, New Mexico	By:	Aztec Well Servicing
Lat/Long:	36.9080315,-107.8580856		

SJ 32-9 Unit #95R
API: 30-045-24875
San Juan County
Blanco Pictured Cliffs
Proposed P&A WBD



Hilcorp Energy
P&A Final Reclamation Plan
San Juan 32-9 Unit #95R
API: 30-045-24875
M – Sec.11-T031N-R010W
Lat: 36.90836, Long: -107.85687
Footage: 870' FSL & 790' FWL
San Juan County, NM

1. PRE-RECLAMATION SITE INSPECTION

- 1.1) A pre-reclamation site inspection was completed by Bob Switzer with the BLM and Chad Perkins construction Foreman for Hilcorp Energy on January 21, 2020.

2. LOCATION RECLAMATION PROCEDURE

- 2.1) Reclamation work will begin in the spring/summer of 2020.
2.2) Remove all equipment and strip all piping.
2.3) All trash and debris will be removed within 50' buffer outside of the location disturbance during reclamation.
2.4) All nonnative aggregate will be scraped up and buried at the toe of the cut prior to pushing fill into cut.
2.5) Rip compacted soil and walk down entire well pad.
2.6) Pull soil from fill slope and push to cut slope, re-contour into shallow swales or silt traps to create rolling terrain that matches natural drainage features to limit erosion.

3. ACCESS ROAD RECLAMATION PROCEDURE:

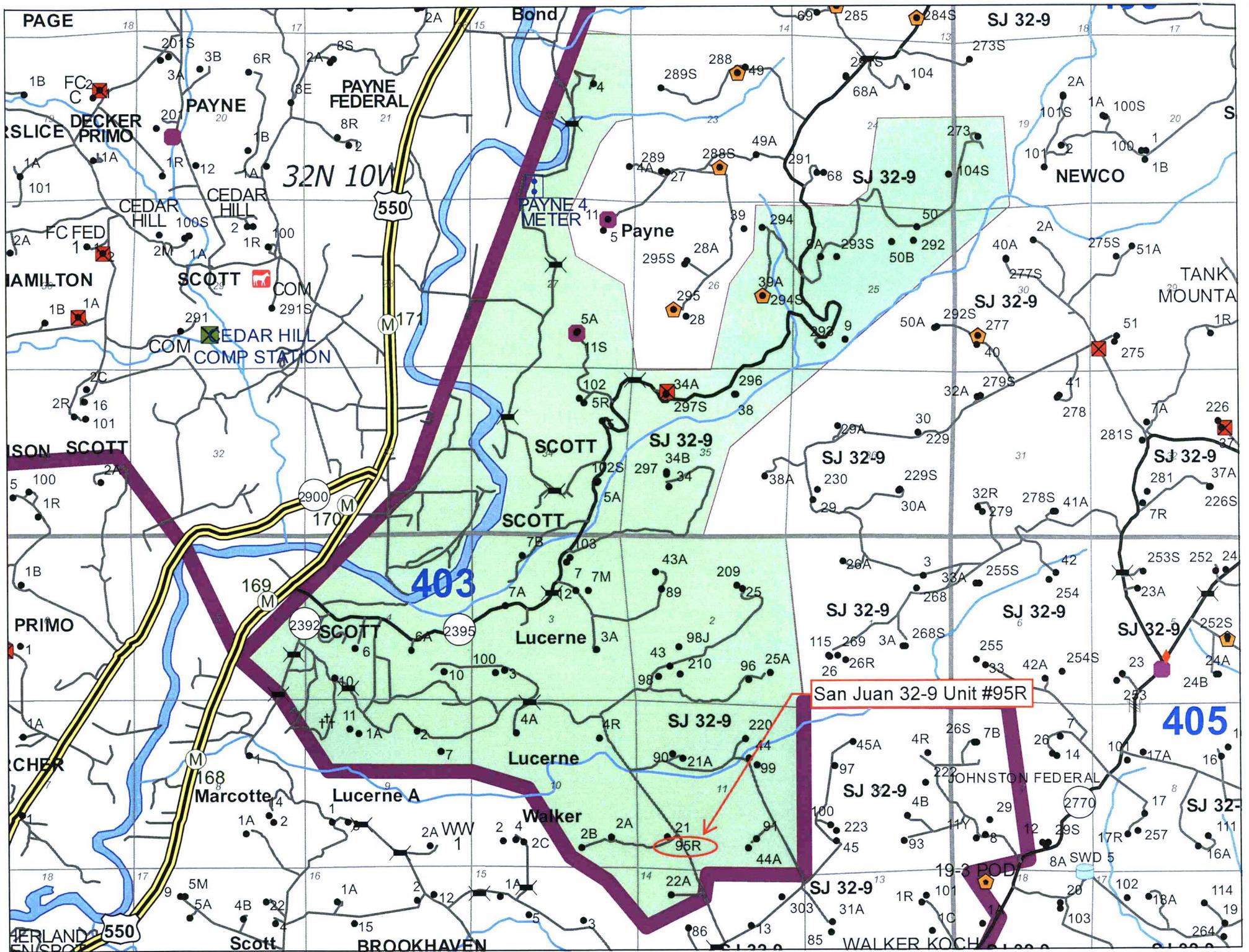
- 3.1) There is no lease road to reclaim, access onto location is off the main lease road.
3.2) The location has access entrances off of the main lease road that will be fenced off to barricade and inhibit travel onto location once the reclamation is complete.

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.



San Juan 32-9 Unit #95R

Legend

-  36.90836, -107.85687
-  Blanco

Pull soil from fill slope and push to cut slope, re-contour into shallow swales or silt traps to create rolling terrain that matches natural drainage features to limit erosion.

36.90836, -107.85687



**BLM FLUID MINERALS
Geologic Report**

Date Completed: 2/12/20

Well No.	San Juan 32-9 Unit #95R	Location	870'	FSL &	790'	FWL
Lease No.	NMSF078389A	Sec.	11	T31N		R10W
Operator	Hilcorp	County	San Juan	State	New Mexico	
Total Depth	3188'	PBTD	3173'	Formation	Basin Pictured Cliffs	
Elevation (GL)	6227'			Elevation (KB)	6239' (est.)	

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/Fresh water sands
Nacimiento Fm			870'	1428'	Fresh water sands
Ojo Alamo Ss			1458'	1550'	Aquifer (fresh water)
Kirtland Shale			1550'	2630'	
Fruitland Fm			2630'	3041'	Coal/Gas/Possible water
Pictured Cliffs Ss			3041'	PBTD	Gas
Lewis Shale					
Chacra					Probable water or dry
La Ventana Tongue					Probable water or dry
Cliff House Ss					Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos Shale					Source rock
Gallup					O&G/Water
Dakota					O&G/Water

Remarks:

P & A

- Log analysis of reference well #2 (attached worksheet) indicates the Ojo Alamo, Nacimiento, and the San Jose formations contain fresh water ($\leq 5,000$ ppm TDS).

- Please ensure that the tops of the Pictured Cliffs, Fruitland, and Nacimiento formations as well as the entire Ojo Alamo aquifer, identified in this report, are isolated by proper placement of cement plugs. This will protect the freshwater sands in this well bore.

Reference Well:

1) Hilcorp Fm. Tops
Same

2) EPNG. Water
Lucerne Unit # 1 Analysis
1650' FNL, 990' FEL
Sec 12, T31N, R10W
GL 6552', KB 6564'

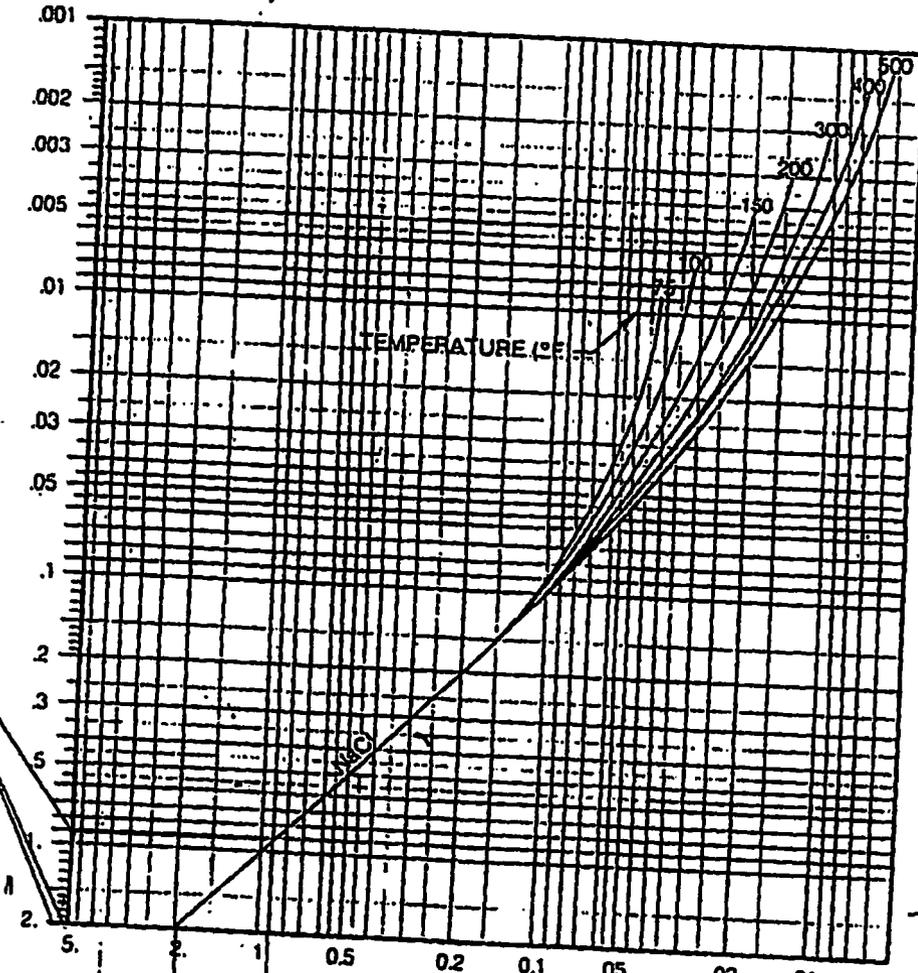
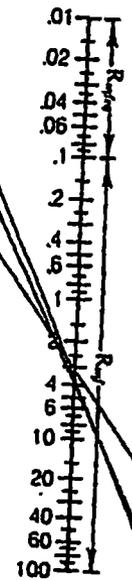
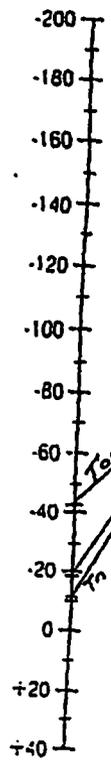
Prepared by: *WA* Walter Gage

$R_m = 4.3 @ 68^\circ$
 Mud Density = 8.8
 Calc $R_{mf} = 7.0 @ 68^\circ$

EPNG
 - Lucerne Unit #1
 1650' FNL, 990' FEL
 Sec. 12, 31N-10W
 GL 6552' KB 6564'

R_{weq} or R_{mf} at T_f (ohm-m)

STATIC SP (mv)



	T_{sj}	T_n	T_{oa}
FORMATION			
DEPTH (BH)	5020'	5020'	5020'
$T(°H)$	136°	136°	136°
Geo. GRADIENT	1.5	1.5	1.5
DEPTH (F)	100'	773'	1884'
$T(°F)$	66°	72°	89°
$R_{mf} @ T(°F)$	4.1	3.8	3.2
$R_m @ T(°F)$			
$R(s)$			
S.P.	-18mv	-11mv	-43mv
$R(s)/R_m$			
h			
SSP			
$R_w @ T(°F)$	2.04	2.04	.9
$R_w @ 77° F$	1.75	1.85	1.05
R_w (corr)			
TDS	~480 ppm	~2,300 ppm	~590 ppm

$T_{sj} \quad T_n$
 2.04 .9
 T_{oa}

R_w or R_{mf} at T_f (ohm-m)

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

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: San Juan 32-9 95R

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 (505) 564-7750.
3. Plug 2: Increase volume of outside plug to 40 sacks including the 100% excess for a total plug of 52 sacks.

**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.