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

Sundry Print Report

10/04/2023

Well Name: HANKS

Well Location: T27N / R9W / SEC 7 / SENE / 36.59178 / -107.823113

County or Parish/State: SAN JUAN / NM

Well Number: 22R

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMSF077874

Unit or CA Name:

Unit or CA Number:

US Well Number: 3004530497

Well Status: Producing Gas Well

Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2754547

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 10/03/2023

Time Sundry Submitted: 07:25

Date proposed operation will begin: 10/10/2023

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 4/29/2023 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

Hanks_22R_PA_Procedure_20231003072401.pdf

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Conditions of Approval

Specialist Review

General_Requirement_PxA_20231004092319.pdf

2754547_NOIA_22R_3004530497_KR_10042023_20231004092314.pdf

27N09W07_Hanks_22R_Geo_KR_20231004092306.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: CHERYLENE WESTON

Signed on: OCT 03, 2023 07:24 AM

Name: HILCORP ENERGY COMPANY

Title: Operations/Regulatory Tech - Sr

Street Address: 1111 TRAVIS STREET

City: HOUSTON **State:** TX

Phone: (713) 289-2615

Email address: CWESTON@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: 10/04/2023

Signature: Kenneth Rennick

Hilcorp Energy Company

Proposed P&A Procedure

Well: Hanks #22R

API: 30-045-30497

Date: 10/2/2023

Engr: M Wissing

Surface: BLM

Wellbore		Wt #	ID	Bottom (ft)	Bbl/ft	Drill Bit
SPUD	3/2/2001					
KB (ft)	12					
Surface Casing	7"	20	6.46	128	0.04052	8-3/4"
Production Casing	2-7/8"	6.5	2.44	2694	0.00578	6-1/4'
Csg x Open hole	6.25 X 2.875	-	-	-	0.02990	
Csg Annular	6.46 X 2.875	-	-	-	0.03250	
Tubing	none					
PBTD	2,664 ft					

Cement

Type	Type III	
Yield	1.37	Bbl/sx
Water	6.64	Gal/sx
Weight	14.8	PPG
Total Job Cmt	35	SX
Total Cmt Water	232.4	Gal
Csg Vol Water	10.5	Bbl

Lift Type: Intermit

Historic Braden Head Pressure: 0 psi (4/2021)

Rig History: CTCO in 3/2022- cleaned out sand tagging hard at 2,664' (PBTD) had SICP at 63#.

Slickline: swabbed 6/2021 tagging at 2530'

Logs: no CBL, cmt to surface when drilled

Hilcorp Energy Company

Proposed P&A Procedure

P&A Cement: All cement plugs include a 50 ft excess volume. 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) Schedule slickline to clear 2-7/8" csg with gauge ring down to 2,475'.
2) Verify all wellhead valves are operatable and location is accessible with P&A rig.
3) Move P&A rig onto well location. Check well pressures on all casing strings and record (daily). Check well for H_2S and blow down well as necessary.
4) RD wellhead and RU 2-7/8" BOPs. Function test BOP 1-1/4" (1.66" OD) pipe and blind rams.
5) RU E-line and RIH with 2-7/8" GR. Clear csg down to 2,460'.
6) MU 2-7/8" CIBP and RIH. Set CIBP at 2,450'.
7) RIH with 1-1/4" work string to CIBP and circulate wellbore clean and balanced.
8) Pressure test the casing to 550-600 psi for 10 minutes (no chart).
9) RU cement truck.
10) PLUG #1 (PC TOP @ 2,485', top PC perf @ 2,489', FRC top @ 2,045')
    a. Pump a 505' cement balanced plug from 1,945'- 2,450' with 12 SXS, 2.9 BBLS of Type III, 1.37 yld, 14.8# cement inside the 2-7/8" csg.
11) TOOH with tbg to 1,714'.
12) PLUG #1 (KIRTLAND TOP @ 1,664', OJO TOP @ 1,539')
    a. Pump a 275' cement balanced plug from 1,439'- 1,714' with 8 SXS, 2 BBLS of Type III, 1.37 yld, 14.8# cement inside the 2-7/8" csg.
13) TOOH with tbg to 180'.
14) PLUG #4 (CSG SHOE @ 133')
    a. Pump a 168' cement balanced plug from Surface- 180' with 4 SXS, 1 BBLS of Type III, 1.37 yld, 14.8# cement inside the 2-7/8" csg.
    b. RIH with work string deeper if cmt truck makes minimum of 8 sx, 2 bbls.
15) N/D BOPE.
16) Cut off wellhead.
17) Check marker joint for correct well information and weld on P&A well marker.
18) Top off all casing strings and whd cellar with 12+/- sx of cement.
19) Release rig.

Hilcorp Energy Company

Proposed P&A Procedure

Hilcorp Energy Company

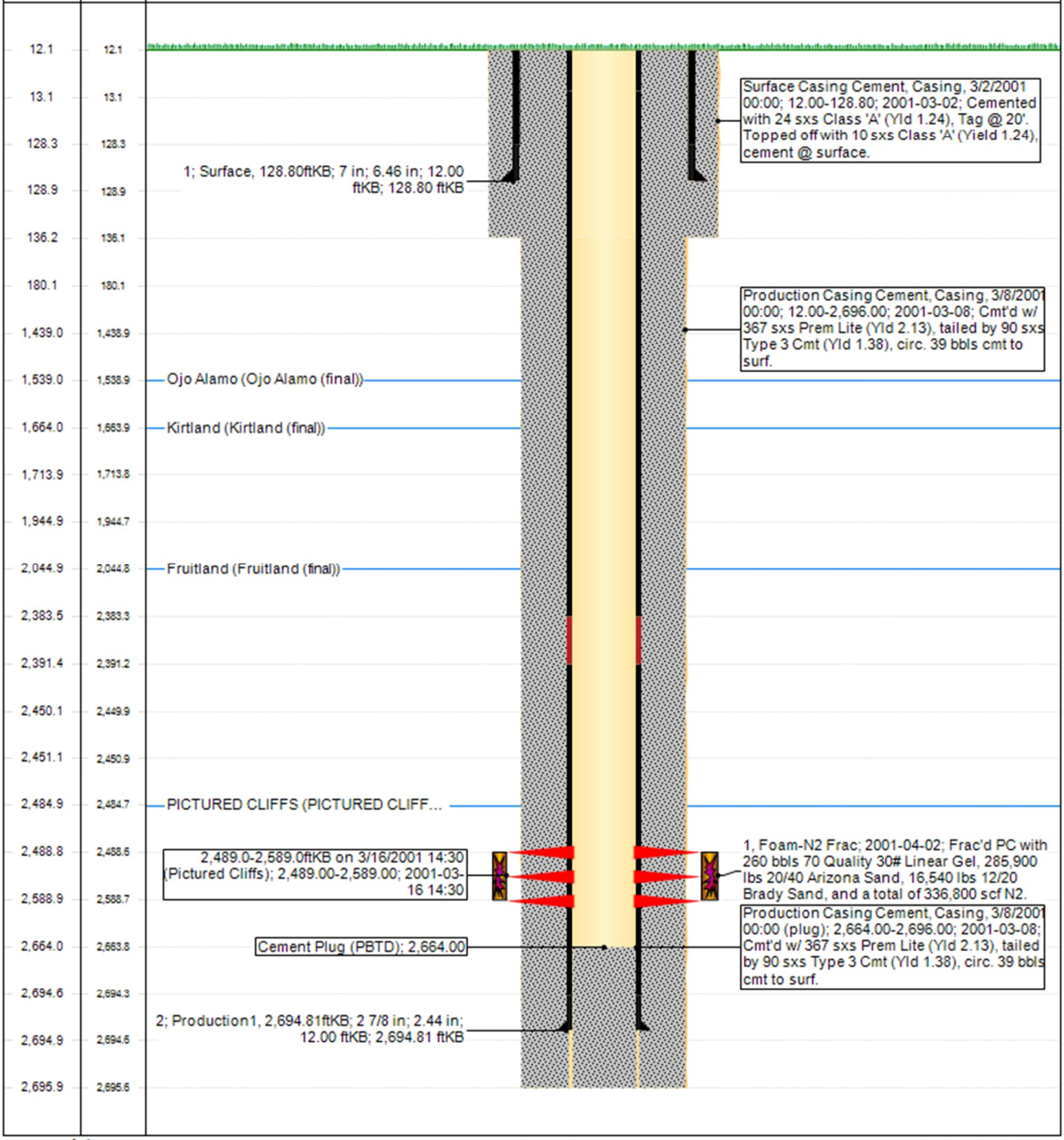
Current Schematic - Completion Comments

Well Name: HANKS #22R

API / UWI	Surface Legal Location	Field Name	Route	State/Province	Well Configuration Type
3004530497	007-027N-009W-H	FULCHER KUTZ PC (GAS)	0809	NEW MEXICO	VERTICAL

Ground Elevation (ft)	Original KB/RT Elevation (ft)	RKB to GL (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
6,537.00	6,549.00	12.00		

Original Hole [VERTICAL]



Hilcorp Energy Company

Proposed P&A Procedure

Hilcorp Energy Company

P&A Proposed Schematic

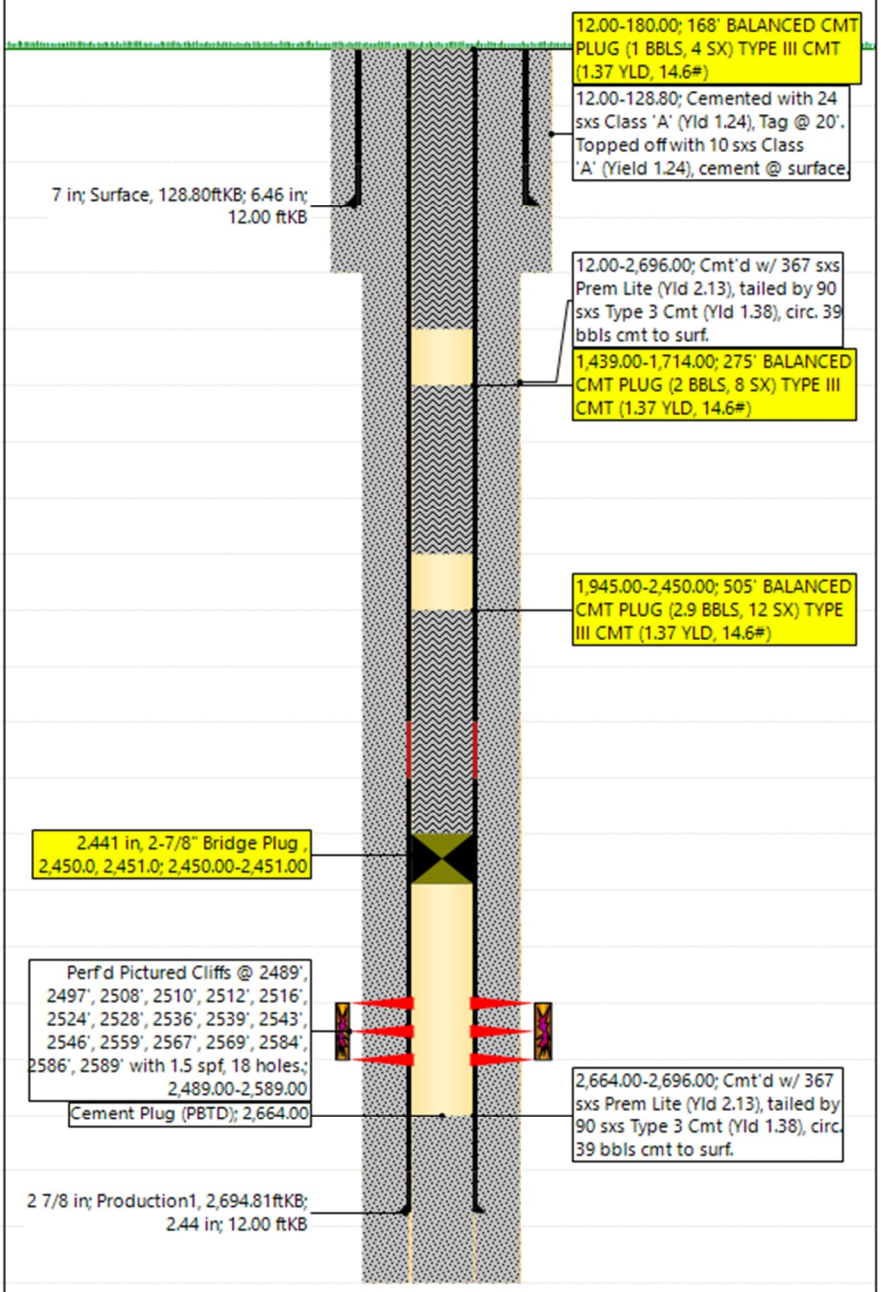
Well Name: HANKS #22R

API / UWI	Surface Legal Location	Field Name	Route	State/Province	Well Configuration Type
3004530497	007-027N-009W-H	FULCHER KUTZ PC (GAS)	0809	NEW MEXICO	VERTICAL

Ground Elevation (ft)	Original KB/RT Elevation (ft)	RKB to GL (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
6,537.00	6,549.00	12.00		

Original Hole [VERTICAL]

MD (ftKB)	Formation Tops	MD
12.1		
13.1		
128.3		
128.9		
136.2		
180.1		
1,439.0		
1,539.0	Ojo Alamo	1,539.0
1,664.0	Kirtland	1,664.0
1,713.9		
1,944.9		
2,044.9	Fruitland	2,045.0
2,383.5		
2,391.4		
2,450.1		
2,451.1		
2,484.9	PICTURED CLIFFS	2,485.0
2,488.8		
2,588.9		
2,664.0		
2,694.6		
2,694.9		
2,695.9		



www.peloton.com Page 1/1 Report Printed: 10/2/2023

Hilcorp Energy
P&A Final Reclamation Plan
Hanks 22R
API: 30-045-30497
T27N-90W-Sec. 07-Unit H
LAT: 36.59176 LONG: -107.82257 NAD 27
Footage: 1690' FNL & 850' FEL
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 April 29, 2023.

2. LOCATION RECLAMATION PROCEDURE

   1. Reclamation work will begin in fall.
   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. Check BGT permit status on this location as it has a BGT present.
   5. Close out BGT on location when results permit if needed.
   6. Remove flowline to meter run.
   7. Push fill side into hill. Round out hill.
   8. Put silt trap at the entrance to slow flow off hill.
   9. Take drainage along South side of location that sits below this location.
   10. Harvest meter run and line to be removed and strip to below hill.

3. ACCESS ROAD RECLAMATION PROCEDURE

   1. The well access road will be ripped and contoured in and blocked off entrance with diversion ditch rolling.
   2. Slope road into hillside.
   3. Block at the main lease road with a berm and ditch.
   4. Seed road.

4. SEEDING PROCEDURE

   1. A Pinon/Juniper 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 H_2S.

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 2754547

Attachment to notice of Intention to Abandon

Well: Hanks 22R

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 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 10/04/2023

BLM FLUID MINERALS
P&A Geologic Report

Date Completed: 10/4/2023

Well No. Hanks 22R (API 30-045-30497)	Location	SENE		
Lease No. NMSF077874	Sec. 7	T27N		R9W
Operator Hilcorp Energy Company	County	San Juan	State	New Mexico
Total Depth 2696’	Formation	Pictured Cliffs		
Elevation (GL) 6537’				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/freshwater sands
Nacimiento Fm					Possible freshwater sands
Ojo Alamo Ss	1539				Aquifer (possible freshwater)
Kirtland Shale	1664				
Fruitland Fm	2045				Coal/Gas/Possible water
Pictured Cliffs Ss	2485				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

Reference Well:

- No raster log data available to evaluate the formations tops. The formation tops estimated by the operator are appropriate.

Prepared by: *Kenneth Rennick*

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 272537

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 272537
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	Notify NMOCD 24 hours prior to moving on.	10/16/2023