

<b>Well Name:</b> WF FEDERAL 27	<b>Well Location:</b> T30N / R14W / SEC 27 / NENW / 36.789571 / -108.298896	<b>County or Parish/State:</b> SAN JUAN / NM
<b>Well Number:</b> 2	<b>Type of Well:</b> CONVENTIONAL GAS WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMNM97841	<b>Unit or CA Name:</b>	<b>Unit or CA Number:</b>
<b>US Well Number:</b> 3004530689	<b>Well Status:</b> Producing Gas Well	<b>Operator:</b> HILCORP ENERGY COMPANY

**Notice of Intent**

**Sundry ID:** 2653689

**Type of Submission:** Notice of Intent

**Type of Action:** Plug and Abandonment

**Date Sundry Submitted:** 01/21/2022

**Time Sundry Submitted:** 11:20

**Date proposed operation will begin:** 02/04/2022

**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 1/10/2022 with Bob Switzer/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\_reclamation\_\_WF\_Federal\_27\_2\_01\_12\_2022\_\_Optimized\_20220121111944.pdf

WF\_Federal\_27\_2\_P\_A\_Procedure\_20220121111023.pdf

**Well Name:** WF FEDERAL 27

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**Allottee or Tribe Name:**

**Lease Number:** NMNM97841

**Unit or CA Name:**

**Unit or CA Number:**

**US Well Number:** 3004530689

**Well Status:** Producing Gas Well

**Operator:** HILCORP ENERGY COMPANY

### Conditions of Approval

#### Additional Reviews

General\_Requirement\_PxA\_20220209092207.pdf

2653689\_NOIA\_2\_3004530689\_KR\_02092022\_20220209092143.pdf

30N14W27CKpc\_WF\_Federal\_27\_2\_20220208160001.pdf

### Operator Certification

*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 submission of Form 3160-5 or a Sundry Notice.*

**Operator Electronic Signature:** KANDIS ROLAND

**Signed on:** JAN 21, 2022 11:20 AM

**Name:** HILCORP ENERGY COMPANY

**Title:** Operation Regulatory Tech

**Street Address:** 382 Road 3100

**City:** Farmington

**State:** NM

**Phone:** (505) 599-3400

**Email address:** kroland@hilcorp.com

### Field Representative

**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:** 02/09/2022

**Signature:** Kenneth Rennick



## P&A Procedure

General Information			
<b>Well Name</b>	WF Federal 27 #2	<b>Date:</b>	1-21-22
<b>API:</b>	30-045-30689	<b>AFE #</b>	
<b>Field:</b>	San Juan North	<b>County</b>	San Juan
<b>Status:</b>	Well is ACOI		
<b>Subject:</b>	Permanently P&A wellbore		
<b>By:</b>	J. Picou		

### Well Data

Surface Casing: 7" 20# K-55 at 131'

Production Casing: 4-1/2" 10.5#; J-55 at 1,255'

Production Tubing: 2-3/8" 4.7#; J-55 at 1,165'

Rod String: 3/4" Sucker Rods

Current Perforations: 1,093' - 1,103'

Current PBTD: 1,219' (cement plug)

KB: 5'

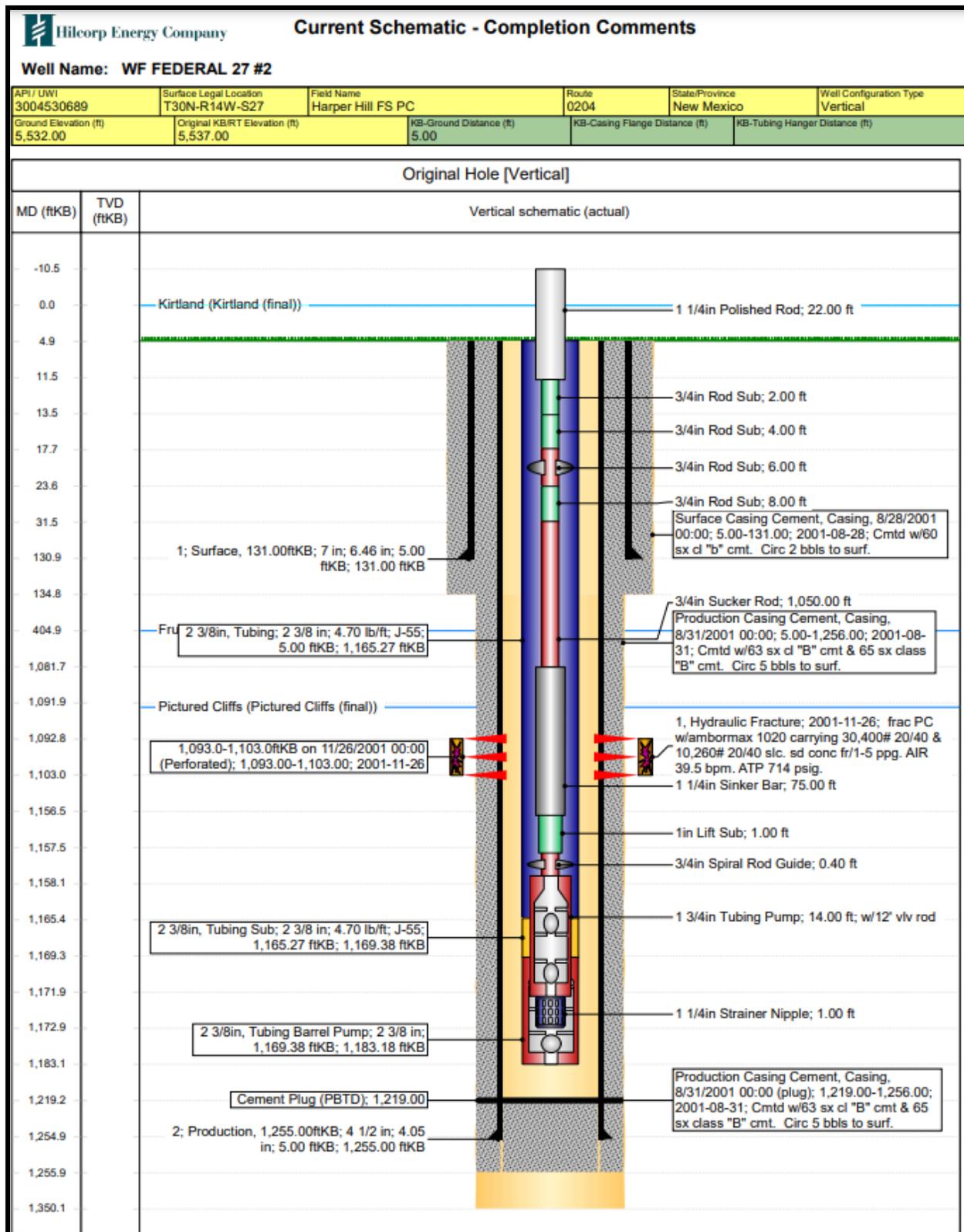
*Hold PJSM prior to begin all operations. Properly document all operations via the JSA process. Ensure that all personnel onsite abide by HEC safety protocol, including PPE, housekeeping, and standard guidelines. Verify cathodic protection is off and wellhead instrumentation is properly disconnected from the wellhead. Comply with all NMOCD and HEC safety and environmental regulations. Verify there is no H2S present prior to beginning operations. If any H2S is present, take the necessary actions to ensure that the location is safe prior to beginning operations. Observe and record pressures across all strings daily, prior to beginning operations.*

**Remember to notify NMOCD and BLM 24 hours prior to starting operations on location. This procedure is contingent upon P&A sundry approval by the NMOCD and BLM.**

## Rig Procedure

1. MIRU P&A rig and equipment. Record pressures on all strings.
2. Unseat rods from ESP and POOH with rod string. NU BOP & test. Release ESP pump and TOOH with production tbg and pump.
3. RIH with 4.5" casing scraper to +/- 1,070'.
4. MU 4.5" CICR and RIH. Set CICR at 1,050'
5. Load wellbore with KCl water and circulate wellbore clean. Pressure test the casing to 500 psi to verify wellbore integrity and plug set.
6. **Plug #1 (Pictured Cliffs top at 1,093')** : RU cementers and pump a 200' balanced cmt plug inside the 4-1/2" from 850' – 1,050', using 4 bbls (19 sx) of 15.8+ ppg Class G cmt.
7. TOOH with tbg to 200'.
8. **Plug #2 (Surface Casing Shoe at 131')**: RU cementers and pump a 200' balanced cmt plug from Surface – 200' inside the 4-1/2" using 4 bbls (19 sx) of 15.8 ppg Class G cmt.
9. WOC 4 hrs. Verify all pressures on all strings are at 0 psi.
10. ND BOP. Tag cmt and top off wellbore as needed. Cutoff wellhead at surface and weld P&A marker.
11. RDMO P&A rig.

# CURRENT WELLBORE SCHEMATIC



# PROPOSED P&A WELLBORE SCHEMATIC



Hilcorp Energy  
P&A Final Reclamation Plan  
**WF F deral 27 #2**  
API: 30-045-30689  
C – Sec.27-T030N-R014W  
Lat: 36.789611, Long: -108.298304  
Footage: 1021' FNL & 1940' 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 10, 2022.

**2. LOCATION RECLAMATION PROCEDURE**

- 2.1) Reclamation work will begin in the spring of 2022.
- 2.2) Remove all production equipment, anchors, and flowlines.
- 2.3) The produced water pipeline piping approximately ~3 tenths of a mile from the well pad to the mainline will be abandoned in place and capped ~4' below grade on both ends. The mainline pipeline will be blind flanged or capped off from the abandoned pipeline.
- 2.4) The gas pipeline piping approximately ~3 tenths of a mile from the well pad to the mainline will be abandoned in place and capped below grade on both ends. The mainline pipeline will be blind flanged or capped off from the abandoned pipeline.
- 2.5) All trash and debris will be removed within 50' buffer outside of the location disturbance during reclamation.
- 2.6) All nonnative aggregate will be scraped up and buried at the toe of the cut prior to pushing the fill into cut.
- 2.7) Push fill into cut slope and re-contour into shallow swales to create rolling terrain that matches natural topography drainage features to limit erosion.
- 2.8) Rip compacted soil and walk down disturbed portion of well pad.

**3. ACCESS ROAD RECLAMATION PROCEDURE:**

3.1) The lease access road will not be closed and reclaimed at this time; it is access to pipeline ride of way.

**4. SEEDING PROCDURE**

- 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.

Date: 1/12/2022  
Scale: 1:1,128 mi  
0 0.01 0.02 0.02 0.03  
  
N 

### Wells

 Gas Well

### Pipelines

 Hilcorp Operated Pipeline

 Other

 Lateral

 Trunk

### Hilcorp Boundaries

 Asset Teams

 Supervisor Areas, outline

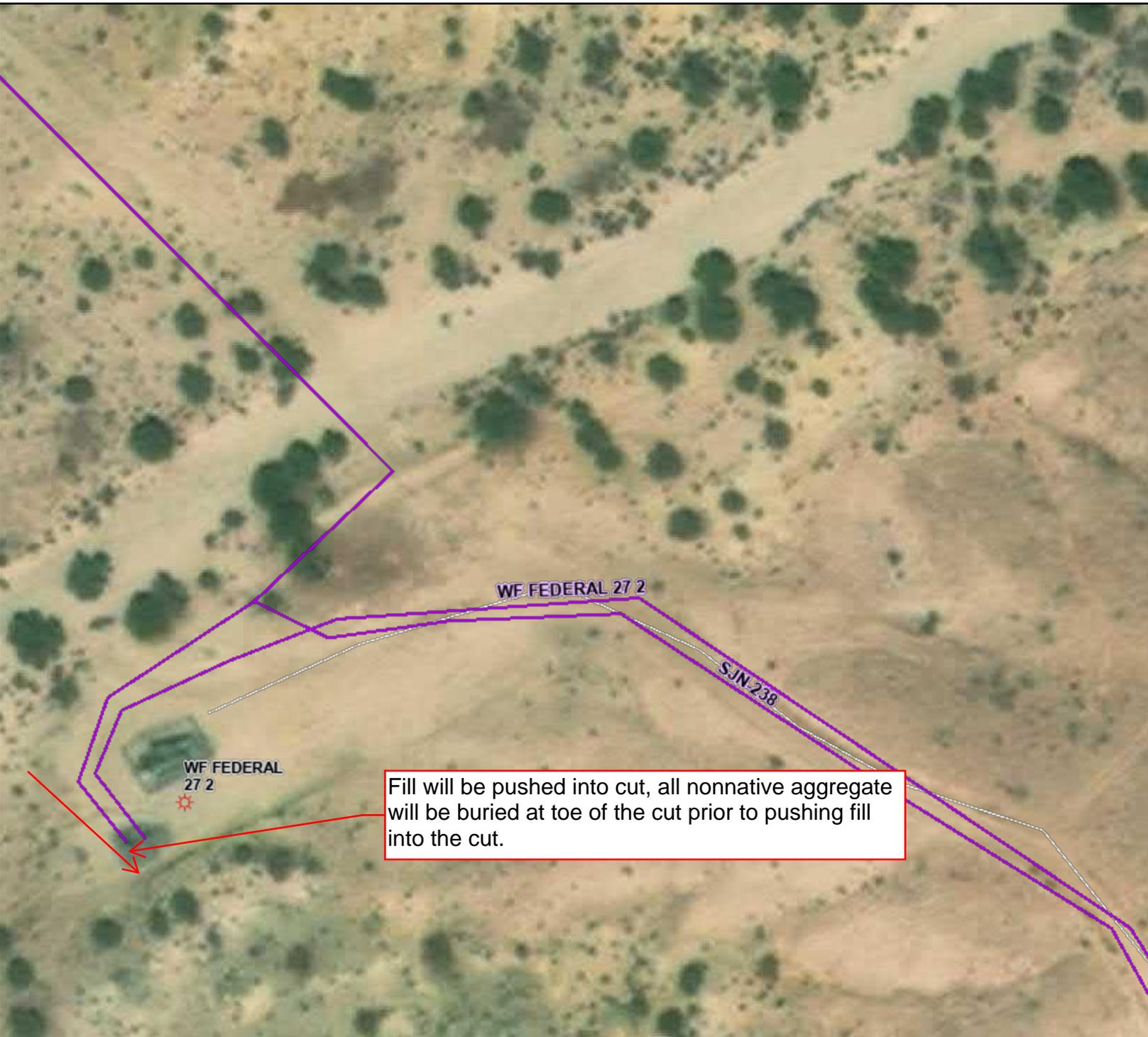
### Roads and Highways

 US Highways

 No Access

 Main Road

 Road



Date: 1/12/2022  
Scale: 1:4,514 mi  
0 0.03 0.06 0.09 0.12  
N

### Wells

- Gas Well

### Pipelines

- Hilcorp Operated Pipeline
- Other
- Lateral
- Trunk

### Hilcorp Boundaries

- Asset Teams
- Supervisor Areas, outline

### Roads and Highways

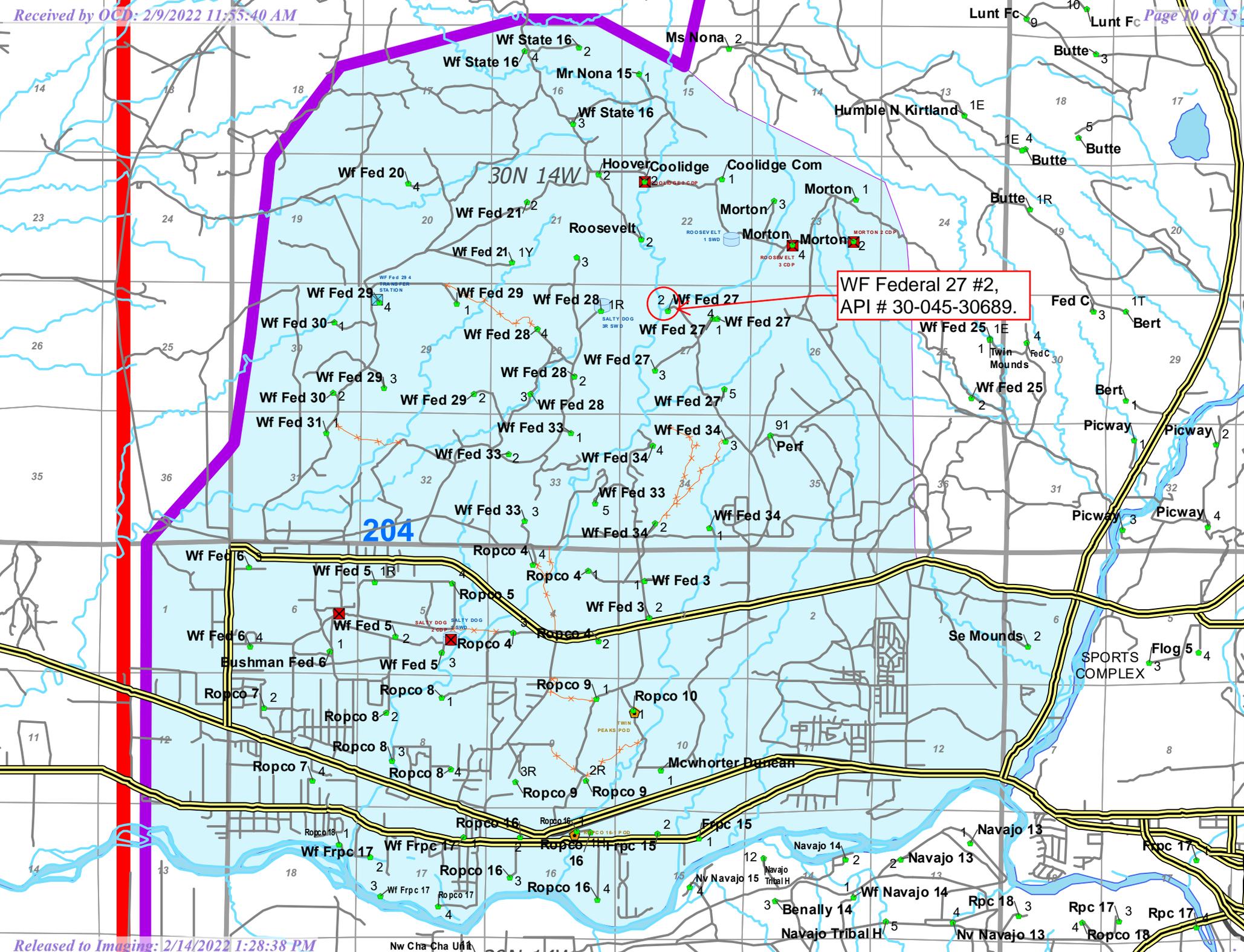
- US Highways
- No Access
- Main Road
- Road

Lease road will not be reclaimed,  
Pipeline ROW access

Water and Gas pipe-  
lines will be capped  
at well pad @ ~4'.

Water and Gas lines  
will be abandoned in  
place for approx.  
~three tenths of a  
mile.

Water and Gas pipelines and  
mainlines will be capped @ ~4'.



WF Federal 27 #2,  
API # 30-045-30689.

**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<sub>2</sub>S.

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 2653689

Attachment to notice of Intention to Abandon

Well: WF Federal 27 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. The following modifications to your plugging program are to be made:
  - a) Plug 1 (Fruitland): Bring the top of the plug up to 800 feet to cover BLM pick for the Fruitland formation top.
3. 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 2/9/2022

## BLM FLUID MINERALS P&A Geologic Report

**Date Completed:** 2/8/2022

Well No. WF Federal 27 #2 (API# 30-045-30689)	Location	1021	FNL	&	1940	FWL
Lease No. NMNM-97841	Sec. 27	T30N			R14W	
Operator Hilcorp Energy Company	County	San Juan		State	New Mexico	
Total Depth 1350'	PBTD 1219'	Formation Pictured Cliffs				
Elevation (GL) 5532'		Elevation (KB) 5537'				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					
Nacimiento Fm					Surface/freshwater sands
Ojo Alamo Ss					Aquifer (possible freshwater)
Kirtland Shale			Surface	846	
Fruitland Fm			846	1093	Coal/Gas/Possible water
Pictured Cliffs Ss			1093	PBTD	Gas
Lewis Shale					
Chacra					Gas
Cliff House Ss					Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos Shale					
Gallup					O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss					O&G/Water

Remarks:

P & A

- Bring the top of Plug #1 up to 800' to cover BLM pick for the Fruitland formation top.
- The plugs proposed in the P&A procedure, with recommended changes, will adequately protect any freshwater sands in this well bore.
- Pictured Cliffs perms 1093' – 1103'.
- Note: H<sub>2</sub>S has not been reported in this well but has been reported in wells to the north and west at concentrations up to 1000 PPM.

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 80228

**CONDITIONS**

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 80228
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

**CONDITIONS**

Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	2/14/2022
kpickford	Adhere to BLM approved COAs and plugs. See GEO report.	2/14/2022