

Well Name: SAN JUAN 28-6 UNIT	Well Location: T27N / R6W / SEC 15 / SWSW / 36.56938 / -107.46024	County or Parish/State: RIO ARRIBA / NM
Well Number: 111	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF079365	Unit or CA Name: SAN JUAN 28-6 UNIT--DK	Unit or CA Number: NMNM78412C
US Well Number: 3003982368	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2777293

Type of Submission: Notice of Intent

Type of Action: Recompletion

Date Sundry Submitted: 02/28/2024

Time Sundry Submitted: 03:39

Date proposed operation will begin: 04/01/2024

Procedure Description: Revised NOI: Hilcorp Energy Company requests permission to recomplete the subject well in the Mesaverde and Mancos formations and downhole commingle with the existing Dakota formation. Please see the attached procedure, current and proposed wellbore diagram, plats and natural gas management plan. A closed loop system will be used. Hilcorp will contact the FFO Surface group within 90 days after the well has been recompleted, before any interim reclamation work, to conduct the onsite. A reclamation plan will be submitted after the onsite. A Mancos Communitization Agreement will be secured prior to first production.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

SJ_28_6_Unit_111_Rev_RC_NOI_20240228153407.pdf

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SWSW / 36.56938 / -107.46024

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Unit or CA Name: SAN JUAN 28-6
UNIT--DK

Unit or CA Number:
NMNM78412C

US Well Number: 3003982368

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: CHERYLENE WESTON

Signed on: FEB 28, 2024 03:34 PM

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: MATTHEW H KADE

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647736

BLM POC Email Address: MKADE@BLM.GOV

Disposition: Approved

Disposition Date: 02/29/2024

Signature: Matthew Kade



HILCORP ENERGY COMPANY
SAN JUAN 28-6 UNIT 111
RECOMPLETION SUNDRY

Prepared by:	Matthew Esz
Preparation Date:	January 4, 2024

WELL INFORMATION			
Well Name:	SAN JUAN 28-6 UNIT 111	State:	NM
API #:	3003982368	County:	
Area:	13	Location:	
Route:	1300	Latitude:	
Spud Date:	October 27, 1962	Longitude:	

PROJECT DESCRIPTION
Perforate, fracture, and comingle the Mancos and Mesa Verde with the existing Dakota zone.

CONTACTS			
Title	Name	Office Phone #	Cell Phone #
Engineer	Matthew Esz	#N/A	770-843-9226
Area Foreman	Jeremy Brooks	#N/A	
Lead	#N/A	#N/A	#N/A
Artificial Lift Tech	#N/A	#N/A	#N/A
Operator	Raymie Bristow	NONE	505-215-4341



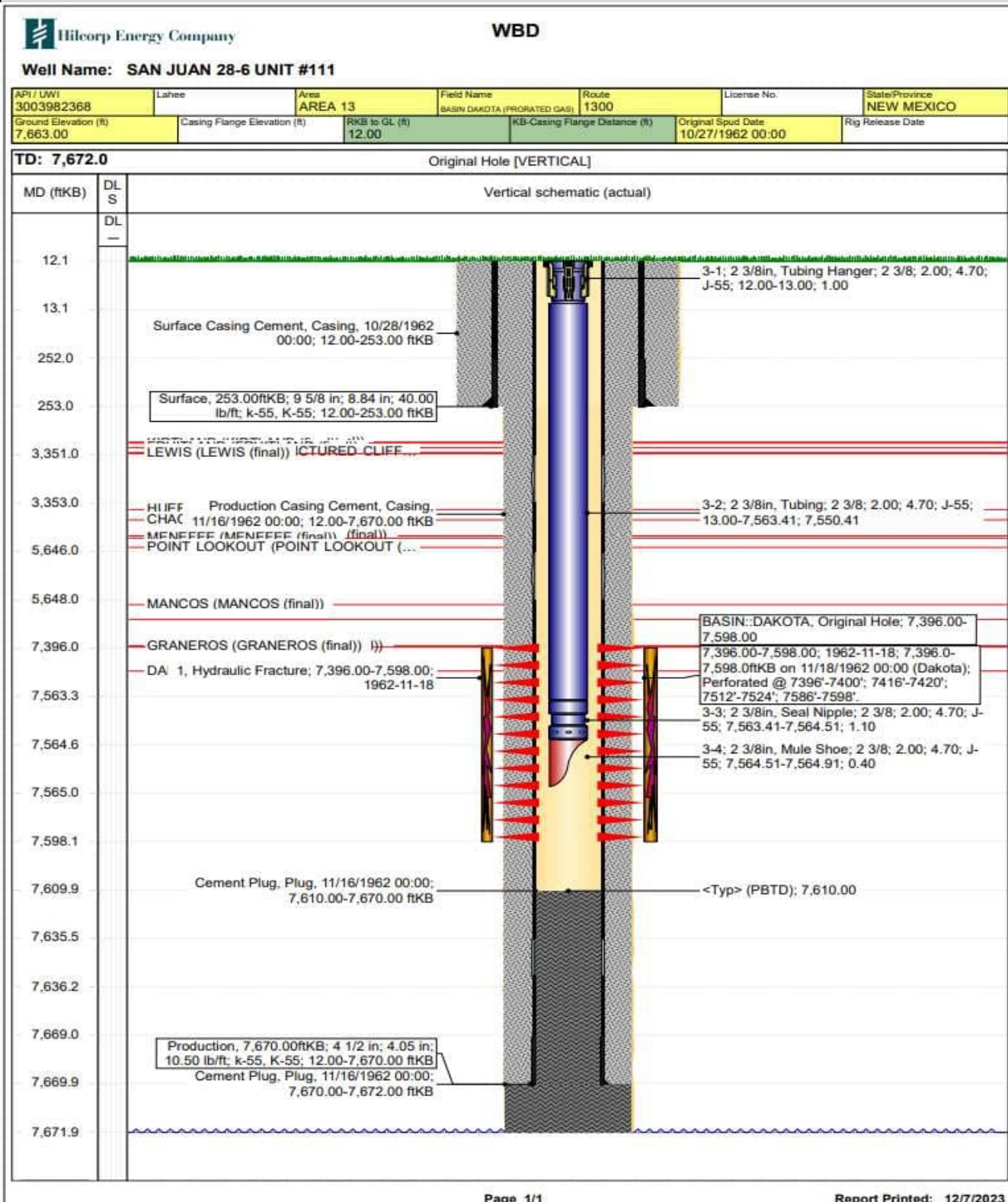
HILCORP ENERGY COMPANY
SAN JUAN 28-6 UNIT 111
RECOMPLETION SUNDRY

JOB PROCEDURES
<ol style="list-style-type: none"> 1. MIRU service rig and associated equipment; test BOP. 2. TOOH with 2-3/8" tubing set at 7,565'. 3. Set a 4-1/2" plug at +/- 7,371' to isolate the Dakota. 4. RU Wireline. Run CBL. Record Top of Cement. 5. Load the hole and pressure test the casing. 6. N/D BOP, N/U frac stack and pressure test frac stack. 7. Perforate and frac the Mancos and Mesa Verde formations (MV 4,130'-5,914'; MC 5,914'-7,295'). 8. Nipple down frac stack, nipple up BOP and test. 9. TIH with a mill and drill out top isolation plug and Mesa Verde/Mancos frac plugs. 10. Clean out to Dakota isolation plug. 11. Drill out Dakota isolation plug and cleanout to PBTD of 7,610'. TOOH. 12. TIH and land production tubing. Get a commingled Dakota/Mancos/Mesa Verde flow rate.



HILCORP ENERGY COMPANY
SAN JUAN 28-6 UNIT 111
RECOMPLETION SUNDRY

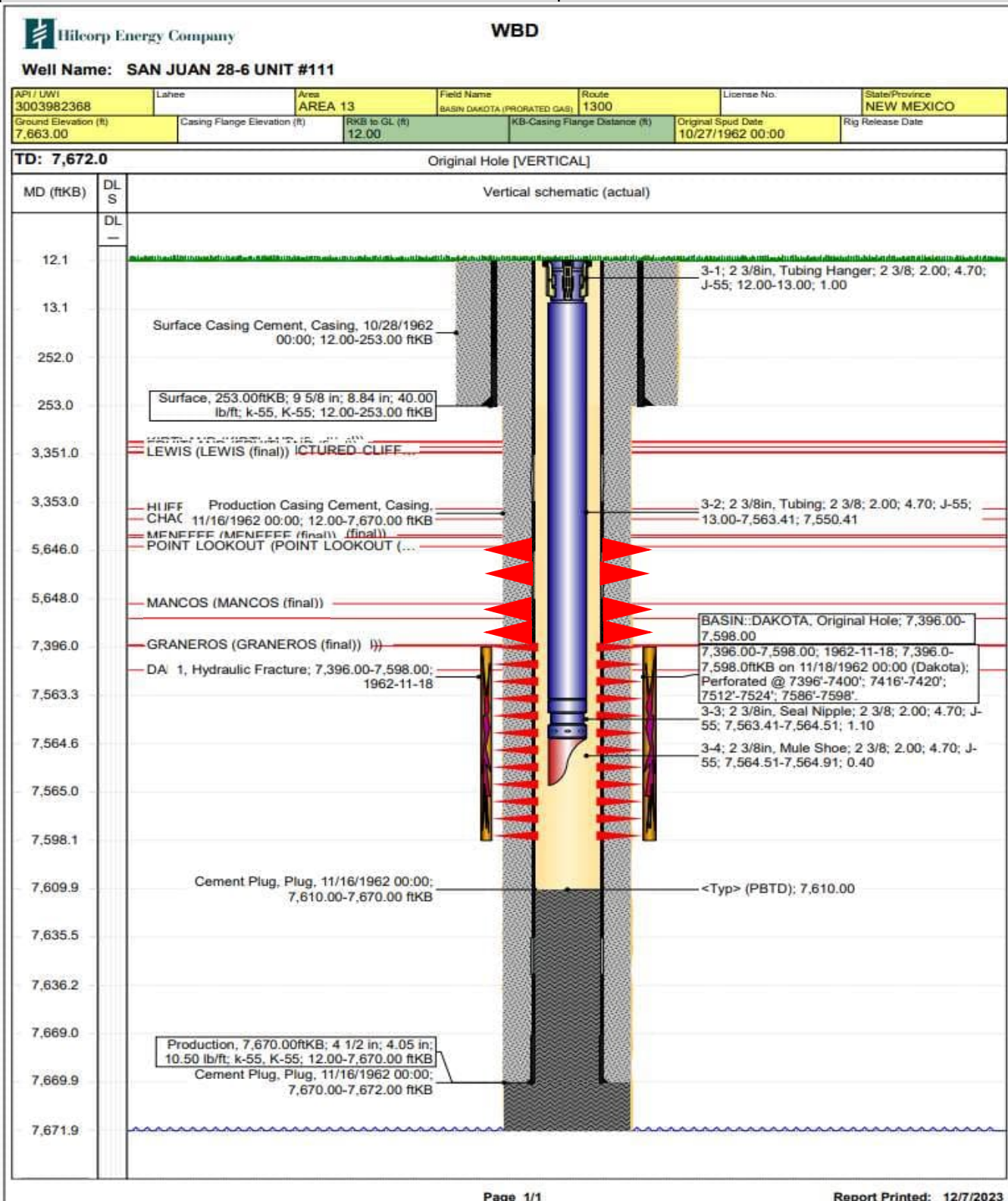
SAN JUAN 28-6 UNIT 111 - CURRENT WELLBORE SCHEMATIC





HILCORP ENERGY COMPANY
SAN JUAN 28-6 UNIT 111
RECOMPLETION SUNDRY

SAN JUAN 28-6 UNIT 111 - Proposed Schematic



District I

1625 N. French Dr., Hobbs, NM 88240
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District IV

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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

Form C-102
August 1, 2011

Permit 259295

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-82368	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318710	5. Property Name SAN JUAN 28 6 UNIT	6. Well No. 111
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6501

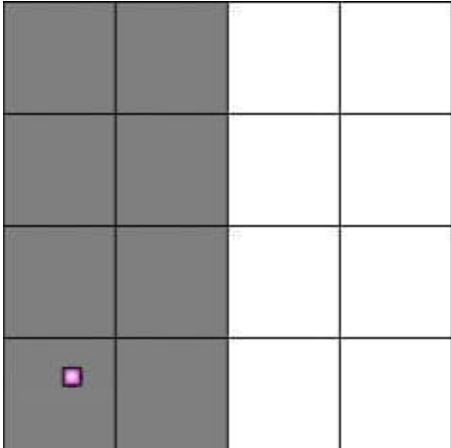
10. Surface Location

UL - Lot M	Section 15	Township 27N	Range 06W	Lot Idn	Feet From 890	N/S Line S	Feet From 790	E/W Line W	County RIO ARRIBA
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00				13. Joint or Infill	14. Consolidation Code			15. Order No.	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: <i>Tammy Jones</i> Title: Operations/Regulatory Technician - Sr. Date: 11/2/2018</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Surveyed By: David Kilven Date of Survey: 9/25/1962 Certificate Number: 1760</p>
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1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
August 1, 2011
Permit 357196

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-82368	2. Pool Code 97232	3. Pool Name BASIN MANCOS
4. Property Code 318710	5. Property Name SAN JUAN 28 6 UNIT	6. Well No. 111
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6499

10. Surface Location

UL - Lot M	Section 15	Township 27N	Range 06W	Lot Idn	Feet From 890	N/S Line S	Feet From 790	E/W Line W	County RIO ARRIBA
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UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00	13. Joint or Infill			14. Consolidation Code			15. Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: *Cherylene Weston*
Title: Operations/Regulatory Tech-Sr.
Date: 01/05/2024

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Surveyed By: David Kilven
Date of Survey: 9/25/1962
Certificate Number: 1760

State of New Mexico
Energy, Minerals and Natural Resources DepartmentSubmit Electronically
Via E-permittingOil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505**NATURAL GAS MANAGEMENT PLAN**

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description**Effective May 25, 2021****I. Operator:** Hilcorp Energy Company **OGRID:** 372171 **Date:** 01/09/2024**II. Type:** ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipate d Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
San Juan 28-6 Unit 111	3003982368	M-15-27N-6W	890' FSL & 790' FWL	0.8 bbl/d	302 mcf/d	0.5 bbl/d

IV. Central Delivery Point Name: Chaco-Blanco Processing Plant [See 19.15.27.9(D)(1) NMAC]**V. Anticipated Schedule:** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
<u>San Juan 28-6 Unit 111</u>	<u>3003982368</u>					<u>2024</u>

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.**VII. Operational Practices:** ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.**VIII. Best Management Practices:** ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will select one of the following:

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: <i>Cherylene Weston</i>
Printed Name: Cheryl Weston
Title: Operations/Regulatory Tech Sr.
E-mail Address: cweston@hilcorp.com
Date: 01/09/2024
Phone: 713-289-2615
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

VI. Separation Equipment:

Hilcorp Energy Company (HEC or Operator) production facilities include separation equipment designed to efficiently separate gas from liquid phases to optimize gas capture based on projected and estimated volumes from the targeted pool of our recompleting project. HEC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the recompleting to optimize gas capture and send gas to sales or flare based on analytical composition. HEC operates facilities that are typically one-well facilities. Production separation equipment is upgraded prior to well being completed, if determined to be undersized or inadequate. This equipment is already on-site and tied into our sales gas lines prior to the recompleting operations.

VII. Operational Practices:

1. Subsection (A) Venting and Flaring of Natural Gas
 - HEC understands the requirements of NMAC 19.15.27.8 which outlines that the venting and flaring of natural gas during drilling, completion or production operations that constitutes waste as defined in 19.15.2 are prohibited.
2. Subsection (B) Venting and Flaring during drilling operations
 - This gas capture plan isn't for a well being drilled.
3. Subsection (C) Venting and flaring during completion or recompleting
 - Flowlines will be routed for flowback fluids into a completion or storage tank and if feasible under well conditions, flare rather than vent and commence operation of a separator as soon as it is technically feasible for a separator to function.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
4. Subsection (D) Venting and flaring during production operations
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
 - Monitor manual liquid unloading for wells on-site or in close proximity (<30 minutes' drive time), take reasonable actions to achieve a stabilized rate and pressure at the earliest practical time, and take reasonable actions to minimize venting to the maximum extent practicable.
 - HEC will not vent or flare except during the approved activities listed in NMAC 19.15.27.8 (D) 1-4.
5. Subsection (E) Performance standards
 - All tanks and separation equipment are designed for maximum throughput and pressure to minimize waste.
 - If a flare is utilized during production operations it will have a continuous pilot and is located more than 100 feet from any known well or storage tanks.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
6. Subsection (F) Measurement or estimation of vented and flared natural gas
 - Measurement equipment is installed to measure the volume of natural gas flared from process piping.
 - When measurement isn't practicable, estimation of vented and flared natural gas will be completed as noted in 19.15.27.8 (F) 5-6.

VIII. Best Management Practices:

1. Operator has adequate storage and takeaway capacity for wells it chooses to recomplete as the flowlines at the sites are already in place and tied into a gathering system.
2. Operator will flare rather than vent vessel blowdown gas when technically feasible during active and/or planned maintenance to equipment on-site.
3. Operator combusts natural gas that would otherwise be vented or flared, when technically feasible.
4. Operator will shut in wells in the event of a takeaway disruption, emergency situation, or other operations where venting or flaring may occur due to equipment failures.

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Santa Fe, NM 87505

CONDITIONS

Action 318824

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 318824
	Action Type: [C-103] NOI Recompletion (C-103E)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Notify NMOCD 24 Hours Prior to beginning operations.	3/14/2024
dmcclure	DHC required	3/14/2024
dmcclure	All conducted logs shall be submitted to the Division as a [UF-WL] EP Well Log Submission (WellLog).	3/14/2024
dmcclure	The appropriate compliance officer supervisor shall be consulted and remedial action conducted as directed if the cement sheath around the casing is not adequate to protect the casing and isolate strata from: (a) the uppermost perforation in each added pool to at least 150 feet above that perforation; and (b) the lowermost perforation in each added pool to at least 100 feet below that perforation.	3/14/2024
dmcclure	Order R-10987-A(6) sets the base of the BLANCO-MESAVERDE (PRORATED GAS) [72319] pool at 500' below the top of the point lookout. However, Order R-12984 sets the top of the BASIN MANCOS [97232] pool at the base of the point lookout. These two orders are in disagreement for this well.	3/14/2024