

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

Lease Number: NMSF079491A

Sundry Print Report
01/25/2024

Well Name: SAN JUAN 27-5 UNIT Well Location: T27N / R5W / SEC 10 /

NWSW / 36.58472 / -107.35088

County or Parish/State: RIO

ARRIBA / NM

Well Number: 101

Type of Well: CONVENTIONAL GAS

WELL

Unit or CA Name: SAN JUAN 27-5 UNIT--DK Allottee or Tribe Name:

Unit or CA Number: NMNM78409A

 Operator: HILCORP ENERGY

COMPANY

Notice of Intent

Sundry ID: 2768895

Type of Submission: Notice of Intent

Type of Action: Recompletion

Date Sundry Submitted: 01/25/2024

Time Sundry Submitted: 09:38

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.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

SJ_27_5_Unit_101_Rev_RC_NOI_20240109131129.pdf

County or Parish/State: RIO Well Name: SAN JUAN 27-5 UNIT Well Location: T27N / R5W / SEC 10 / ARRIBA / NM

NWSW / 36.58472 / -107.35088

Well Number: 101 Type of Well: CONVENTIONAL GAS Allottee or Tribe Name:

Lease Number: NMSF079491A Unit or CA Name: SAN JUAN 27-5 **Unit or CA Number:**

UNIT--DK NMNM78409A

US Well Number: 3003908099 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

Signed on: JAN 09, 2024 01:12 PM Operator Electronic Signature: CHERYLENE WESTON

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 Date: 01/25/2024 **Disposition:** Approved

Signature: Kenneth Rennick



HILCORP ENERGY COMPANY SAN JUAN 27-5 UNIT 101 RECOMPLETION SUNDRY

Prepared by:	Matthew Esz
Preparation Date:	December 20, 2023

	WELL INFORMATION							
Well Name:	SAN JUAN 27-5 UNIT 101	State:	NM					
API#:	3003908099	County:						
Area:	13	Location:						
Route:	1311	Latitude:						
Spud Date:	October 2, 1966	Longitude:						

PROJECT DESCRIPTION

Perforate, fracture, and comingle the Mesa Verde and Mancos 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	505-947-3867						
Lead	#N/A	#N/A	#N/A						
Artificial Lift Tech	#N/A	#N/A	#N/A						
Operator	Danny Trujillo	NONE	505-330-4763						



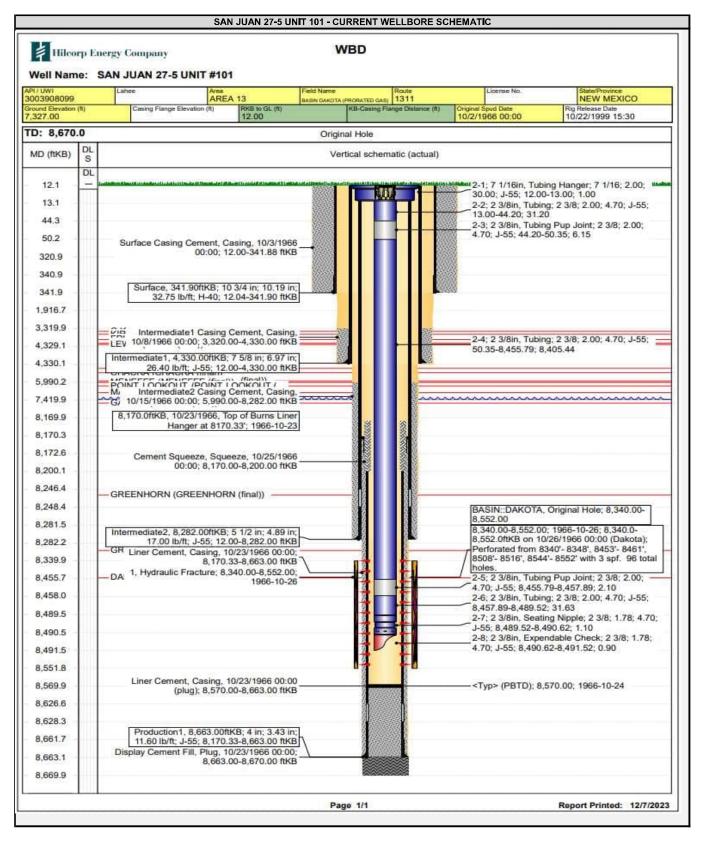
HILCORP ENERGY COMPANY SAN JUAN 27-5 UNIT 101 RECOMPLETION SUNDRY

JOB PROCEDURES

- 1. MIRU service rig and associated equipment; test BOP.
- 2. TOOH with 2-3/8" tubing set at 8,491'.
- 3. Set a 4" plug at +/- 8,315' 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 (Top Perforation @ 5105"; Bottom Perforation @ 8,245").
- 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 **8,570'**. TOOH.
- 12. TIH and land production tubing. Get a commingled Dakota/Mancos/Mesa Verde flow rate.

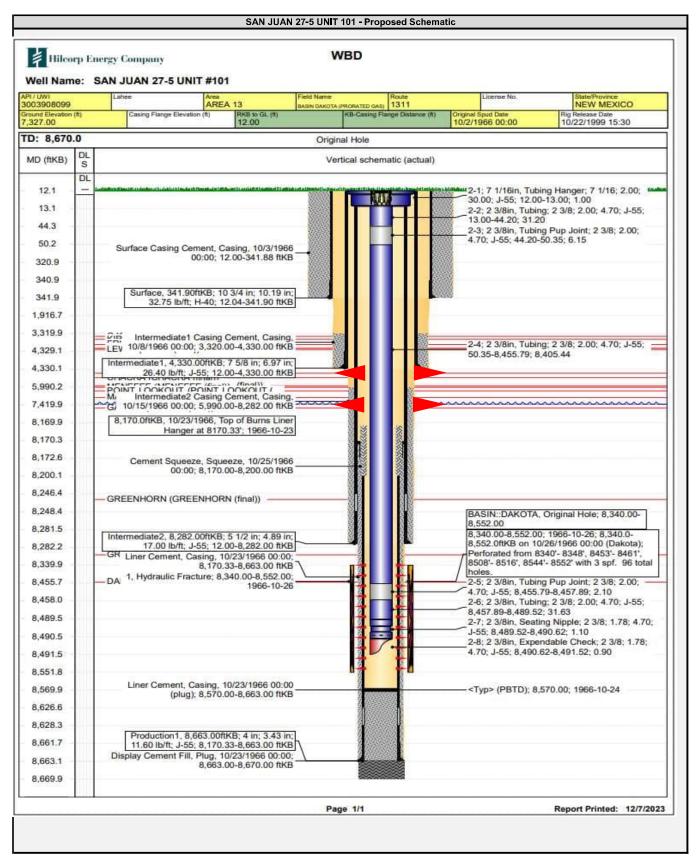


HILCORP ENERGY COMPANY SAN JUAN 27-5 UNIT 101 RECOMPLETION SUNDRY





HILCORP ENERGY COMPANY SAN JUAN 27-5 UNIT 101 RECOMPLETION SUNDRY



District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

<u>District II</u> 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

Form C-102 August 1, 2011

Permit 259630

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3. Pool Name
30-039-08099	72319	BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code	5. Property Name	6. Well No.
318920	SAN JUAN 27 5 UNIT	101
7. OGRID No.	8. Operator Name	9. Elevation
372171	HILCORP ENERGY COMPANY	7327

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
L	10		05W		1550	S	990	W	RIO	
									ARRIBA	

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 A	.00 W/2		13. Joint or Infill		14. Consolidatio	n 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: 12/19/2023

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: 8/2/1966
Certificate Number: 1760

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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 356203

WELL LOCATION AND ACREAGE DEDICATION PLAT

1, API Number	2, Pool Code	3. Pool Name					
30-039-08099	97232	BASIN MANCOS					
4. Property Code	5. Property Name	6. Well No.					
318920	SAN JUAN 27 5 UNIT	101					
7. OGRID No.	8. Operator Name	9. Elevation					
372171	HILCORP ENERGY COMPANY	7327					

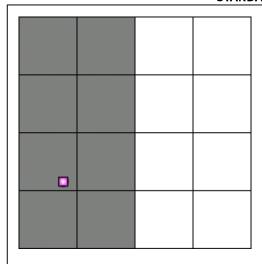
10, Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	10	27N	05W		1550	S	990	W	RIO
									ARRIBA

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 Acr			13. Joint or Infill		14. Consolidatio	on Code		15. Order No.	

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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 Operations/Regulatory Tech Sr Title:

12/19/2023 Date:

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.

David Kilven Surveyed By: 8/2/1966 Date of Survey:

Certificate Number: 1760

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Oil 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

1. Operator: Hilcorp Energ	gy Company		_OGKID: <u>_3</u>	/21/1	Date:1	2/19/2023				
II. Type: ⊠ Original □ A	mendment due to	□ 19.15.27.9	9.D(6)(a) NMA	C □ 19.15.27.9	D.D(6)(b) NMA	C □ Other.				
If Other, please describe:										
III. Well(s): Provide the fo be recompleted from a single					of wells propo	sed to be drille	d or proposed to			
Well Name	API	ULSTR	Fo	otages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D			
San Juan 27-5 Unit 101	3003908099	L-10-27N-5V	V 1550' FSL	& 990' FWL	1.4	450	.05			
V. Anticipated Schedule: I	IV. Central Delivery Point Name:Ignacio 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									
San Juan 27-5 Unit 101	3003908099	N/A	N/A	N/A	N/A	2024				
San Guan 27-3 Chit 101	3003700077	14/11	17/11	14/11	17/11	2024				
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.										
during active and plainled if	iamichance.									

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

🗵 Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering	Available Maximum Daily Capacity
			Start Date	of System Segment Tie-in

XI. Map. \square Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the
production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity
the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system \square will \square will not have capacity to gather 100% of the	anticipated natural ga	as
production volume from the well prior to the date of first production.		

XIII. Line Pressure. Operator \square does \square does not anticipate that its existing well(s) connected to the same segment, or portion, o	of the
natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new wel	ıl(s).

_	1 4 1 .	\sim .	1 .		1		1		1.	
- 1	Attach (Onerator'	s plan to	manage	production	i in respor	ise to the	increased	line pressu	re

XIV. Confidentiality: \square Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information pi	tovided in
Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific in	ıformation
for which confidentiality is asserted and the basis for such assertion.	

(g)

(h)

(i)

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: power generation on lease; (a) **(b)** power generation for grid; compression on lease; (c) liquids removal on lease; (d) reinjection for underground storage; (e) **(f)** reinjection for temporary storage;

Section 4 - Notices

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

other alternative beneficial uses approved by the division.

reinjection for enhanced oil recovery;

fuel cell production; and

- (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: Cherylene Weston
Printed Name: Cherylene Weston
Title: Operations/Regulatory Tech Sr.
E-mail Address: cweston@hilcorp.com
Date: 12/19/2023
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 recomplete project. HEC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the recomplete 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 recomplete 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
 - o This gas capture plan isn't for a well being drilled.
- 3. Subsection (C) Venting and flaring during completion or recompletion
 - 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.
 - o 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
 - o All tanks and separation equipment are designed for maximum throughput and pressure to minimize waste.
 - o 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.

From: Cheryl Weston

To: McClure, Dean, EMNRD; Rikala, Ward, EMNRD

Subject: [EXTERNAL] Action ID: 308122 - San Juan 27-5 Unit 101 RC NOI

Date: Thursday, April 11, 2024 11:14:20 AM

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Dean,

The estimated NOI perf range for the above NOI is as follows and it matches BLM approved NOI:

API	Well Name	Team	NOI OCD ID	CH Perfs:	MV Perfs:	MC Perfs:
3003908099	SAN JUAN 27-5 UNIT 101	SJS	308122	N/A	5105' - 6836'	6836' - 8245'

Thanks,

Cheryl Weston

San Juan Operations/Regulatory Tech-Sr. 1111 Travis Street | Houston, TX 77002 Ofc: 713.289.2615 | cweston@hilcorp.com



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While all reasonable care has been taken to avoid the transmission of viruses, it is the responsibility of the recipient to ensure that the onward transmission, opening, or use of this message and any attachments will not adversely affect its systems or data. No responsibility is accepted by the company in this regard and the recipient should carry out such virus and other checks as it considers appropriate.

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 308122

CONDITIONS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	308122
	Action Type:
	[C-103] NOI Recompletion (C-103E)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Notify NMOCD 24 Hours Prior to beginning operations.	4/29/2024
dmcclure	DHC required	4/29/2024
dmcclure	All conducted logs shall be submitted to the Division as a [UF-WL] EP Well Log Submission (WellLog).	4/29/2024
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.	4/29/2024
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.	4/29/2024