

Well Name: HOLLOWAY FEDERAL	Well Location: T27N / R11W / SEC 6 / NWNW / 36.609283 / -108.049759	County or Parish/State: SAN JUAN / NM
Well Number: 1E	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078895	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004525827	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2717385

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 02/23/2023

Time Sundry Submitted: 09:28

Date proposed operation will begin: 04/01/2023

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 2/21/2023 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

HOLLOWAY_FEDERAL_1E__P_A_Procedure_20230223092732.pdf

Accepted for record – NMOCD	
JRH	4/4/23

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Operator: HILCORP ENERGY COMPANY

Conditions of Approval

Additional

Holloway_Federal_1E_Geo_Rpt_20230328153352.pdf

Authorized

General_Requirement_PxA_20230328173014.pdf

2717385_NOIA_1E_3004525827_KR_03282023_20230328172949.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: FEB 23, 2023 09:27 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: 03/28/2023

Signature: Kenneth Rennick

Hilcorp Energy Company

Proposed P&A Procedure

Well: Holloway Federal 1E

API: 30-045-25827

Date: 2/22/2023

Engr: M Wissing

Surface: BLM

Wellbore	Wt #	ID	Bottom (ft)	Bbl/ft	Drill Bit	
SPUD	12/1/1983					
KB (ft)	12 ft					
Surface Casing	8-5/8"	24	8.1	310 ft	0.06370	12-1/4"
Production Casing	4-1/2'	10.5	4.05	3,553 ft	0.01593	7-7/8"
Csg x Open hole	7.875 X 4.5	-	-	-	0.04060	
Csg Annular	8.1 X 4.5	-	-	-	0.04410	
Tubing	2-3/8" (2010)	@6,429'	206 jts			
PBTD	6,512 ft					

Cement

Type	Class G	
Yield	1.15	Bbl/sx
Water	5	Gal/sx
Weight	15.8	PPG
Total Job Cmt	228	SX
Total Cmt Water	1140	Gal
Csg Vol Water	100.2	Bbl

Lift Type: Plunger

Historic Braden Head Pressure: 0 psi

Rig History: (3/2010): Bad 4.5" csg at surface- replaced top 2 joints w/ port collar at 88' (thrd into). Circ cmt to surface up port collar and sqz'd cmt down BH. (2/2007): 4.5" csg hole found at 2,767' and sqz'd off.

Slickline: (5/9/2019)- grey mud recovered at 6,411'; Swab- (5/13/19) tag 6,500', (4/2021)- 10 runs pulling 1000' water and no flow.

Logs: CBL logs pre and post sqz job in 3/2010

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Proposed P&A Procedure

P&A Cement: All cement plugs include 50 ft excess volumes. Due to SJ Basin cement resource limitations, either Type III (6.64 gal/sx, 1.37 yld, 14.8#) or Type 2/5 (6.041 gal/sx, 1.27 yld, 15#) cement might be used at any point during the P&A project.

RIG P&A PROCEDURE:

- 1) Verify all wellhead valves are operatable.
- 2) Verify slickline has cleared 2-3/8" tbg with gauge ring down clear EOT at 6,429'.
 - a. Historic notes of mud found with wireline
- 3) Move onto well location. Check well pressures on all casing strings and record (daily). Check well for H₂S and blow down well as necessary.
 - a. Wellhead next to irrigation pivot. See if boards are needed depending on growing season.
- 4) RD wellhead and RU BOPs. Function test BOP 2-3/8" pipe and blind rams.
- 5) MU 2-3/8" work string with 4-1/2" csg scraper and RIH to 6,300'. POOH.
- 6) MU 4-1/2" CICR (3.875" ID) and RIH. Set CICR at 6,290'.
- 7) Sting out of CICR and roll the hole clean and release any trapped gas.
- 8) Pressure test the casing to 550-600 psi for 10 minutes (no chart).
- 9) Sting back into CICR.
- 10) PLUG #1 (TOP PERF @ 6,334', DK TOP @ 6,408')
 - a. Pump a 150' cement balanced plug from 6,140'- 6,290' with 12 SXS, 2.5 BBLS of Class G, 1.15 yld, 15.8# cement inside the 4-1/2" csg.
- 11) TOOH to 5,467'.
- 12) PLUG #2 (GALLUP TOP @ 5,417')
 - a. Pump a 150' cement balanced plug from 5,317'- 5,467' with 12 SXS, 2.5 BBLS of Class G, 1.15 yld, 15.8# cement inside the 4-1/2" csg.
- 13) TOOH to 4,590'.
- 14) PLUG #3 (MANCOS TOP @ 4,540')
 - a. Pump a 150' cement balanced plug from 4,440'- 4,590' with 12 SXS, 2.5 BBLS of Class G, 1.15 yld, 15.8# cement inside the 4-1/2" csg.
- 15) TOOH to 2,760'.
- 16) PLUG #4 (MESA VERDE TOP @ 2,710')
 - a. Pump a 150' cement balanced plug from 2,610'- 2,760' with 12 SXS, 2.5 BBLS of Class G, 1.15 yld, 15.8# cement inside the 4-1/2" csg.
- 17) TOOH with tbg.
- 18) RU E-line and perf csg at 2,150'. Attempt injection rate into perfs.
- 19) RIH with 4-1/2" CICR and set at 2,100'.
- 20) PLUG #5 (CHACRA TOP @ 2,100')
 - a. Squeeze below CICR with 24 SXS, 4.9 BBLS of Class G, 1.15 yld, 15.8# cement
 - b. Sting out and pump a 100' cement plug from 2,000' – 2,100' with 8 SXS, 1.6 BBLS of Class G, 1.15 yld, 15.8# cement inside the 4-1/2" csg.

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Proposed P&A Procedure

- 21) TOO H to 1,842'
- 22) PLUG #6 (PC TOP @ 1,792')
 - a. Pump a 150' cement balanced plug from 1,692'- 1,842' with 12 SXS, 2.5 BBLS of Class G, 1.15 yld, 15.8# cement inside the 4-1/2" csg.
- 23) TOO H to 1,540'
- 24) PLUG #7 (FRC TOP @ 1,490')
 - a. Pump a 150' cement balanced plug from 1,390'- 1,540' with 12 SXS, 2.5 BBLS of Class G, 1.15 yld, 15.8# cement inside the 4-1/2" csg.
- 25) TOO H with tbg to 1,278'.
- 26) PLUG #8 (KIRTLAND TOP @ 1,228')
 - a. Pump a 150' cement balanced plug from 1,128'- 1,278' with 12 SXS, 2.5 BBLS of Class G, 1.15 yld, 15.8# cement inside the 4-1/2" csg.
- 27) TOO H with tbg.
- 28) RU E-line and perf csg at 740'. Attempt injection rate into perms.
- 29) RIH with 4-1/2" CICR and set at 690'.
- 30) PLUG #9 (OJO TOP @ 690')
 - a. Pump a 150' cement inside/outside plug from 590' – 740' with 52 SXS, 10.7 BBLS of Class G, 1.15 yld, 15.8# cement for the 4-1/2" csg.
 - b. Sqz 40 sx and balance 12 sx.
- 31) TOO H with tbg.
- 32) RU E-line and perf csg at 360'. Attempt circulation rate with perms.
- 33) RIH with 4-1/2" CICR and set at 310'.
- 34) PLUG #10 (CSG SHOE @ 310' & Surface)
 - a. Squeeze below CICR with 24 SXS, 4.8 BBLS of Class G, 1.15 yld, 15.8# cement
 - b. Sting out and pump a 298' cement plug from 10' – 310' with 24 SXS, 4.9 BBLS of Class G, 1.15 yld, 15.8# cement inside the 4-1/2" csg.
- 35) N/D BOPE.
- 36) Cut off wellhead.
- 37) Check marker joint for correct well information and weld on P&A well marker.
- 38) Top off all casing strings and whd cellar with 12+/- sx of cement.
- 39) Release rig.

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Proposed P&A Procedure

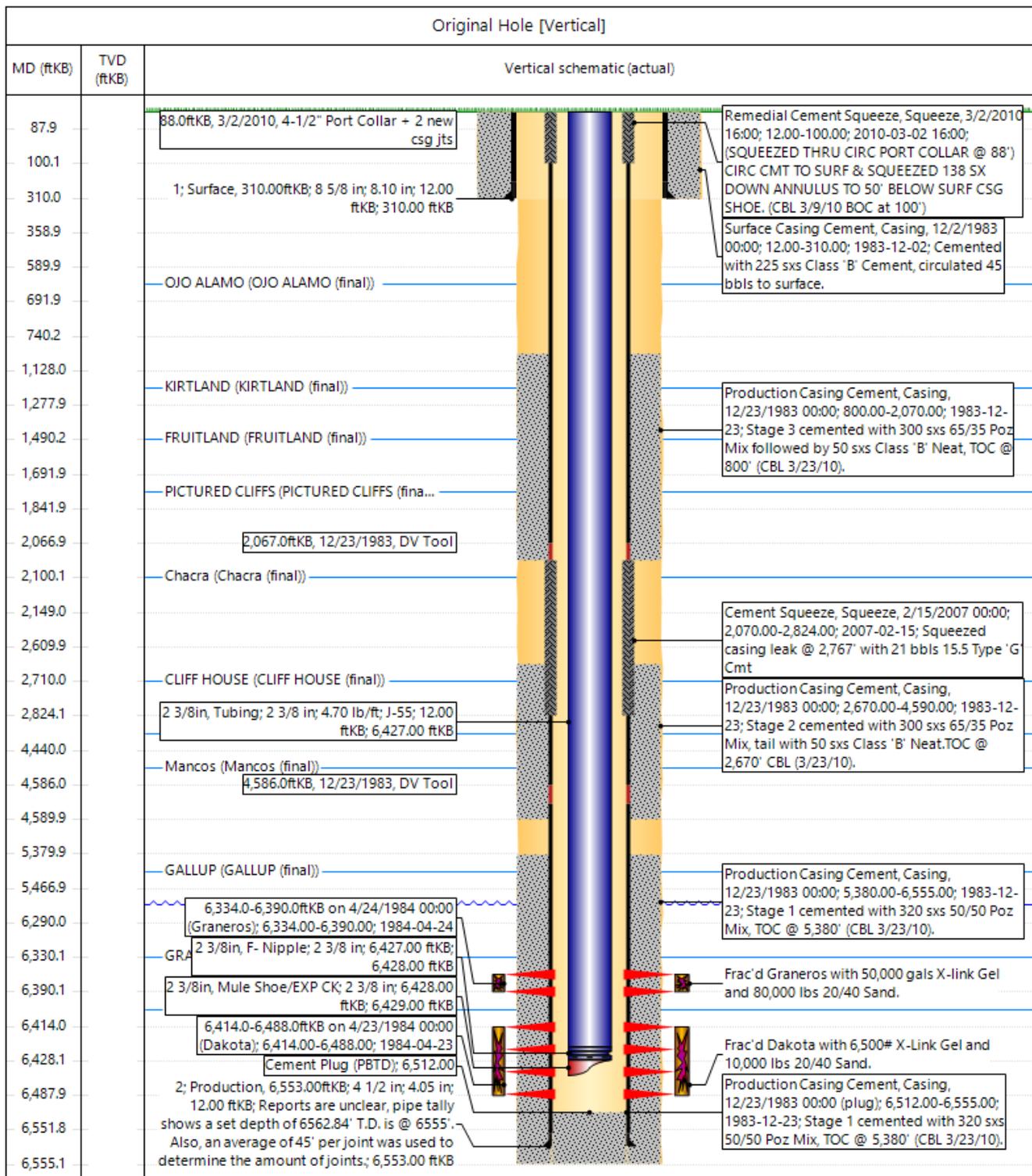


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Current Schematic - Completion Comments

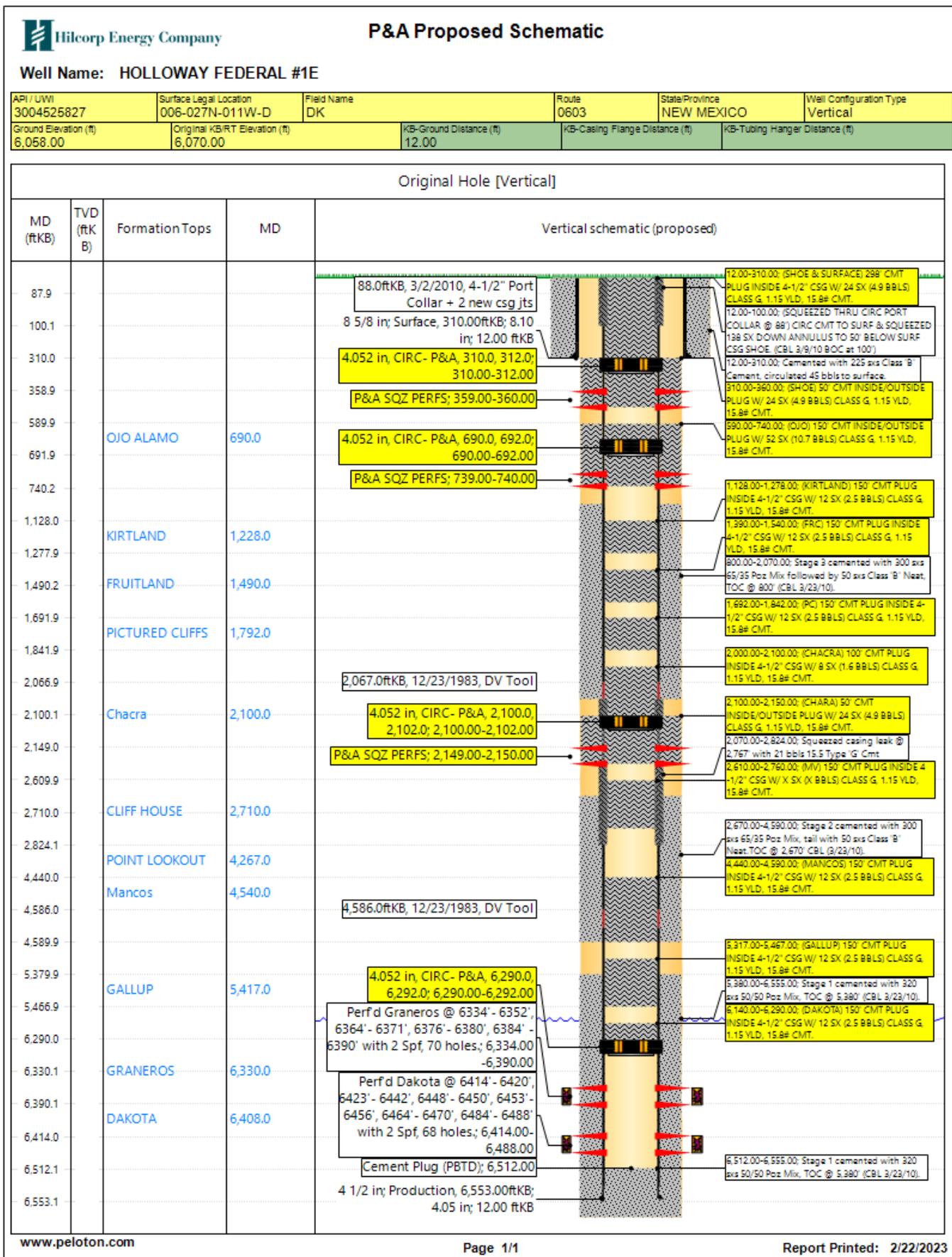
Well Name: HOLLOWAY FEDERAL #1E

API / UWI 3004525827	Surface Legal Location 006-027N-011W-D	Field Name DK	Route 0603	State/Province NEW MEXICO	Well Configuration Type Vertical
Ground Elevation (ft) 6,058.00	Original KB/RT Elevation (ft) 6,070.00	KB-Ground Distance (ft) 12.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	



Hilcorp Energy Company

Proposed P&A Procedure



Hilcorp Energy
P&A Final Reclamation Plan
Holloway Federal 1E
API: 30-045-25827
T27N-R11W-Sec. 6-Unit D
LAT: 36.609279 LONG: -108.049750 NAD 27
Footage: 790' FNL & 1090' FWL
San Juan County, NM

1. PRE- RECLAMATION SITE INSPECTION

A pre-reclamation site inspection was completed with Roger Herrera from the BLM and Eufracio Trujillo, Hilcorp Energy SJ South Construction Foreman on February 21, 2023.

2. LOCATION RECLAMATION PROCEDURE

1. Reclamation work will begin in summer.
2. Removal of all equipment, anchors, flowlines, cathodic, and pipelines.
3. All trash and debris will be removed within a 50' buffer outside of the location disturbance during reclamation.
4. Close out BGT on location when results permit.
5. Rip compacted soil and walk down disturbed portion of well pad.
6. Check with NAPI to see if they would like to leave disturbance bare or reseed using NAPI seed mix.
7. Remove all gravel from berms, pads, and meter run and use on lease road where needed.
8. Enterprise meter run will be removed out of their ROW. Remove riser if possible.

3. ACCESS ROAD RECLAMATION PROCEDURE

1. The well access road will be blocked at the entrance with a berm and ditch.
2. Seed.

4. SEEDING PROCEDURE

1. A NAPI seed mix will be used for all reclaimed and disturbed areas of the well pad and 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 H₂S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), through the Automated Fluid Minerals Support System (AFMSS) 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 2717385

Attachment to notice of Intention to Abandon

Well: Holloway Federal 1E

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. Change Plug 4 to run from 3504' to 3354' to account for the BLM Cliff House formation top.
 - b. Change Plug 5 to run from 2839' to 2689' to account for the BLM Chacra formation top.
 - c. Change Plug 7 to run from 1454' to 1304' to account for the BLM Fruitland formation top.
 - d. Combine Plugs 8 & 9 by perforating at 834', setting the CICR at 784', and running cement from 834' to 614' to account for the BLM Kirtland Shale and Ojo Alamo formation tops.
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 03/28/2022

BLM - FFO - Geologic Report

Date Completed 3/28/2023

Well No. Holloway Federal 1E Surf. Loc. 790 FNL 1090 FWL
 Sec. 6 T27N R11W

Lease No. NMSF 078895
 Operator Hilcorp County San Juan State New Mexico
 TD 6555 PBDT 6520 Formation Dakota
 Elevation GL 6058 Elevation Est. KB 6070

Geologic Formations	Est. tops	Subsea Elev.	Remarks
Nacimiento Fm.	Surface	5891	Surface /fresh water sands
Ojo Alamo Ss	714	5356	Aquifer (fresh water)
Kirtland Fm.	784	5286	
Fruitland Fm.	1354	4716	Coal/gas/possible water
Pictured Cliffs	1829	4241	Possible water
Lewis Shale	1934	4136	Possible source rock
Huerfanito Bentonite	2119	3951	Reference bed
Chacra (Lower)	2789	3281	Possible gas, water
Cliff House	3454	2616	Possible gas, water
Menefee Fm.	3654	2416	Coal/ss/water/possible gas
Point Lookout Fm.	4304	1766	Possible gas, water
Mancos Shale	4574	1496	Petroleum source rock
Gallup	5464	606	O&G
Mancos Stringer	5814	256	
Juana Lopez	6034	36	
Green Horn Sh	6274	-204	
Graneros	6334	-264	
Dakota	6434	-364	O&G

Remarks:

- Change Plug 4 to run from 3504' to 3354' to account for the BLM Cliff House formation top.
 - Change Plug 5 to run from 2839' to 2689' to account for the BLM Chacra formation top.
 - Change Plug 7 to run from 1454' to 1304' to account for the BLM Fruitland formation top.
 -Combine Plugs 8 & 9 by perforating at 834', setting the CICR at 784', and running cement from 834' to 614' to account for the BLM Kirtland Shale and Ojo Alamo formation tops.

Reference Well:

Hilcorp Energy Company
 Gallegos Canyon Unit 95E
 1020' FSL, 1080' FEL
 Sec 31, T28N, R11W
 GL= 6023, KB= 6036

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

COMMENTS
 Action 201706

COMMENTS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 201706
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

COMMENTS

Created By	Comment	Comment Date
john.harrison	Accepted for record - NMOCD JRH 4/4/23 BLM approved P&A 3/28/23	4/4/2023

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 201706

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 201706
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
john.harrison	None	4/4/2023