Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

.

Form C-101 August 1, 2011 Permit 380490

APPLICATION FOR PERMIT TO DRILL	RF-FNTFR	DFFPFN	PI UGBACK	OR ADD	A ZONF

1. Operator Na	ame and Address						2. OGRID Number						
HIL	LCORP ENERGY C	OMPANY									372171		
11	11 Travis Street									3. API Nu	mber		
Ho	ouston, TX 77002										30-045-	38422	
4. Property Co	ode		5. Propert	y Name						6. Well No.			
31	8895			HAMPTON							004P		
					7	Surface Location							
UL - Lot	Section	Township	Rar	nde	Lot Idn	Feet From	N/	S Line	Feet From	E/W Li	ine	County	
F	13	30N	i tui	11W	Lot Idii	2418		N	1848	2,00 21	W	San Juan	
·					ł							odiroudir	
		-				ed Bottom Hole Lo				= 0.04			
UL - Lot F	Section 13	Township 30N	Ran	ge 11W	Lot Idn F	Feet From 2418	N	I/S Line N	Feet From 1848	E/W L	w W	County San Juan	
F	13	3010		1100	F	2418		IN	1848)	vv	San Juan	
					9.	Pool Information							
BLANCO-ME	ESAVERDE (PROR/	ATED GAS)										72319	
BASIN DAK	OTA (PRORATED G	AS)										71599	
	、	,											
44 M 1 T		10 M # T				ional Well Informat	ion			45.0			
11. Work Type	ew Well	12. Well Type GAS		13. Cat	le/Rotary			14. Lease Ty	^{rpe} rivate	15. Ground	Level Elev 043	ation	
16. Multiple		17. Proposed De	onth	18. For	mation				20. Spud Date				
Y		7218	•	10. FUI	Dakota Fori	mation		19. Contracto			/3/2025		
Depth to Grou	und water	1210	,	Distanc	e from nearest fre					Distance to r		face water	
Dopan to Glob				Diotano	o nom nourout ne					Distance to 1	iouroot ou		
🛛 We will be	using a closed-loc	p svstem in lie	u of line	d pits									
	J												
-			0.			Casing and Ceme						5	
Type	Hole Size	Casing		Ci	asing Weight/ft	Set	Setting Depth		Sacks of Cement 91			Estimated TOC 0	
Surf	12.25	9.62	25		32.3 23		200			165		0	
Int1 Prod	8.75 6.25	7		-	11.6		3250 7218			08		0	
FIOU	0.25	4.0)		11.0		1210		2	00		0	
				C	asing/Cement	Program: Addition	al Co	omments					
					22 Dropood	Blowout Prevention							
	Туре			Working Pressure		Biowout Freventin		Test Pressure			N	lanufacturer	
	Annular			3000				250			IV	3M	
	Annula			3000				250				JIVI	
aa Lhorobu	certify that the infor	mation given ab	ovo is tr	up and comple	to to the heat	of my			OIL CONSER				
knowledge		mation given at	ove is th	ue and comple	te to the best of	Di IIIy			OIL CONSER	VATION DIV	ISION		
	rtify I have complie	d with 19 15 14	9 (A) NN	IAC X and/or	19 15 14 9 (B)	NMAC							
X, if applica					10.10.14.0 (D)								
,													
Signature:													
Printed Name	Electronica	lly filed by Jamie	e L Oliva	rez		Approved I	Approved By: Matthew Gomez						
Title:		latory Advisor				Title:							
Email Address						Approved I	Date:	1/23/20	25	Expir	ation Date	e: 1/23/2027	
Date:	12/30/2024			Phone: 713-28	9-2838					Expi	Buit		
Dale.	te: 12/30/2024 Phone: 713-289-2838							Conditions of Approval Attached					

Received by OCD: 12/30/2024 10:	07:09 AM		Page 2 of 38	
<u>C-102</u>	State of New Mexico		Revised July 9, 2024	
Submit Electronically	Energy, Minerals & Natural Resources Department		🛛 Initial Submittal	
Via OCD Permitting	OIL CONSERVATION DIVISION	Submittal Type	🗌 Amended Report	
		.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	🗌 As Drilled	

WELL LOCATION INFORMATION

API Number 30-045-38422		Pool Code 72319		Pool Name BLANCO MESAVERDE		
Property Code	roperty Code Property Name HAMPTON				Well Number 4P	
OGRID No. 372171		Operator Name	HILCORP ENERGY COMPAN	Ground Level Elevation 6043'		
Surface Owner:	🗌 State 🛛 Fee 🗌 Tr	ribal 🗌 Federal	Mineral Owner	r: 🗆 State 🛛 Fee 🗆] Tribal 🔲 Federal	

	Surface Location										
UL	Section		-	Lot	Feet from N/S		Feet from E/W		Latitude	Longitude	County
	13	30N	11W		2418 '	NORTH	1848 '	WEST	36.812355 °N	-107.945275 °W	SAN JUAN

UL Section Township Range Lot Feet from N/S Line Feet from E/W Line Latitude Longitude County

Dedicated Acres	Penetrated Spacing Unit:	Infill or Defining Well		Defining Well API	Overlapping Spacing Unit		Consolidation Code
317.55	W/2 - Section 13, T30N, R11W	Infill		30-045-34090	🗌 Yes	🛛 No	Com
Order Numbers			Well setba	ucks are under Common Ow	hership:] Yes	XI No

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County	
First Take Point (FTP)										

	First Take Point (FTP)										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County		
								-			
					1	ast Take Point (LT	ص: (ص				
					L	ast lake Fullit (LI	F)				
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County		

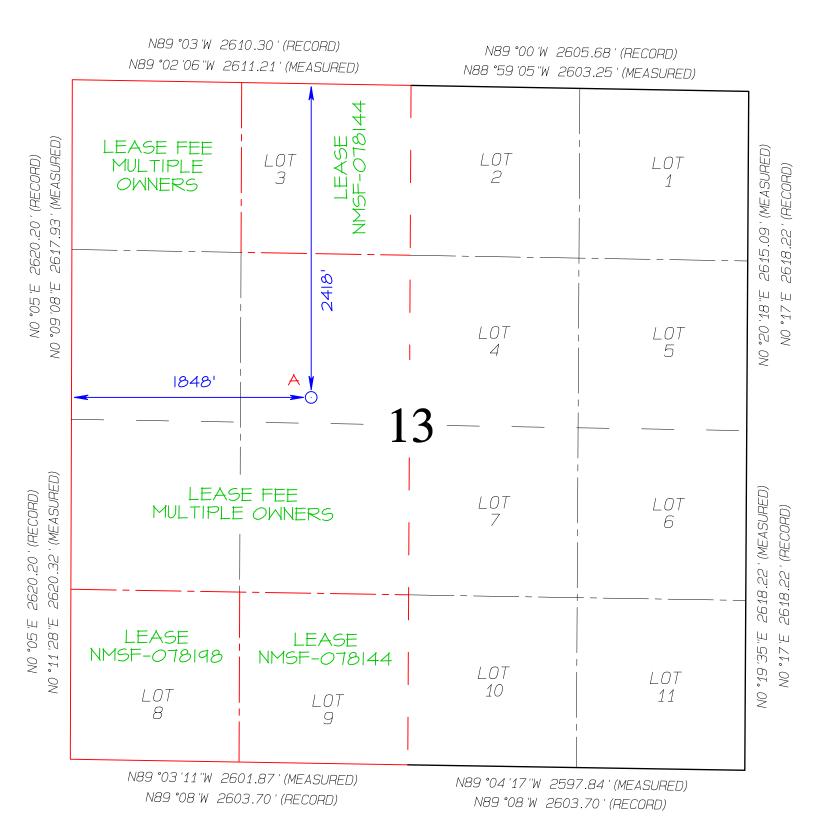
Unitized Area or Area of Uniform Interest	Spacing Unit Type	🛛 Vertical	Directional	Ground Floor Elevation 6043'

OPERATOR CERTIFICATION	SURVEYOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore	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.
entered by the division. If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.	TEL 15269 12/29/2024
Cherylene Weston 12/30/2024 Date	H (15269) E 12/29/2024 AS 12/29/2024 AS
Cherylene Weston, Operations/Regulatory Tech-Sr.	Jason C. Edwards
	Signature and Seal of Professional Surveyor
E-mail Address	Certificate Number 15269 Date of Survey OCTOBER 17, 2024

Note: 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. Released to Imaging: 1/23/2025 12:51:43 PM

SURFACE LOCATION (A) 2418' FNL 1848' FWL SECTION 13, T30N, R11W LAT 36.812351 °N LONG -107.944653 °W DATUM: NAD1927

LAT 36.812355 °N LONG -107.945275 °W DATUM: NAD1983



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ceived by OCD: 12/30/2024 10:07:09 AM Page 4 of 38								
<u>C-102</u>	State of New Mexico		Revised July 9, 2024					
Submit Electronically	Energy, Minerals & Natural Resources Department		🛛 Initial Submittal					
Via OCD Permitting	OIL CONSERVATION DIVISION	Submittal Type	🗌 Amended Report					
		.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	🗆 As Drilled					

WELL LOCATION INFORMATION

API Number 30-045-38422		Pool Code	71599	Pool Name	BASIN DAKOTA
Property Code	318895	Property Name	HAMPTON		Well Number 4P
OGRID No.	ID No. 372171 Operator Name HILCORP ENERGY COMPANY			٧Y	Ground Level Elevation 6043'
Surface Owner:	🗌 State 🛛 Fee 🗌 T	ribal 🗌 Federal	Mineral Owner	r: 🗌 State 🛛 Fee 🗌] Tribal 🔲 Federal

	Surface Location										
UL	Section	Township	Range	Lot	Feet from N/S	6 Line	Feet from E/W	Line	Latitude	Longitude	County
F	13	30N	11W		2418 '	NORTH	1848 '	WEST	36.812355 °N	-107.945275 °W	SAN JUAN

					E	Bottom Hole Locatic	חמ		
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County

Dedicated Acres	Penetrated Spacing Unit:	Infill or Defini	ing Well	Defining Well API	Overlapping Spacing Unit Consolidation Code		
317.55	W/2 - Section 13, T30N, R11W	Infill		30-045-09550	🗆 Yes	🗶 No	Com
Order Numbers			Well setba	cks are under Common Ow	nership:] Yes [XI No

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County	
	First Take Point (FTP)									

	First Take Point (FTP)										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County		
Last Take Point (LTP)											
					L	ast Take Point (LT	FP)				
UL	Section	Township	Range	Lot	Feet from N/S Line	ast Take Point (LT Feet from E/W Line	P) Latitude	Longitude	County		

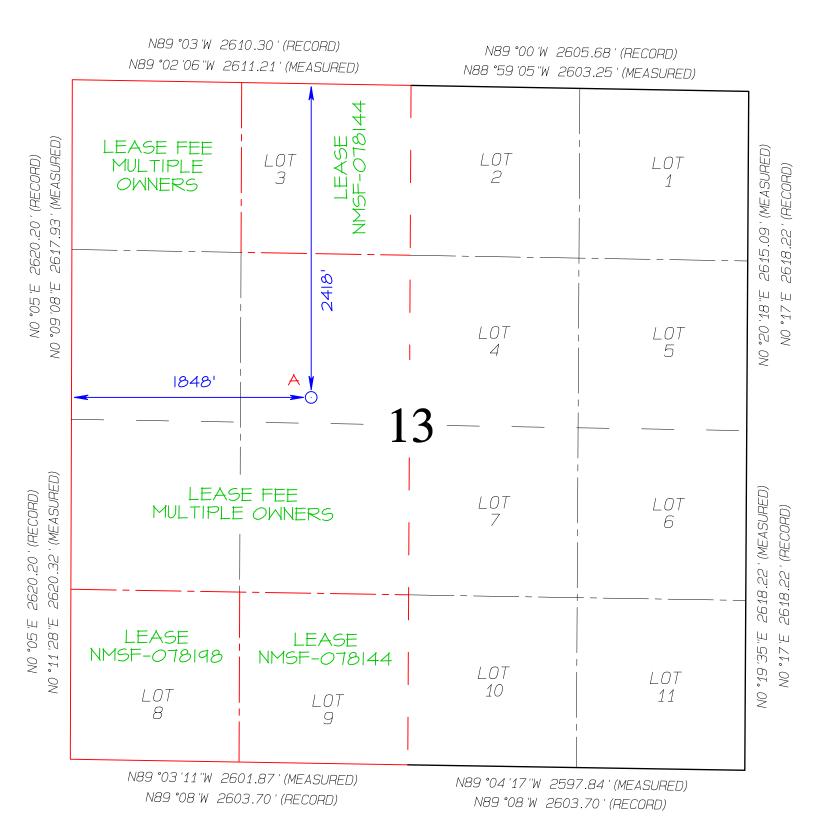
Unitized Area or Area of Uniform Interest	Spacing Unit Type	🛛 Vertical	🗌 Directional	Ground Floor Elevation 6043'

OPERATOR CERTIFICATION	SURVEYOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral	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.
interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	SEON C. EDWARD
If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.	ST EN METICO
Charulana Mactan	H (15269) E 12/29/2024
Cherylene Weston12/30/2024SignatureDate	12 ADDFESSIONAL
Cherylene Weston, Operations/Regulatory Tech-Sr.	Jason C. Edwards
	Signature and Seal of Professional Surveyor
_cweston@hilcorp.com E-mail Address	Certificate Number 15269 Date of Survey OCTOBER 17, 2024

Note: 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. *Released to Imaging: 1/23/2025 12:51:43 PM*

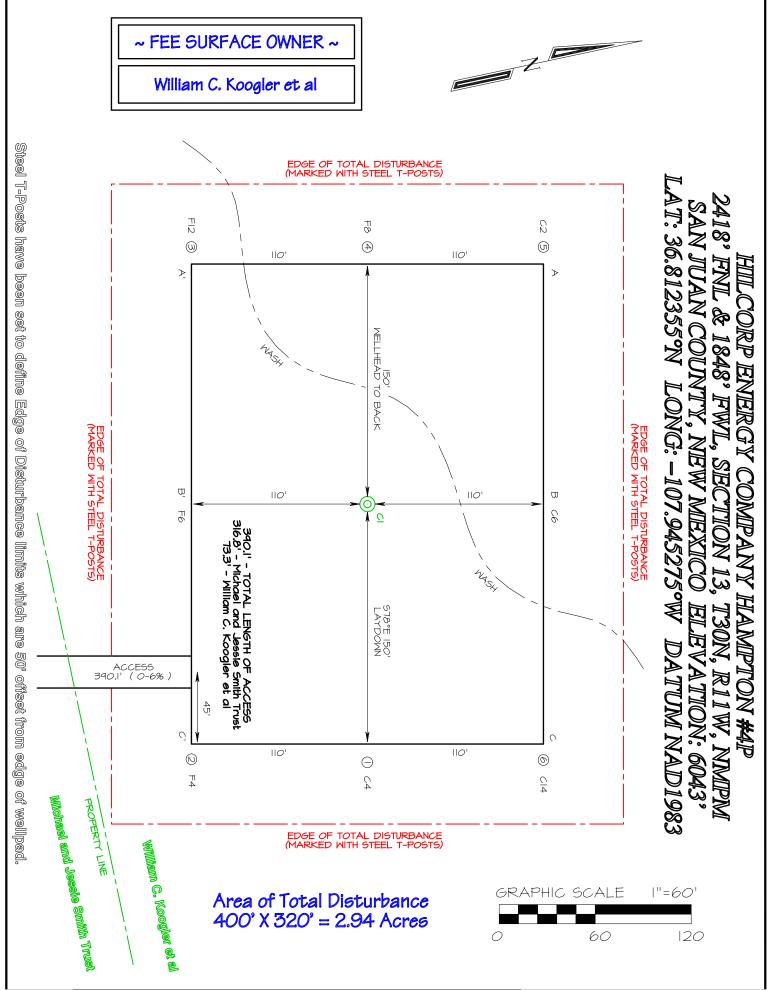
SURFACE LOCATION (A) 2418' FNL 1848' FWL SECTION 13, T30N, R11W LAT 36.812351 °N LONG -107.944653 °W DATUM: NAD1927

LAT 36.812355 °N LONG -107.945275 °W DATUM: NAD1983



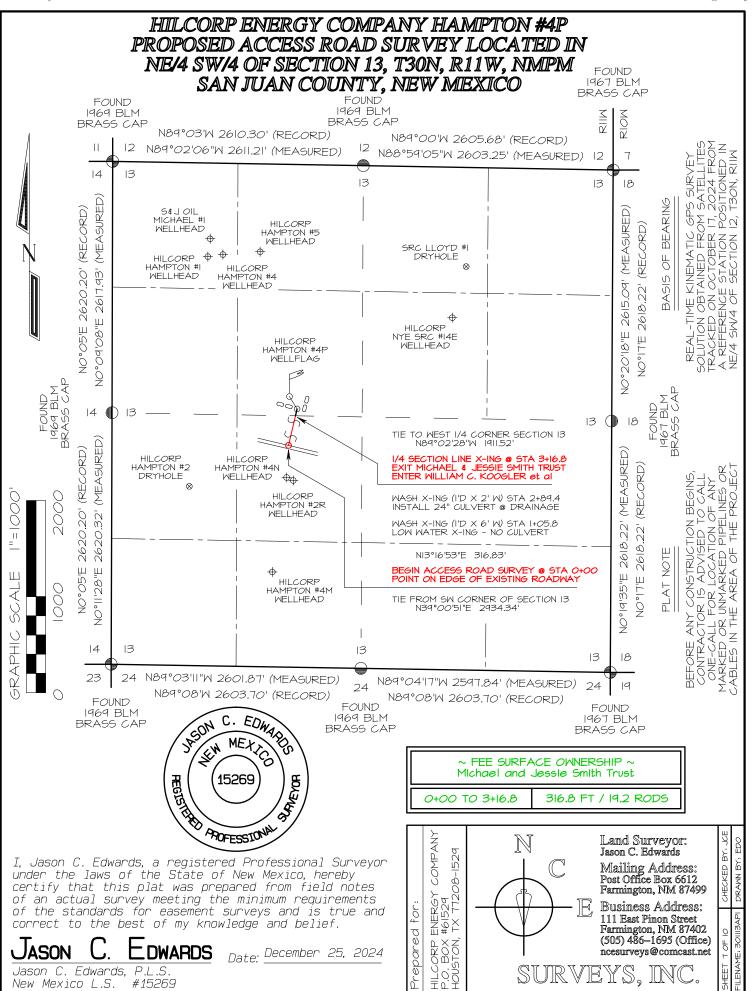
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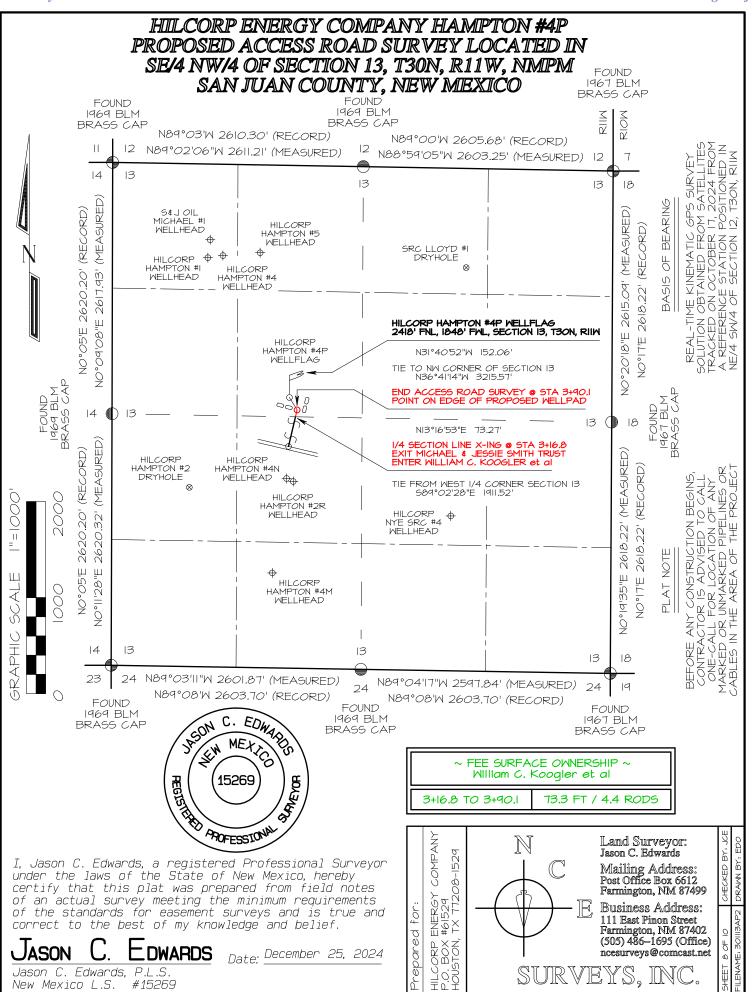
EDWARDS SURVEYING, INC. IS NOT LIABLE FOR LOCATION OF UNDERGROUND UTILITIES OR PIPELINES. CONTRACTOR SHOULD CONTACT ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED UNDERGROUND UTILITIES OR PIPELINES ON WELLPAD AND/OR ACCESS ROAD AT LEAST TWO WORKING DAYS PRIOR TO CONSTRUCTION.		6043'	6053	C/L	6033- 	6043		C/L		6053	HORIZONTAL SCALE I"=40' CIL VERTIC	2418' FNL & 1848' FWL, SECTION 13, T30N, R11W SAN JUAN COUNTY, NEW MEXICO ELEVATION
NDERGROUND UTILITIES OR PIPELINES. MARKED OR UNMARKED UNDERGROUND TWO WORKING DAYS PRIOR TO CONSTRUCTION.				- -							VERTICAL SCALE I"=30'	Y Y. HAMIPTON #4P 13, T30N, R11W, NMPM CO ELEVATION: 6043'

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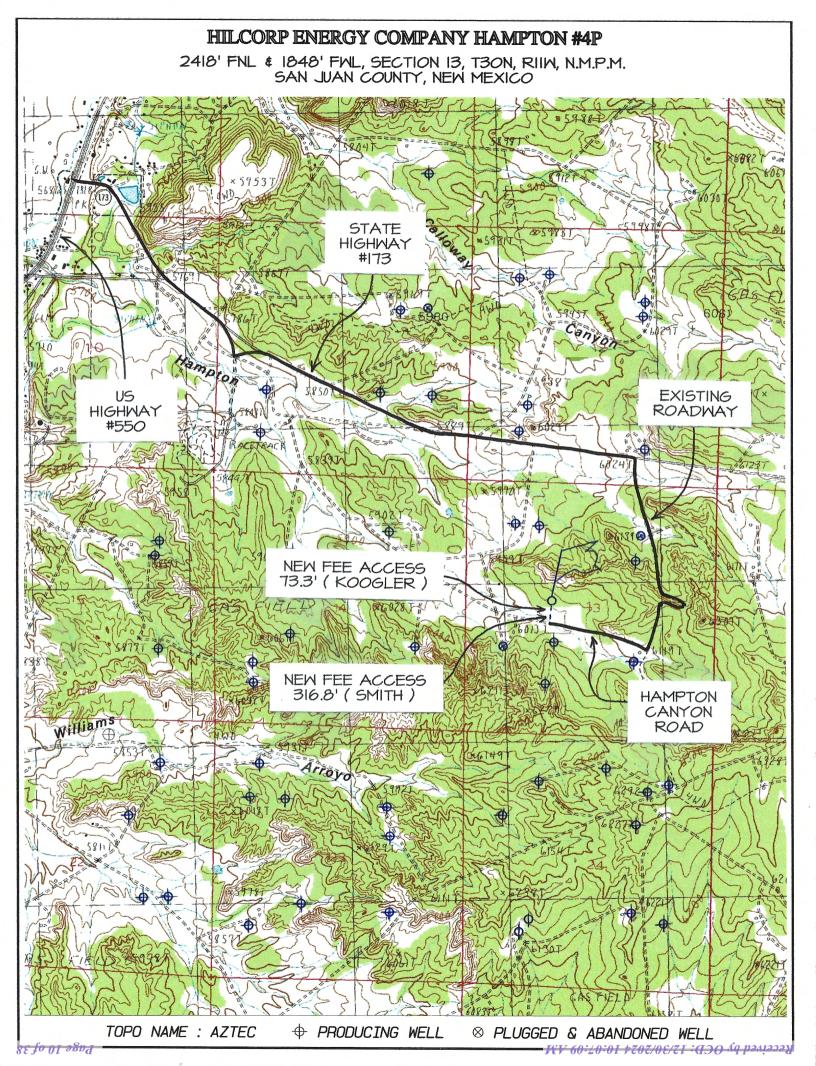
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Directions from the Intersection of US Hwy 550 & State Hwy 173

in Aztec, NM to Hilcorp Hampton #4P

2418' FNL & 1848' FWL, Section 13, T30N, R11W, N.M.P.M., San Juan County, NM

Latitude: 36.812355°N Longitude: -107.945275°W Datum: NAD1983

From the intersection of US Hwy 550 & State Hwy 173 in Aztec, NM, travel South-easterly on State Hwy 173 for 2.6 miles;

Go Right (Southerly) exiting State Hwy 173 for 1.0 miles to fork in roadway;

Go right (North-westerly) on Hampton Canyon Road for 0.4 miles to new access on right-hand side of existing roadway which continues for 390.1' to Hilcorp Hampton #4P staked location.

Received by OCD: 12/30/2024 10:	07:09 AM		Page 12 of 38					
<u>C-102</u>	State of New Mexico		Revised July 9, 2024					
Submit Electronically	Energy, Minerals & Natural Resources Department		🛛 Initial Submittal					
Via OCD Permitting	OIL CONSERVATION DIVISION	Submittal Type	🗌 Amended Report					
		Type	🗌 As Drilled					
WELL LOCATION INFORMATION								

API Number		Pool Code	72319	Pool Name	BLANCO MESAVERDE
Property Code	318895	Property Name	HAMPTON		Well Number 4P
OGRID No.	372171	Operator Name	HILCORP ENERGY COM	PANY	Ground Level Elevation 6043'
Surface Owner:	🗌 State 🛛 Fee 🗌 T	ribal 🗌 Federal	Mineral C	wner: 🗌 State 🛛 Fee	🗆 Tribal 🛛 Federal

	Surface Location										
UL	Section	Township	Range	Lot	Feet from N/S Line	e	Feet from E/W	Line	Latitude	Longitude	County
F	13	30N	11W		2418' NOF	RTH	1848 '	WEST	36.812355 °N	-107.945275°W	SAN JUAN

	Bottom Hole Location								
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County

Dedicated Acres	Penetrated Spacing Unit:	Infill or Def	ining Well	Defining Well API	Overlapping S	Spacing Unit	Consolidation Code
317.55	W/2 - Section 13, T30N, R11W	Infill		30-045-34090	🗌 Yes	🛛 No	Com
Order Numbers		Well setba	cks are under Common Ow	nership:] Yes	XI No	

Kick Off Point (KOP)

[UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County
L						Fi	inst Take Dojot (Fi	Г D)		

	First Take Point (FTP)										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County		
			1								
			L		<u> </u>						
	Last Take Point (LTP)										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County		
			1								

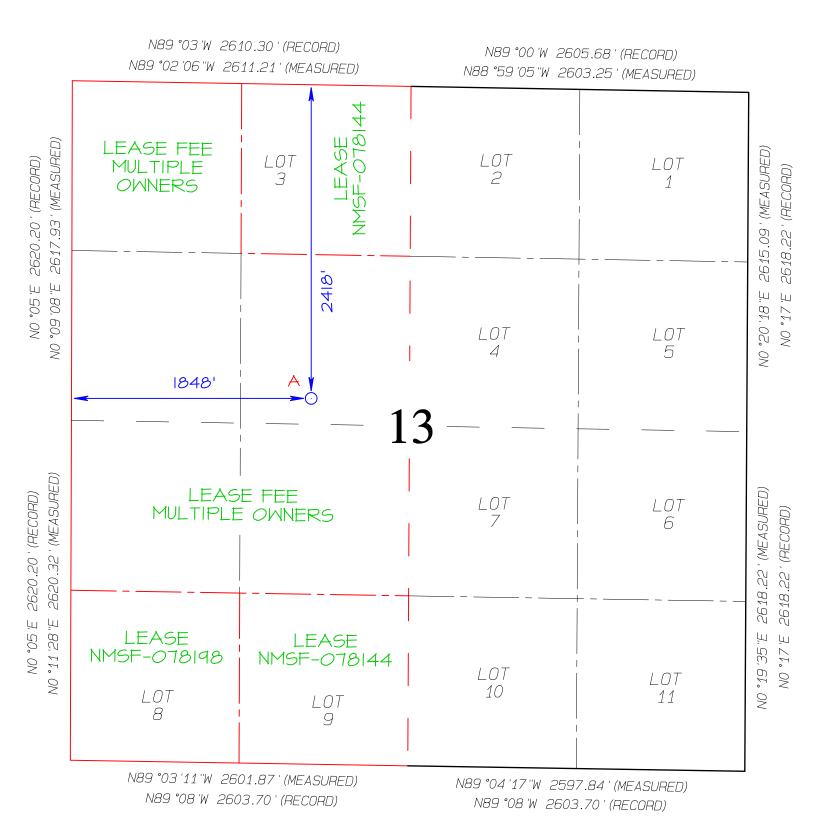
Unitized Area or Area of Uniform Interest	Spacing Unit Type	🛛 Vertical	🗌 Directional	Ground Floor Elevation 6043'

OPERATOR CERTIFICATION	SURVEYOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	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.
If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.	JEST C. EDWARDS
Cherylene Weston 12/30/2024	12/29/2024 55 POFESSIONAL
Cherylene Weston, Operations/Regulatory Tech-Sr.	Jason C. Edwards
	Signature and Seal of Professional Surveyor
_cweston@hilcorp.com E-mail Address	Certificate Number 15269 Date of Survey OCTOBER 17, 2024

Note: 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. *Released to Imaging: 1/23/2025 12:51:43 PM*

SURFACE LOCATION (A) 2418' FNL 1848' FWL SECTION 13, T30N, R11W LAT 36.812351 °N LONG -107.944653 °W DATUM: NAD1927

LAT 36.812355 °N LONG -107.945275 °W DATUM: NAD1983



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<u>C-102</u>	State of New Mexico		Revised July 9, 2024
Submit Electronically	Energy, Minerals & Natural Resources Department		🛛 Initial Submittal
Via OCD Permitting	OIL CONSERVATION DIVISION	Submittal Type	🗌 Amended Report
		.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	🗌 As Drilled

WELL LOCATION INFORMATION

API Number		Pool Code	71599	Pool Name	BASIN DAKOTA		
Property Code	318895	Property Name	HAMPTON		Well Number 4P		
OGRID No.	372171	Operator Name	HILCORP ENERGY COMPAN	IY	Ground Level Elevation 6043'		
Surface Owner:	🗌 State 🛛 Fee 🗌 Tr	ribal 🗌 Federal	Mineral Owner	: 🗆 State 🛛 Fee 🛛]Tribal 🗌 Federal		

							Surface	Location			
UL	Section	Township	Range	Lot	Feet from N/S	3 Line	Feet from E/W	/ Line	Latitude	Longitude	County
F	13	30N	11W		2418 '	NORTH	1848 '	WEST	36.812355 °N	-107.945275 °W	SAN JUAN

					E	Bottom Hole Locatic	n		
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County

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Order Numbers			Well setba	cks are under Common Own	hership:] Yes [XI No

Kick Off Point (KOP)

		UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County
--	--	----	---------	----------	-------	-----	--------------------	--------------------	----------	-----------	--------

	First Take Point (FTP)										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County		
			1								
			L		<u> </u>						
	Last Take Point (LTP)										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County		
			1								

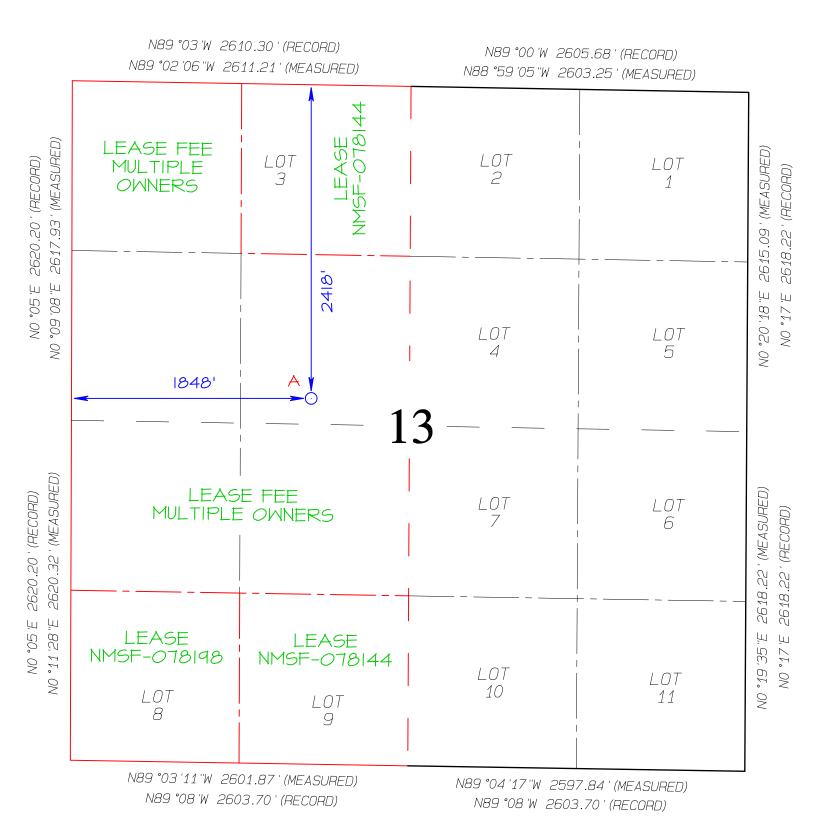
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interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	SEON C. EDWARD
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Charulana Mactan	H (15269) E 12/29/2024
Cherylene Weston12/30/2024SignatureDate	12 ADDFESSIONAL
Cherylene Weston, Operations/Regulatory Tech-Sr.	Jason C. Edwards
	Signature and Seal of Professional Surveyor
_cweston@hilcorp.com E-mail Address	Certificate Number 15269 Date of Survey OCTOBER 17, 2024

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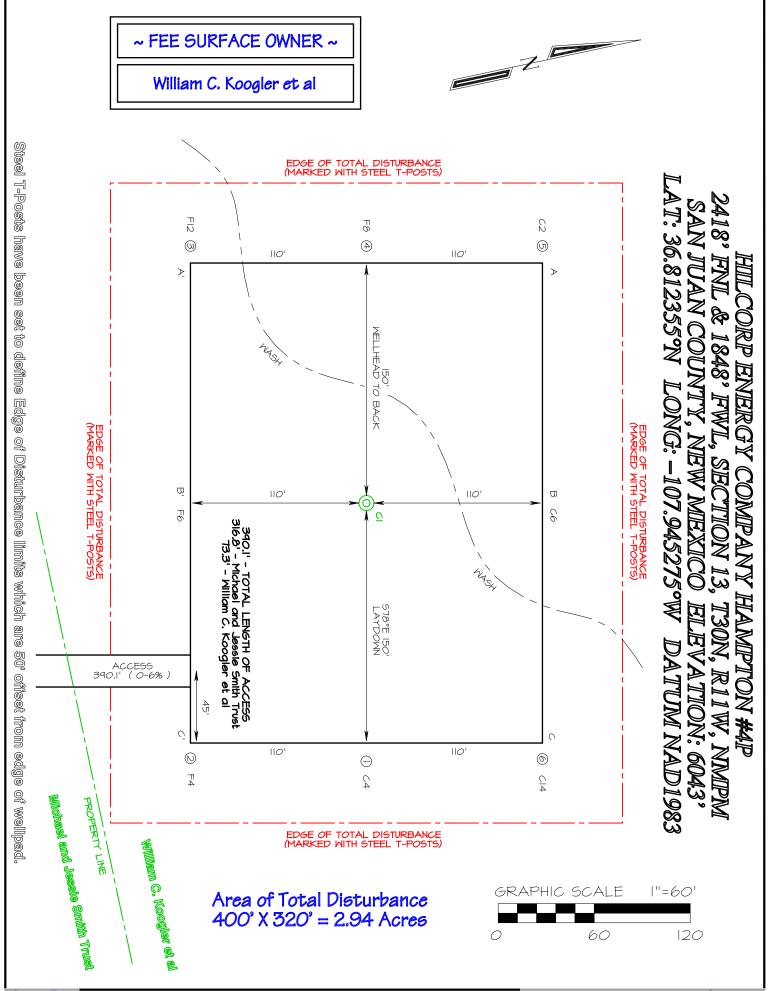
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LAT 36.812355 °N LONG -107.945275 °W DATUM: NAD1983



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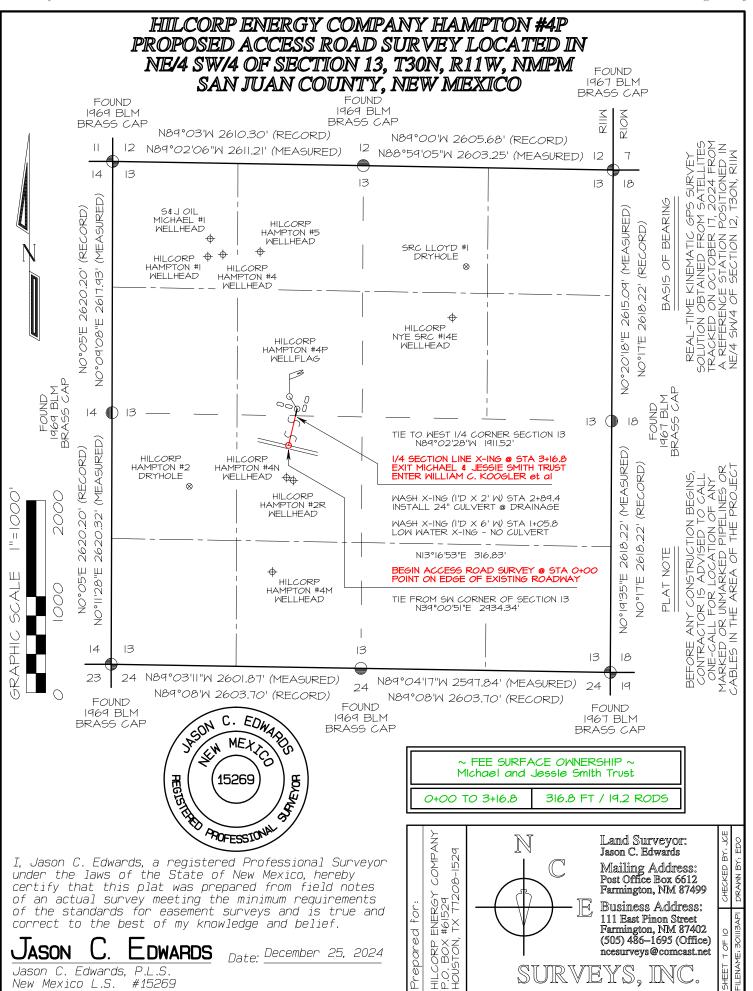


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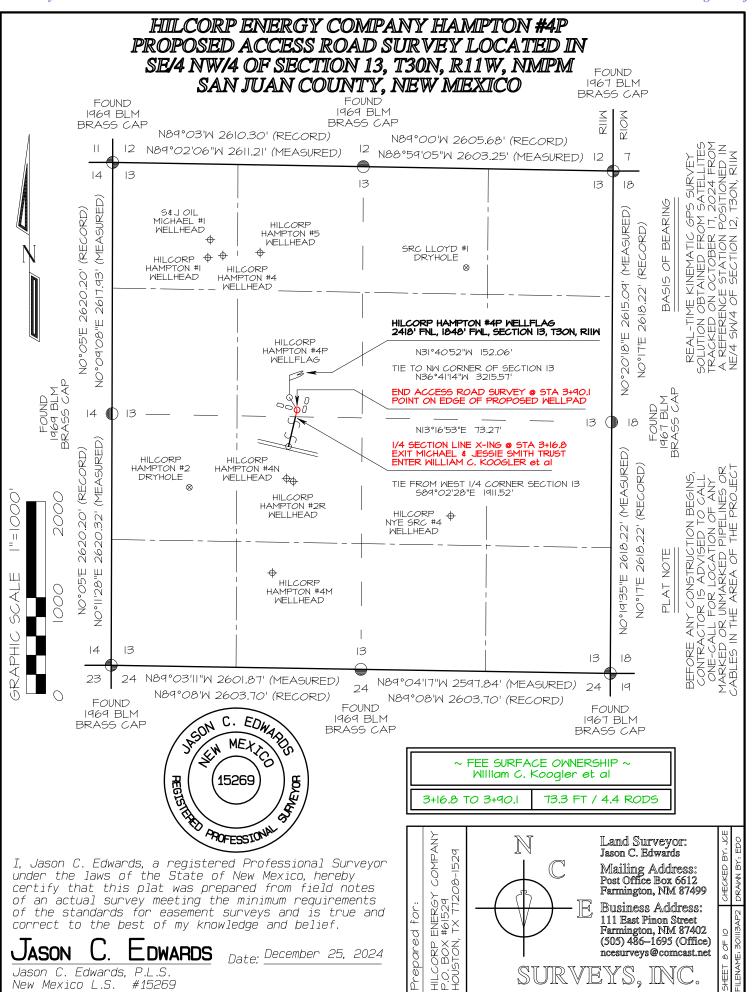
E CON UTILITIES	 6033-	6043	6053-		· · · · · · · · · · · · · · · · · · ·	6033	6043	6053	B-B'		 6033	6043	6053	HORI	2418' SAN
EDWARDS SURVEYING, INC. IS NOT LIABLE FOR LOCATION OF UNDERGROUND UTILITIES OR PIPELINES. CONTRACTOR SHOULD CONTACT ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED UNDERGROUND UTILITIES OR PIPELINES ON WELLPAD AND/OR ACCESS ROAD AT LEAST TWO WORKING DAYS PRIOR TO CONSTRUCTION.				C/L						C/L				HORIZONTAL SCALE I"=40' C/L VERTICAL SCALE I"=30'	HULCORP ENERGY COMPANY HAMPTON #4P 2418' FNL & 1848' FWL, SECTION 13, T30N, R11W, NMPM SAN JUAN COUNTY, NEW MEXICO ELEVATION: 6043'

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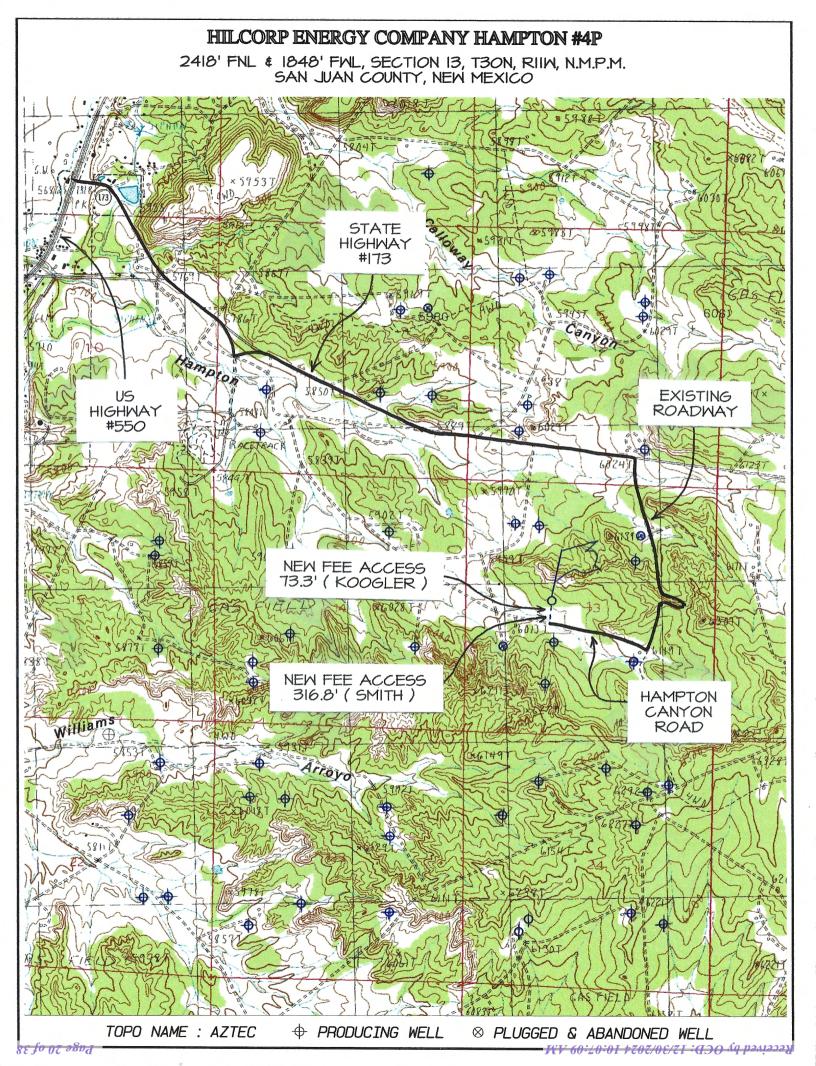


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Directions from the Intersection of US Hwy 550 & State Hwy 173

in Aztec, NM to Hilcorp Hampton #4P

2418' FNL & 1848' FWL, Section 13, T30N, R11W, N.M.P.M., San Juan County, NM

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From the intersection of US Hwy 550 & State Hwy 173 in Aztec, NM, travel South-easterly on State Hwy 173 for 2.6 miles;

Go Right (Southerly) exiting State Hwy 173 for 1.0 miles to fork in roadway;

Go right (North-westerly) on Hampton Canyon Road for 0.4 miles to new access on right-hand side of existing roadway which continues for 390.1' to Hilcorp Hampton #4P staked location.

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

PERMIT CONDITIONS OF APPROVAL

Operator Name and		API Number:				
	RP ENERGY COMPANY [372171]	30-045-38422				
1111 Travis Street Well:						
Housto	n, TX 77002	HAMPTON #004P				
OCD Reviewer	Condition					
matthew.gomez	A [C-103] Sub. Drilling (C-103N) is required within (10) days of spud.					
matthew.gomez	Notify the OCD 24 hours prior to casing & cement.					
matthew.gomez	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string.					
matthew.gomez	zz Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.					
matthew.gomez	z Cement is required to circulate on both surface and intermediate1 strings of casing.					
matthew.gomez	z If cement does not circulate on any string, a Cement Bond Log (CBL) is required for that string of casing.					
matthew.gomez	z File As Drilled C-102 and a directional Survey with C-104 completion packet.					
matthew.gomez	omez DHC must be approved prior to producing the well.					

Form APD Conditions

Permit 380490

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San Juan County, NM

Hampton 4P



Technical Drilling Plan (Rev. 0)

Hilcorp Energy Company proposes to drill and complete the referenced well targeting the Mesaverde and Dakota formations.

Note: This technical drilling plan will be adjusted based upon actual conditions.

1. Location

Date:	October 2, 2024	Pool:	Mesaverde / Dakota
Well Name:	Hampton 4P	Ground Elevation (ft. MSL):	6,043′
Surface Hole Location:	36.8123550° N, 107.9452750° W	Total Depth (ft. TMD/TVD)	7,218′ / 7,218′
Bottom Hole Location:	36.8123550° N, 107.9452750° W	County, State:	San Juan County, NM

Note: All depths in the directional drilling plan are referenced from an estimated RKB datum of 17' above ground level.

2. Geological Markers

Anticipated formation tops with comments of any possible water, gas or oil shows are indicated below:

Formation	Depth (ft. TVD)	Remarks
Ojo Alamo	1,121'	Water (fresh/useable)
Kirtland	1,225'	None
Fruitland Coal	2,148'	Gas, Water
Pictured Cliffs	2,518'	Gas
Lewis Shale	2,653'	None
Huerfanito Bentonite	3,276'	None
Chacra	3,555'	Gas
Mesa Verde / Cliff House	4,101'	Gas / Water
Menefee	4,337'	Gas
Point Lookout	4,832'	Gas
Mancos	5,213'	Gas
Upper Gallup	6,066'	Gas
Niobrara	6,338'	None
Juana Lopez	6,475'	Gas
Greenhorn	6,817'	Gas
Graneros	6,874'	Gas
Two Wells	6,929'	Gas
Paugate	7,009'	Gas
Cubero	7,054'	Gas
Encinal	7,118'	Gas

San Juan County, NM

Hampton 4P



3. Pressure Control Equipment

A. BOP Equipment

See Appendix A for BOP equipment and choke manifold diagram.

- BOP equipment will be nippled up on top of the wellhead after surface casing is set and cemented.
- Pressure control configurations will be designed to meet the minimum 3M standards.
- All equipment will have 3M pressure rating at a minimum.
- A rotating head will be installed on top of the annular as seen in the attached diagram.
- B. BOP Pressure Testing
 - For all BOP pressure testing, a test unit with a chart recorder and a BOP test plug will be utilized.
 - All tests and inspections will be recorded and logged with time and results.
 - A full BOP pressure test will be conducted when initially installed for the first well on the pad or if a seal subject to test pressure is broken, following related repairs, and at a minimum in 30-day intervals.
 - A BOPE shell pressure test only will be conducted for subsequent wells on the pad when seals subject to pressure have not been broken, repaired, and fall within the 30-day interval of the first full test.
 - The New Mexico Oil & Gas Conservation Division and the BLM will be notified 24 hours in advance of pressure testing BOPE.
 - The BOPE will be tested to 250 psi (Low) for 5 minutes and 3,000 psi (High) for 10 minutes.
- C. BOP Function Testing
 - Annular preventors will be functionally tested at least once per week.
 - Pipe and blind rams will be function tested each trip.
- D. Casing Pressure Testing
 - For all casing pressure testing, a test unit with a chart recorder will be utilized.
 - Surface casing will be pressure tested to 600 psi for 30 minutes.
 - Intermediate casing will be pressure tested to 1,500 psi for 30 minutes.

San Juan County, NM

Hampton 4P



- 4. Casing Program
 - A. Proposed Casing Program:

	Proposed Casing Design								
Casing String	Hole Size	Casing (size/weight/grade)	Top Depth (MD/TVD)	Shoe Depth (MD/TVD)	Collapse	Burst	Tensile		
Surface	12-1/4″	9-5/8"-32.3#-H40 (or equiv.)-LTC/BTC	0′	200′/200′	1,370 psi	2,270 psi	254 klbs		
Intermediate	8-3/4″	7"-23#-J55 (or equiv.)- LTC/BTC	0′	3,250′/3,250′	3,270 psi	4,360 psi	366 klbs		
Production	6-1/4″	4-1/2"-11.6#-J55 (or equiv.)-LTC/BTC	0′	7,218′/7,218′	4,960 psi	5,350 psi	184 klbs		

	Proposed Casing Design Safety Factors								
Casing String	Burst Design SF	Collapse Design SF	Joint Tensile Design SF	Connection Tensile Design SF					
Surface	24.3	18.6	65.5	45.6					
Intermediate	2.7	2.6	5.7	6.8					
Production	1.4	1.6	2.6	3.2					

- B. Casing Design Parameters & Calculations:
- Designed for full wellbore evacuation.
 - Mud Weights used for calculations:
 - o Surface = 9.0 ppg
 - Intermediate = 9.5 ppg
 - Production = 10.0 ppg
- Minimum Acceptable Safety Factors:
 - o Burst: 1.15
 - o Collapse: 1.15
 - o Tensile: 1.50
- **Casing Safety Factor Calculations:**

Casing Burst Rating(psi)

Casing Burst Safety Factor = $\frac{1}{Maximum Mud Weight (ppg) \times TVD(ft) \times 0.052}$

Casing Collapse Safety Factor = Hydrostatic of Mud Weight in Annulus(psi) - $\left[TVD \text{ of Casing Shoe } (ft) \times 0.10 \frac{psi}{ft}\right]$

Tensile Rating of Casing String (lbs)

 $Tensile Safety Factor = \frac{1}{Measured Depth of Casing(ft) \times Casing Weight \frac{lb}{ft} \times DrillingFluid Bouyancy Factor}$

Production Casing Notes:

- Production casing will be run from surface to TD. •
- The 6-1/4" hole will be drilled to the top of the Encinal formation and TD will be determined onsite by the mud • logger.

Hampton 4P



5. Proposed Centralizer Program:

Proposed Centralizer Program					
Casing String	Centralizers & Placement				
Surface Casing 1 centralizer per joint on bottom 3 joints.					
	1 centralizer per joint in shoe track.				
Intermediate Casing	1 centralizer every 3 rd joint from float collar to base of Ojo Alamo.				
Internetiate casing	1 centralizer per joint from base of Ojo Alamo to the top of the Ojo Alamo.				
	1 centralizer every 3 rd joint from top of Ojo Alamo to surface.				
Draduction Casing	1 centralizer per joint in shoe track.				
Production Casing	1 centralizer every other joint for bottom 1,000' of casing.				

6. Proposed Cement Program:

	Proposed Cement Design										
Interval	Depth	Lead/Tail	Volume	Sacks	Excess	Slurry	Density	Planned			
	(ft. MD)		(ft ³)		(%)		(ppg)	TOC			
		Lead	125 ft ³	91	100%	Class G Cement	14.6	Surface			
Surface	200′	Leau	12011	91	100%	Yield: 1.38 ft ³ /sk	14.0	Suitace			
		Slurry Additives	s: CaCl (1%), Ce	llo Flake (0.	25 lb/sk), CD-	2 (0.2%)					
		Lead	610 ft ³	119	F0%	ASTM Type IL	9.5	Surface			
		Leau	01011	119	50%	Yield: 5.12 ft ³ /sk	9.0	Surface			
						rd GW-86 (0.2%), IntegraSeal PHENO (2.0) lb/sk), Integra	Seal POLI			
Intermediate	3,250'	(0.25 lb/sk), LV	/-5E (50.0%), R-	3 (0.4%), S-	8 Silica Flour	(35.0%), XCem-311 (0.3%)					
internediate	5,200	Tail	113 ft ³	46	50%	ASTM Type IL	11.5	2,750′			
		ran	11511	70	5070	Yield: 2.46 ft ³ /sk	11.5	2,750			
						FL-66 (0.5%), GW-86 (0.3%), IntegraSeal I	PHENO (2.0 lb/s	k),			
		integrasear POI	LI (U.ZƏ ID/SK), M	CI (3.0%), f	۲-3 (U.55%), S·	8 Silica Flour (25.0%), XCem-311 (0.3%) ASTM Type IL					
		Lead	804 ft ³	157	25%	Yield: 5.12 ft ³ /sk	9.5	Surface			
		Shurny Additivo) IntograCua	rd GW-86 (0.2%), IntegraSeal PHENO (2.0) lb/ck) Intogra				
Due du esti e u	7 010/					(35.0%), XCem-311 (0.3%)	nd/sk), integra	Seal PULI			
Production	7,218′					ASTM Type IL		(740)			
		Tail	125 ft ³ 51		25%	Yield: 2.46 ft ³ /sk	11.5	6,718′			
		Slurry Additives	Slurry Additives: AEXT-1012 (60.0%), BA-90 (8.0 lb/sk), FL-66 (0.5%), GW-86 (0.3%), IntegraSeal PHENO (2.0 lb/sk),								
		IntegraSeal PO	LI (0.25 lb/sk), k	(CI (3.0%), F	R-3 (0.55%), S-	8 Silica Flour (25.0%), XCem-311 (0.3%)					

Cement Program Notes:

- The cement slurry additives may be adjusted to accommodate required pump and compressive test times.
- Actual cement volumes will be determined and may be adjusted onsite based on well conditions.
- For the intermediate hole section, a 2-stage or 3-stage cement job may be performed if hole conditions dictate. If needed, the stage tool(s) will be placed appropriately.
- Cement will be circulated to surface on surface and intermediate casing sections to protect water bearing zones.
- A minimum of 8 hours of wait on cement time will be observed on each hole section to allow adequate time for cement to achieve a minimum of 500 psi of compressive strength. The BOP will not be nippled down, the wellhead will not be installed, the casing will not be tested and the prior casing shoe will not be drilled out until adequate wait on cement time has been observed (8 hours or time to reach 500 psi compressive strength).

San Juan County, NM

Hampton 4P



- 7. Drilling Fluids Program
 - A. Proposed Drilling Fluids Program:

	Proposed Drilling Fluids Program							
Interval	Fluid Type	Density	Fluid Loss	Maximum Chlorides	Depth			
		(ppg)	(mL/30 min)	(ppm)	(ft. MD)			
Surface	Water/Gel	8.4 – 9.2	NC	1,000	0' – 200'			
Intermediate	LSND / Gel	8.4 – 9.2	6-16	5,000	200' – 3,250'			
Production	LSND / Gel	8.4 – 9.2	6-16	5,000	3,250′ – 7,218′			

Drilling Fluids Notes:

- Lost circulation material may be added to the mud systems to manage fluid losses as hole conditions dictate.
- The well will be drilled utilizing a closed-loop circulating system. Drill cuttings for all hole sections will be transported to an approved disposal site.
- Estimated total volume of drill cuttings for disposal: 407 bbls (2,283 ft³).

8. Estimated Pressures & Drilling Hazards

- A. Estimated Pressures
- Fruitland Coal: 400 psi
- Pictured Cliffs: 460 psi
- Mesa Verde: 900 psi
- Dakota: 1,400 psi
- No abnormal temperatures or drilling hazards are anticipated.
- The Mesa Verde and Dakota formations will be completed and comingled if both formations are completed.
- B. Water Flows
- Water flows are possible in the intermediate section. Water flows will be mitigated with increased mud weight.
- C. Lost Circulation
- Lost circulation is possible in the intermediate and production sections. Losses will be mitigated by utilizing LCM in the mud system.
- D. Hydrogen Sulfide
- No hydrogen sulfide is expected to be encountered based on nearby well production.

San Juan County, NM

Hampton 4P



- 9. Pilot Hole
 - No pilot hole is planned for this wellbore.
- 10. Testing, Logging, Coring
 - A. Mud Logging
 - Mud loggers will collect formation samples every 60' from intermediate casing shoe to TD of the well.
 - B. MWD
 - Measurement while drilling tools will be utilized from the surface casing shoe to TD of the production hole to measure and record inclination.
 - C. LWD
 - There are no plans for logging while drilling.
 - D. Open Hole Logging
 - There are no plans to open hole log the well.
 - E. Coring & Formation Testing
 - There are no plans for coring or formation testing.
 - F. Cased Hole Logging
 - The 7" intermediate casing will be cemented to surface to protect water bearing zones. If cement is not circulated to surface on the intermediate cement job, a cement bod log will be run to verify top of cement.
- 11. Directional Drilling Plan
 - The well is planned as a vertical wellbore. Surveys will be monitored to ensure vertical wellpath.

San Juan County, NM

Hampton 4P



- 12. Completion
 - A. Pressure Testing
 - A pressure test of the 4-1/2" production casing will be conducted to the maximum anticipated frac pressure for 30 minutes.
 - B. Stimulation
 - The well will be stimulated with sand and water. The number of stages and amount of proppant used will be adjusted based on actual reservoir thickness and real-time pumping conditions during the stimulation.

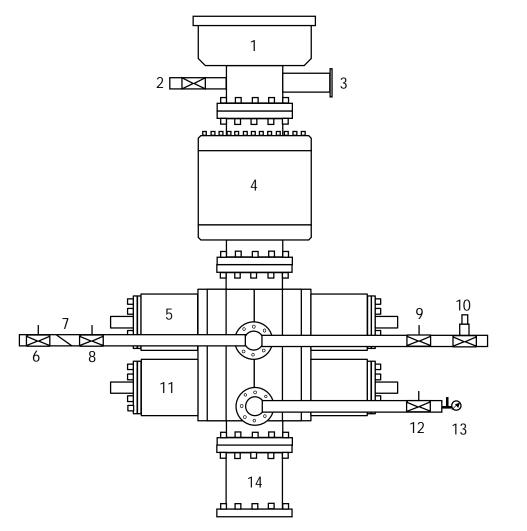
San Juan County, NM

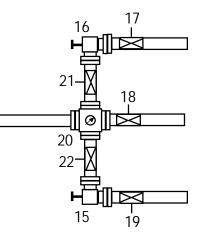
Hampton 4P



Appendix A

11" 3M BOP & 3M Choke Manifold Configuration





1	Rotating Head	12	Manual Isolation Valve
2	Fill-Up Line	13	Needle Valve & Pressure Gauge
3	Flow Line	14	Spacer Spool (if needed)
4	3M Annular Preventer	15	Manual Choke
5	3M Pipe Rams	16	Hydraulicly Operated Choke
6	Manual Isolation Valve	17	Manual Isolation Valve
7	Check Valve	18	Manual Isolation Valve
8	Manual Isolation Valve	19	Manual Isolation Valve
9	Manual Isolation Valve	20	Valve Block & Pressure Gauge
10	High Closing Ratio Valve	21	Manual Isolation Valve
11	3M Blind Rams	22	Manual Isolation Valve

	Received by	OCD:	12/30/2024	10:07:09 AM
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 District I

 1625 N. French Dr., Hobbs, NM 88240

 Phone: (575) 393-6161

 Phone: (575) 393-6161

 Pax: (575) 393-0720

 District II

 Bill S. First St., Artesia, NM 88210

 Phone: (575) 748-1283 Fax: (575) 748-9720

 District III

 1000 Rio Brazos Road, Aztec, NM 87410

 Phone: (505) 334-6178 Fax: (505) 334-6170

 District IV

 1220 S. St. Francis Dr., Santa Fe, NM 87505

 Phone: (505) 476-3460 Fax: (505) 476-3462

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

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

	² OGRID Number 372171		
	Hilcorp Energy Company 382 Road 3100 Aztec, NM 87410	^{3.} API Number	
^{4.} Property Code ^{5.} Property Name 318895 Hampton		^{6.} Well No. 4P	

	⁷ Surface Location								
UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
F	13	030N	011W		2418'	North	1848'	West	San Juan
	8 Proposed Bottom Hole Location								
UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

^{9.} Pool Information

~ •

Pool Name	Pool Code				
Blanco Mesaverde / Basin Dakota	72319/71599				
Additional Well Information					

^{11.} Work Type	12.	Well Type	13. Cable/Rotary	^{14.} I	Lease Type	15. Ground Level Elevation	
Ν		G	R		Р	6,043' GR	
^{16.} Multiple	^{17.} Pr	oposed Depth	^{18.} Formation	19.	Contractor	^{20.} Spud Date	
Y		7,089'	Blanco Mesaverde/Basin Dakota			2025	
Depth to Ground water	Distance from		nearest fresh water well		Distance to ne	earest surface water	

We will be using a closed-loop system in lieu of lined pits

^{21.} Proposed Casing and Cement Program

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC		
	12 1/4"	9 5/8"	32.3# / H40 LTC	200'	91 sx	Surf		
	8 3/4"	7"	23# / J55 LTC	3,250'	165 sx	Surf		
	6 1/4" 4 1/2" 11.6# / J55 LTC 7,218' 208 sx Surf							
	Cosing/Coment Descrept Additional Comments							

Casing/Cement Program: Additional Comments

^{22.} Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
	3M	Low 250 psi / High 3000 psi	

of my knowledge and belief.	iven above is true and complete to the best	OIL CONSERV	ATION DIVISION	
19.15.14.9 (B) NMAC , if applicable Signature: Cherylene Westo	with 19.15.14.9 (A) NMAC 🗌 and/or e.	Approved By:		
<u>Cheryterie vvesto</u>	[]			
Printed name: Cherylene Weston		Title:		
Title: Operations Regulatory Tech Sr.		Approved Date: Expiration Date:		
E-mail Address: cweston@hilcorp.com				
Date: 12/30/2024	Phone: 713-289-2615	Conditions of Approval Attached		

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eived by OCD: 12/	30/2024 10:0	7:09 AM					Page 32
		Energy, Minera Oi 122	State of New Me als and Natural Re l Conservation D 20 South St. Frar Santa Fe, NM 87	sources De ivision acis Dr.	epartment	Subm Via E	it Electronically -permitting
		NATURAL	GAS MANA	GEME	NT PLAN		
This Natural Gas M	Management P	lan must be submitte				PD) for a new or	recompleted well.
		<u>Secti</u>	ion 1 – Plan D Effective May 25		<u>ion</u>		
I. Operator: <u>Hilc</u>	orp Energy Co	ompany	0	GRID:	<u>372171</u> I	Date: <u>12/28/2</u>	024
II. Type: 🛛 Origi	inal 🗆 Ameno	dment due to \Box 19.1	5.27.9.D(6)(a) NMA	C □ 19.15	5.27.9.D(6)(b) N	MAC 🗆 Other.	
If Other, please de	scribe:						
		ng information for e ll pad or connected t			r set of wells pro	pposed to be drill	led or proposed to
Well Name	API	ULSTR	Footages	\$	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Hampton 4P		F-13-30N-11W	2418' FNL & 184	8' FWL	5	820	6
V. Anticipated Sc	hedule: Provi	ne: <u>Chaco-Blan</u> de the following info a single well pad or	ormation for each ne	w or recom			9(D)(1) NMAC] sed to be drilled or
Well Name	API	Spud Date	TD Reached Date		npletion ncement Date	Initial Flow Back Date	First Production Date
Hampton 4P		<u>2025</u>					<u>2025</u>
VII. Operational Subsection A throu	Practices: ⊠ 1gh F of 19.15 gement Practi	ces: 🛛 Attach a cor	description of the ac	ctions Oper	ator will take to	o comply with th	e requirements of

.

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.

 \boxtimes 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 Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. \Box 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 of 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 \Box will \Box will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

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

□ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: \Box Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided 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 information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications Effective May 25, 2021

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

 \boxtimes 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

 \Box 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. \Box 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. \Box 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: Cherylene Weston
Printed Name: Cherylene Weston
Title: Operations Regulatory Tech Sr.
E-mail Address: cweston@hilcorp.com
Date: 12/28/2024
Phone: 713-289-2615
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Title:
Title: Approval Date:
Title: Approval Date:
Title: Approval Date:

Hilcorp Energy Natural Gas Management Plan Attachments

VI. Separation Equipment

The operator will select separation equipment for the maximum anticipated throughput and pressure to optimize gas capture. Separation equipment is sized according to manufacturer's design specifications. Separation vessels are built following the A.S.M.E. section VII division 1 codes for pressure vessel design, fabrication, inspection, testing and certification. Anticipated well pressures and production rates are evaluated to select separation equipment according to the equipment's designed operating pressure and throughput.

After completion, the operator utilizes flowback equipment, including separators, to manage wellbore fluids and solids during the initial separation period. After the initial flowback period is complete the operator utilizes iterative facility separation equipment to ensure that optimal separation is achieved.

VII. Operational Practices 19.15.27.8 NMAC A through F

- A. The operator will maximize the recovery of natural gas and minimize the amount of gas vented or flared when technically and safely feasible as further described and detailed within the following subsections (B-F of 19.15.27.8). In all cases where natural gas venting and flaring requires regulatory reporting, reporting will be submitted accurately and within the required time frames.
- B. Venting and flaring during drilling operations:
 - a. New Drill HZ Gas Wells: The operator drills wells in the area by utilizing a balanced mud to safely drill the wellbore. This technique prevents gas from coming to surface during the drilling process. If there is an emergency or malfunction and natural gas does come to surface the natural gas will be captured and routed to sales if technically and safely feasible.
- C. Venting and flaring during completion or recompletion operations:
 - a. New Drill HZ Gas Wells: The operator's facilities are designed to handle the maximum throughput and pressures from the newly drilled and completed wellbores. The amount of gas vented and flared will be minimized when technically and safely feasible. During initial flowback and initial separation flowback the operator will utilize contracted flowback equipment, including separators, to manage wellbore fluids and solids. The initial flowback period will be minimized and flow will be sent to separation equipment as soon as possible to reduce the amount of gas that is vented to atmosphere. The natural gas will be utilized on site as needed for fuel gas and natural gas will be sold.
- D. Venting and flaring during production operations:
 - a. New Drill HZ Gas Wells: The operator's facilities are designed to handle the maximum throughput and pressures from producing wellbores. The amount of gas vented and flared will be minimized when technically and safely feasible.

Operations will effectively manage the following scenarios to minimize the quantity of natural gas that is vented or flared:

- (a) If there is an emergency or malfunction vented or flared natural gas will be reported, if required, and the emergency or malfunction will be resolved as soon as technically and safely feasible.
- (b) If the wellbore needs to be unloaded to atmosphere the operator will not vent the well after the well has achieved a stabilized rate and pressure. The operator will remain on site during unloading. Plunger lift systems will be optimized to reduce the amount of natural gas venting. Downhole maintenance, such as workovers, swabbing, etc. will only be conducted as needed and best management practices will be utilized to reduce venting of natural gas.

- (c) The operator will minimize the amount of time that natural gas is vented to atmosphere from gauging and sampling a storage tank or low pressure vessel. The formation is only anticipated to produce water and therefore tank emissions are anticipated to be negligible.
- (d) The operator will reduce the amount of time needed for loading out liquids from a storage tanks or other low-pressure vessels whenever feasible. Operations will always utilize the water transfer systems when available. Water loading emissions are anticipated to be negligible.
- (e) Equipment will be repaired and maintained routinely to minimize the venting or flaring of natural gas. Repairs and maintenance will be conducted in a manner that minimizes the amount of natural gas vented to atmosphere through the isolation of the equipment that is being repaired or maintained.
- (f) Electric controllers and pumps will be installed to replace pneumatic controllers whenever feasible. Pneumatic controllers and pumps will be inspected frequently to ensure that no excess gas is vented to atmosphere.
- (g) No dehydration or amine units are anticipated to be set on location.
- (h) Compressors, compressor engines, turbines, flanges, connectors, valves, storage tanks, and other low-pressure vessels and flanges will be routinely inspected to ensure that no excess venting occurs outside of normal operations.
- (i) Regulatory required testing, such as bradenhead and packer testing will be performed in a manner that minimizes the amount of natural gas vented to atmosphere.
- (j) If natural gas does not meet gathering pipeline specifications gas samples will be collected twice per week to determine when pipeline specification gas content has been achieved. During this time frame gas will be flared and not vented to atmosphere. Natural gas that meets pipeline specifications will be sold via pipeline and natural gas that can be utilized for fuel gas will be used during this time.
- (k) If pipeline, equipment, or facilities need purged of impurities gas losses will be minimized as much as technically and safely feasible.
- E. Performance standards:
- The production facilities are designed to handle the maximum throughput and pressures from producing wellbores and will be designed to minimize waste. The amount of gas vented and flared will be minimized when technically and safely feasible.
- b. All tanks that are routed to a control device that is installed after 5/25/2021 will have an automatic gauging system to minimize the amount of vented natural gas.
- c. If a flare stack is installed or replaced after 5/25/2021 it will be equipped with an automatic ignitor or continuous pilot. The flare stack will be properly sized and designed to ensure proper combustion efficiency. The flare stack will be located 100 feet away from the nearest wellhead or storage tank.
- d. AVO inspections will be conducted weekly for the year after completion and for all wells producing greater than 60,000 cubic feet of natural gas daily. The AVO inspection will include all components, including flare stacks, thief hatches, closed vent systems, pumps, compressors, pressure relief devices, valves, lines, flanges, connectors, and associated pipeline to identify any leaks and releases by comprehensive auditory, visual, and olfactory inspection. The AVO inspection records will be maintained for 5 years which will be available at the department's request. Identified leaks will be repaired as soon as feasible to

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minimize the amount of vented natural gas. F. Measurement or estimation of vented and flared natural gas.

- a. The volume of natural gas that is vented, flared or consumed for beneficial use will be measured when possible, or estimated, during drilling, completions, or production operations.
- b. Equipment will be installed to measure the volume of natural gas flared for all APD's issued after 5/25/2021 on facilities that will have an average daily gas rate greater than 60,000 cubic feet of natural gas. Measurement equipment will conform to API MPMS Chapter 14.10 regulations. The measurement equipment will not have a manifold that allows the diversion of natural gas around the metering element except for the sole purpose of inspecting and servicing the measurement equipment. If metering is not practical then the volume of gas will be estimated.