Received by UCD. S/13/2022 5:36:41 AM U.S. Department of the Interior BUREAU OF LAND MANAGEMENT	Sundry Print Repor		
Well Name: SAN JUAN 29-6 UNIT	Well Location: T29N / R6W / SEC 28 / NWNW / 36.70068 / -107.47376	County or Parish/State: RIO ARRIBA / NM	
Well Number: 58A	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:	
Lease Number: NMNM03471	Unit or CA Name: SAN JUAN 29-6 UNITFR, SAN JUAN 29-6 UNITMV	Unit or CA Number: NMNM78416A, NMNM78416E	
US Well Number: 3003921262	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY	

Notice of Intent

Sundry ID: 2691645

Type of Submission: Notice of Intent Date Sundry Submitted: 09/09/2022 Date proposed operation will begin: 08/31/2022 Type of Action: Commingling (Subsurface) Time Sundry Submitted: 12:12 6

Procedure Description: Please see attached production allocation.

NOI Attachments

Procedure Description

SJ_29_6_Unit_58A___Fixed_Allocation_Form_20220909120602.pdf

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US Well Number: 3003921262	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

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: KANDIS ROLAND

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 Name: Street Address: City: State: Phone: Email address:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK BLM POC Phone: 5055647742 **Disposition:** Approved Signature: Kenneth Rennick

BLM POC Title: Petroleum Engineer BLM POC Email Address: krennick@blm.gov Disposition Date: 09/12/2022

Zip:

Signed on: SEP 09, 2022 12:06 PM

Once the well conditions have stabilized and sample(s) collected and analyzed submit a follow up sundry with the findings.

Dean R Millure

09/14/2022

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Hilcorp Energy Company production allocation form					Distribution: BLM 4 Copies Regulatory Accounting Well File Revised: March 9, 2006 Status PRELIMINARY FINAL REVISED	
Commingle Type SURFACE DOWNHOLE Type of Completion NEW DRILL RECOMPLETION PAYADD COMMINGLE					Date: 9/1/22 API No. 30-039-21262 DHC No. DHC5218 Lease No. NMNM03471 Federal	
Township 29N	Range 6W			58A	No. ounty, State rriba County,	
Image: New Mexico New Mexico Completion Date Test Method 8/31/22 HISTORICAL FIELD TEST PROJECTED OTHER FORMATION GAS PERCENT CONDENSATE PERCENT						
	74 MCF	<u>38%</u> <u>62%</u>		05 bbls	46% 54%	
JUSTIFICATION OF ALLOCATION: Mesaverde and Fruitland Coal were metered separately before downhole commingle. Fixed percentage-based allocation is calculated from average production rates from the last twelve months for both gas and condensate.						
	DATE	TITLE		PHO	DNE	
ç	9/1/22	Operations/Regu	latory Tech	1 – Sr. 713-	757-5246	
	UCTION OLE MPLETION Township 29N Test Method HISTORICA L L L LOCATIO ixed percent oth gas and of	UCTION ALLOCA	UCTION ALLOCATION FORM OLE MPLETION PAYADD COMMIN Township 29N Range 6W 150' FNL & 8' Fest Method HISTORICAL FIELD TEST PRO GAS PERCENT 74 MCF 38% L 120 MCF 62% L LOCATION: Mesaverde and Fruitland ixed percentage-based allocation is calcul oth gas and condensate. DATE TITLE Operations/Regu	UCTION ALLOCATION FORM OLE MPLETION PAYADD COMMINGLE PAYADD COMMINGLE PAYADD P	Image: Comparison of the comparison	

San Juan 29-6 Unit 58A

The Mesaverde and Fruitland Coal formations have been producing through dual strings and metered separately since the Fruitland Coal was stimulated in 2004. Hilcorp is proposing to commingle these zones and allocate production using a fixed percentage based on the historical separately metered production volumes.

During the workover operation, HEC was unable to recover the packer but received approval from NMOCD to produce the well as is. At this time, HEC has no reason to believe this will enable the well to produced as normally expected. Current plan is to get the well on production and install a compressor to bring the flowing wellhead pressure to approximately 10 PSIG. This will be lower than the pressure prior to rig up. The Mesaverde is still flowing as confirmed from troubleshooting efforts. Once online HEC will need to collect gas samples for our gathering allocation and can use this data to confirm the uplift by zone due to the differences in gas makeup between the Fruitland and Mesaverde. If this indicates an allocation variance, HEC will follow-up and provide a supported allocation change.

The new fixed percentage based allocation will be calculated from average production rates from the past twelve months.

	Gas Production			
Date	Mesaverde	Fruitland Coal	Total	
Jun-21	72.5	114.4	186.9	
Jul-21	78.3	124.8	203.1	
Aug-21	76.9	123.7	200.6	
Sep-21	76.0	122.3	198.3	
Oct-21	75.2	119.8	195.0	
Nov-21	76.1	121.7	197.8	
Dec-21	75.9	115.3	191.2	
Jan-22	74.9	128.0	202.9	
Feb-22	74.2	122.1	196.3	
Mar-22	73.5	119.7	193.2	
Apr-22	76.0	124.9	200.9	
May-22	64.9	101.7	166.6	
Averages	74.5	119.9	194.4	
% of Total	38%	62%		

	C	il Productio	n
Date	Mesaverde	Fruitland C	Total
Jun-21	0.4	0.4	0.8
Jul-21	0.1	0.1	0.2
Aug-21	0.0	0.0	0.0
Sep-21	0.0	0.0	0.0
Oct-21	0.0	0.0	0.0
Nov-21	0.0	0.0	0.0
Dec-21	0.0	0.0	0.0
Jan-22	0.0	0.0	0.0
Feb-22	0.0	0.0	0.0
Mar-22	0.1	0.1	0.2
Apr-22	0.0	0.1	0.1
May-22	0.0	0.0	0.0
Averages	0.05	0.06	0.1
% of Total	46%	54%	

Since production was historically metered separately, oil will be allocated based on the produced oil in the last 12 months.

Received by OCD: 9/13/2022 5:36:41 AM_

Current Schematic Hilcorp Energy Company Well Name: SAN JUAN 29-6 UNIT #58A Field Name FC/MV DUAL Surface Legal Location tate/Provinc Well Configuration Type 028-029N-006W-D 1003 NEW MEXICO 3003921262 Vertical Original KB/RT Elevation (ft) 6,293.00 KB-Casing Flange Distance (ft) KB-Ground Distance (ft) KB-Tubing Hanger Distance (ft) Ground Elevation (ft) 6,280.00 13.00 Original Hole [Vertical] Vertical schematic (actual) MD (ftKB) Casing Joints, 9 5/8in; 13.00-203.00; 190.00; 1-0.0 1; 9 5/8; 8.92 13.1 2 3/8in, Production String; 0.00-3,109.00; 3,109.00; 4-1; 2 3/8 203.1 Casing Joints, 7in; 13.00-3,549.00; 3,536.00; 2-1,799.9 1; 7; 6.46 1,899.9 2,000.0 Kirtland (Kirtland (final)) 2,487.9 2,600.1 2,740.2 Fruitland (Fruitland (final)) 2,899.0 2,987.9 22 2,988.0-3,156.0ftKB on 1/7/2004 00:00 3,100.1 1000 (Perforated); 2,988.00-3,156.00; 2004-01-07 2 3/8in, Seat Nipple; 3,109.00-3,110.00; 1.00; 4-3,108.9 2; 2 3/8 3,109.9 2 3/8in, Expandable Check; 3,110.00-3,111.00; . . 1.00; 4-3; 2 3/8 3,110.9 3,155.8 Pictured Cliffs (Pictured Cliffs (final)) 3,193.9 3,351.0 3,355.0 2 3/8in, Tubing ; 3,351.00-3,403.00; 52.00; 3-1; 3,362.9 2 3/8; 2.00 3,402.9 4in, Packer (Baker Mod "R") ; 3,403.00-3,410.00; 7.00; 3-2; 4; 2.00 3,410.1 3,417.0 2 3/8in, Tubing ; 3,410.00-5,242.35; 1,832.35; 3 3,548.9 -3; 2 3/8; 2.00 4,152.0-4,775.0ftKB on 10/3/1997 00:00 4,151.9 (Perforated); 4,152.00-4,775.00; 1997-10-03 4,237.9 Casing Joints, 4 1/2in; 3,363.00-5,575.00; 2,212.00; 3-1; 4 1/2; 4.05 4,774.9 CliffHouse (CliffHouse (final)) 4,938.0 4,941.9 4,941.9-5,503.9ftKB on 1/14/1977 00:00 (Perforated); 4,941.93-5,503.94; 1977-01-14 Menefee (Menefee (final)) 5,024.9 2 3/8in, Baker F - Nipple ; 5,242.35-5,243.27; 5,242.5 0.92; 3-4; 2 3/8; 1.81 2 3/8in, Expendable Check ; 5,243.27-5,244.10; 5,243.1 0.83; 3-5; 2 3/8; 2.00 5,244.1 3 1/16in, Mule Shoe ; 5,244.10-5,244.50; 0.40; 3 -6; 3 1/16; 2.38 5,244.4 . . . 5,351.0 Point Lookout (Point Lookout (final)) 5,503.9 5,540.0 5,575.1

www.peloton.com

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

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	142601
	Action Type:
	[C-103] NOI General Sundry (C-103X)

CONDITIONS

Created By	Condition	Condition
		Date
dmcclure	Once the well conditions have stabilized and sample(s) collected and analyzed submit a follow up sundry with the findings.	9/14/2022

Page 6 of 6

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Action 142601