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

Sundry Print Report

04/06/2022

Well Name: FEDERAL F

Well Location: T27N / R10W / SEC 16 / SENE / 36.577652 / -107.894318

County or Parish/State: SAN JUAN / NM

Well Number: 1

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMSF077382

Unit or CA Name:

Unit or CA Number:

US Well Number: 3004506533

Well Status: Gas Well Shut In

Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2653618

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 01/21/2022

Time Sundry Submitted: 06:19

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 1/19/22 with Bob Swizter/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

Federal_F_1_Reclamation_Plan_20220121061838.pdf

Plug_and_Abandonment_Procedure___Federal_F_1_20220121061614.pdf

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Operator: HILCORP ENERGY COMPANY

Conditions of Approval

Additional Reviews

General_Requirement_PxA_20220406084007.pdf

2653618_NOIA_F_1_3004506533_KR_04062022_20220406083913.pdf

Federal_F_No_1_Geo_Rpt_20220405150948.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 06:19 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: 04/06/2022

Signature: Kenneth Rennick

Plug and Abandonment - NOI

Federal F 1

API # - 3004506533

Procedure:

Hold PJSM prior to beginning any and 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, BLM, 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 string daily, prior to beginning operations. **Remember to notify NMOCD 24 hours prior to starting operations on location.**

NOTE: **This procedure is contingent upon P&A sundry approval by NMOCD**. All cement volumes use 100% excess outside pipe and 50' excess inside (unless otherwise stated). All cement will be Class G, mixed at 15.8 ppg w/ a 1.15 cf/sx yield. The stabilizing wellbore fluid will be an 8.3 ppg fluid, sufficient to balance all exposed formation pressures.

1. This project will use a steel tank to handle waste fluids circulated from the well and cement wash up.
2. Test anchors if not using a base beam. Comply with all NMOCD, BLM, and HEC safety regulations. MIRU and conduct safety meeting for all personnel on location.
3. *Previous casing leak repair at 3212'. We will pressure test at each plug and perforate/squeeze up to 3212' until wellbore integrity is confirmed to load and run CBL.*
4. Record casing, tubing, and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary. Ensure well is dead or on a vacuum.
5. ND wellhead and NU BOP, scan tubing out to use as work string.
6. **Plug #1, 6269' - 66239' (Dakota Top: 6313')**
7. RIH with tubing and circulate 30' of cement on CIBP (0.714 bbl)
8. Circulate plug mud to 5638', POOH tbg, RUWL, RIH perforate at 5638'
9. PU CICR and RIH to 5538'
10. **Plug #2, 5638' - 5538' (Gallup Top: 5588')**
11. Squeeze cement under retainer (2.38 bbl + 2.38 bbl. for required excess)
12. Circulate plug mud to 3496'
13. POOH tbg, RUWL, RIH perforate at 3496'

14. **Plug #3, 3496' – 3396' (Mesaverde: 3446')**
15. PU CICR and RIH to 3396'
16. Squeeze cement 3496-3396' (2.38 bbl + 2.38 bbl. for required excess)
17. Circulate plug mud to 1943'
18. **Plug #4, 1943' – 1843' (Pictured Cliffs: 1893')**
19. RIH with CIBP and set at 1943', pressure test casing to 500 PSI
20. POOH with pipe and RUWL, Run CBL from 1940' to surface, RDMO WL
21. RIH and circulate 100' of cement on plug (2.38 bbl)
22. Circulate plug mud to 1480'
23. **Plug #5, 1480' – 1380' (Fruitland: 1430')**
24. Circulate 100' of cement (2.38bbl) from 1480-1380'
25. Circulate plug mud to 1112'
26. **Plug #6, 1112' – 880' (Kirtland: 1062', Ojo Alamo: 930')**
27. Circulate 5.5bbl. from 1112-880'
28. Circulate plug mud to 292'
29. **Plug #7, 292' - Surface (Surface Shoe: 242')**
30. POOH with tubing, RUWL, perforate above TOC based on agency approval. Bullhead down casing and circulate out bradenhead. (27.75 bbl to fill and circulate, 55.5 bbl minimum with excess) Volumes to be adjusted based CBL depths. Minimum of 7.75 bbl. to fill 5.5" casing from 383' to surface if no injection.
31. 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.

Hilcorp Energy Company

Schematic - Current

Well Name: FEDERAL F #1

API / UWI	Surface Legal Location	Field Name	License No.	State/Province	Well Configuration Type
3004506533	T27N-R10W-S16	Basin Dakota		New Mexico	Vertical

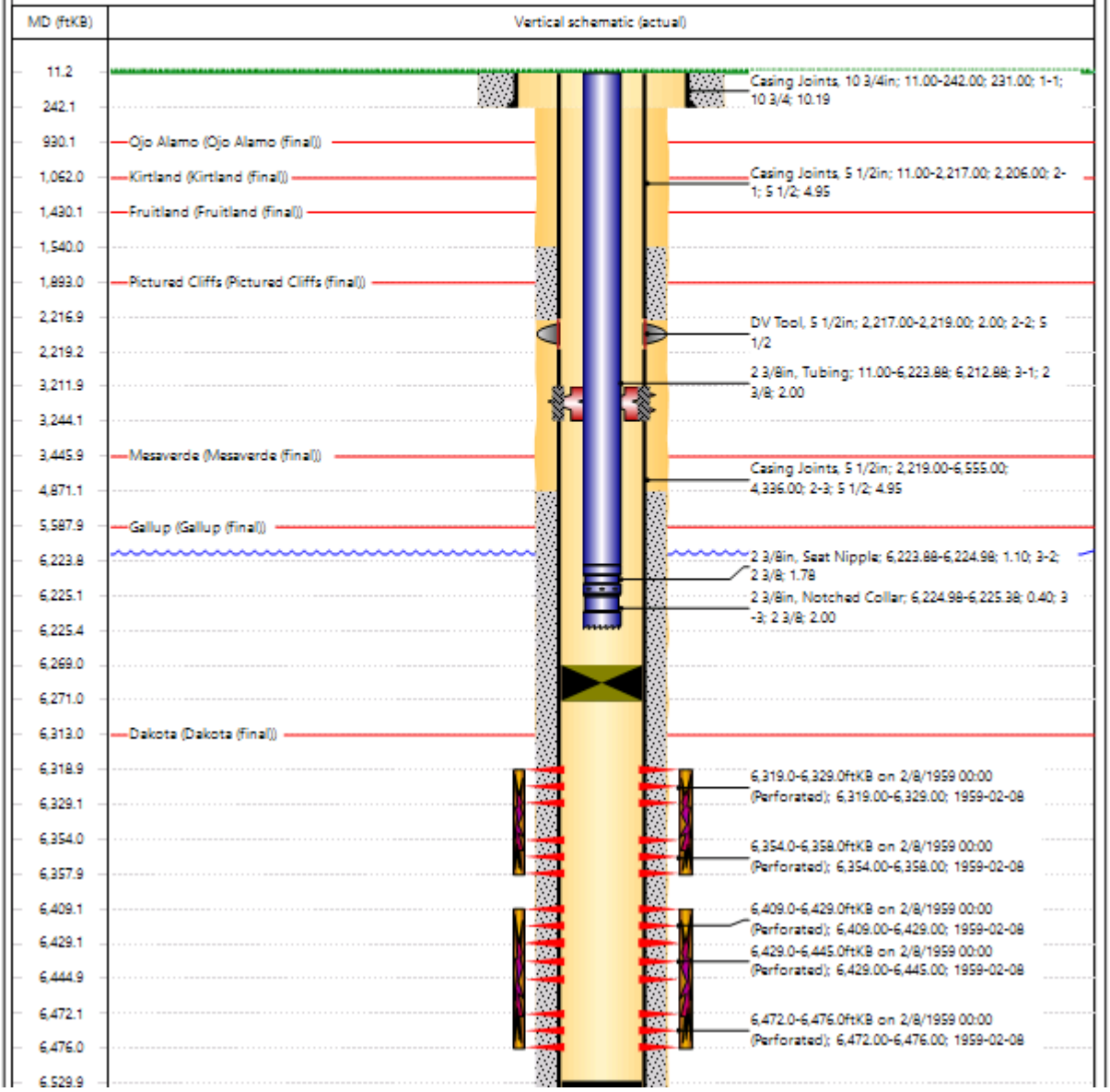
Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	Original Spud Date	Rig Release Date	PBTD (All) (ftKB)	Total Depth All (TVD) (ftKB)
6,081.00	11.00	12/23/1958 00:00	1/20/1959 00:00	Original Hole - 6,530.0	

Most Recent Job

Job Category	Primary Job Type	Secondary Job Type	Actual Start Date	End Date
Well Maintenance	Repair	Casing	1/31/2017	2/2/2017

TD: 6,555.0

Original Hole [Vertical]



Hilcorp Energy Company

Proposed

Well Name: FEDERAL F #1

API / UWI	Surface Legal Location	Field Name	License No.	State/Province	Well Configuration Type
3004506533	T27N-R10W-S16	Basin Dakota		New Mexico	Vertical

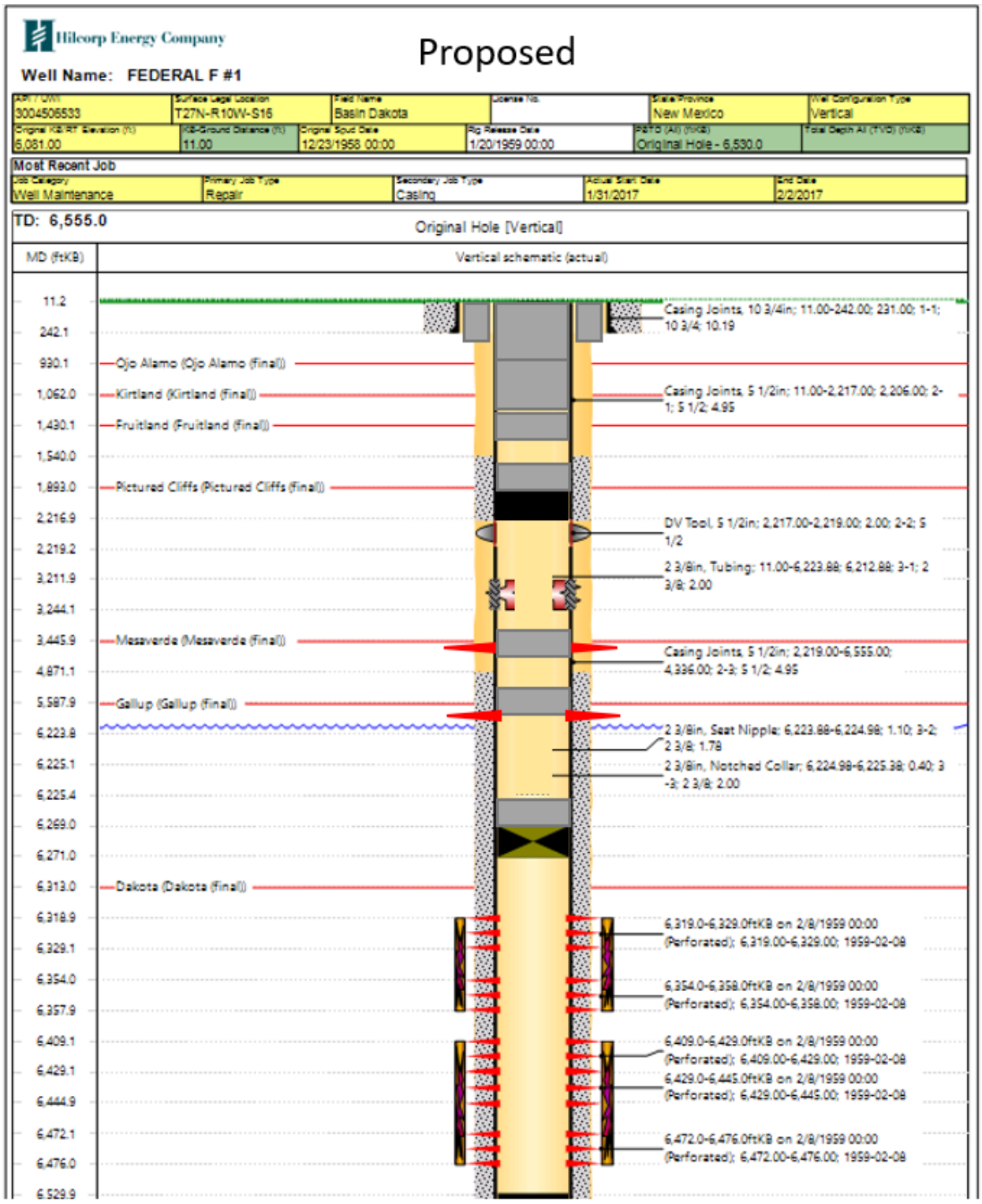
Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	Original Spud Date	Rig Release Date	PBTD (All) (ftKB)	Total Depth All (TVD) (ftKB)
6,081.00	11.00	12/23/1958 00:00	1/20/1959 00:00	Original Hole - 6,530.0	

Most Recent Job

Job Category	Primary Job Type	Secondary Job Type	Actual Start Date	End Date
Well Maintenance	Repair	Casing	1/31/2017	2/2/2017

TD: 6,555.0

Original Hole [Vertical]



Hilcorp Energy
P&A Final Reclamation Plan
Federal F 1
API: 30-045-06533
T27N-R10W-Sec. 16-Unit H
LAT: 36.577685 LONG: -107.894317 NAD 27
Footage: 1750' FNL & 890' FEL
San Juan County, NM

1. **PRE- RECLAMATION SITE INSPECTION**

   A pre-reclamation site inspection was completed with Bob Switzer from the BLM and Eufracio Trujillo, Hilcorp Energy SJ South Construction Foreman on January 19, 2022.

2. **LOCATION RECLAMATION PROCEDURE**

   1. Reclamation work will begin in spring/summer.
   2. Removal of all equipment, anchors, cathodic, drop poles, and flowlines.
   3. BGT will be sampled and closed after results are shown to be clear.
   4. All trash and debris will be removed within a 50' buffer outside of the location disturbance during reclamation.
   5. Rip compacted soil and walk down disturbed portion of well pad.
   6. Smooth out edges of location and contour to get drainage to go towards stock pond on southern corner of well pad.
   7. Remove all gravel from berms, pads, and meter run. This gravel will be used on the lease road surfaces near the well pad.
   8. Harvest will remove meter run. We will barricade around Harvest riser.

3. **ACCESS ROAD RECLAMATION PROCEDURE**

   1. Reclaiming of road will not be necessary as main lease road runs directly North of pad.
   2. A berm will be installed at entrance of location to keep traffic off of pad as well as a diversion ditch.

4. **SEEDING PROCEDURE**

   1. A Badlands seed mix mixed with some sage will be used for all reclaimed and disturbed areas of the well pad and sides of lease road.
   2. Drill seed 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.
   3. Timing of the seeding will be when the ground is not frozen or saturated.

5. **WEED MANAGEMENT**

   1. No noxious weeds were identified during this onsite.

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 2653618

Attachment to notice of Intention to Abandon

Well: Federal F 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. The following modifications to your plugging program are to be made:
   a) Bring the top of the Dakota perforations plug up to 6219'.
   b) Run a Mancos formation plug from 4613' to 4463', including excess.
   c) Run the Mesa Verde plug from 3464' to 3314', including excess, to cover the BLM pick.
   d) Run the Pictured Cliffs plug from 1791' to1641', including excess, to cover the BLM pick.
   e) Run the Fruitland plug from 1498' to1348', including excess, to cover the BLM pick.
   f) Run the Kirtland/Ojo Alamo plug from 1070' to 768', including excess, to cover the BLM pick.

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 4/6/2022

BLM - FFO - Geologic Report

Date Completed 4/1/2022

Well No.	Federal F	# 1	Surf. Loc.	1750	FNL	890	FEL
			Sec.	16	T27N		R10W
Lease No.	NMSF077382						
Operator	Hilcorp Energy Co		County	San Juan		State	New Mexico
TD	6555	PBTD 6530	Formation	Basin Dakota			
Elevation	GL	6070	Elevation	Est. KB	6082		

Geologic Formations	Est. tops	Subsea Elev.	Remarks
Nacimiento Fm.	Surface	6124	Fresh water sands
Ojo Alamo Ss	868	5214	Aquifer (fresh water)
Kirtland Fm.	1020	5062	
Fruitland Fm.	1448	4634	Coal/gas/possible water
Pictured Cliffs Ss	1741	4341	Probable water
Lewis Shale	2089	3993	
Huerfanito Bentonite	2386	3696	Reference bed
Chacra (Upper)	2798	3284	Probable water or dry
Lewis Shale Stringer	2898	3184	
Chacra (Lower)	3148	2934	Probable water or dry
Cliff House	3414	2668	Probable water or gas
Menefee	3533	2549	Coal/ss/water/possible gas
Point Lookout Fm.	4238	1844	Water
Mancos Shale	4563	1519	Source Rock
El Vado Ss	4780	1302	O&G
Gallup (top)	5518	564	O&G
Gallup (bottom)	5978	104	O&G
Mancos Stringer	5978	104	
Juana Lopez	6228	-146	
Mancos Stringer	6282	-200	
Greenhorn	6310	-228	
Graneros	6353	-271	
Dakota Ss	6450	-368	O&G

Remarks:

- Vertical wellbore - all fm. tops are TVD from KB
- Bring the top of the Dakota perforations plug up to 6219'.
- Run the Gallup plug from 5568' to 5418', including excess, to cover the BLM pick.
- Run a Mancos formation plug from 4613' to 4463', including excess.
- Run the Mesa Verde plug from 3464' to 3314', including excess, to cover the BLM pick.
- Run the Pictured Cliffs plug from 1791' to1641', including excess, to cover the BLM pick.
- Run the Fruitland plug from 1498' to1348', including excess, to cover the BLM pick.
- Run the Fruitland plug from 1498' to1348', including excess, to cover the BLM pick.
- Run the Kirtland/Ojo Alamo plug from 1070' to 768', including excess, to cover the BLM pick.
- Please note that H2S is present at low levels in the Gallup and Dakota in several nearby sections.

Reference Well:

Hilcorp Energy Co
Martin Gas Com E #1
2425 FSL, 890 FEL
Sec 15, T27N, R10W
GL= 6110', KB= 6124'

Prepared by:
Walter Gage

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 96361

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 96361
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required	4/8/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	4/8/2022
kpickford	Adhere to BLM approved COAs and plugs. See GEO report.	4/8/2022
kpickford	Add a plug 2848'-2748' to cover the Chacra top @ 2798'.	4/8/2022