

ID NO. 89068

NSL - 8336

Revised March 23, 2017

RECEIVED: 03/10/22	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2207361333
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** Hilcorp Energy Company **OGRID Number:** 372171  
**Well Name:** San Juan 29-7 Unit No. 38B **API:** 30-039-29639  
**Pool:** Blanco Pictured Cliffs **Pool Code:** 72359

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]  
 A. Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD  
 B. Check one only for [I] or [II]  
 [I] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM  
 [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders  
 B. ☐ Royalty, overriding royalty owners, revenue owners  
 C. ☐ Application requires published notice  
 D. ☐ Notification and/or concurrent approval by SLO  
 E. ☒ Notification and/or concurrent approval by BLM  
 F. ☐ Surface owner  
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,  
 H. ☒ No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note:** Statement must be completed by an individual with managerial and/or supervisory capacity.

Carson Parker Rice

Print or Type Name

Signature

3/9/2022

Date

713-757-7108

Phone Number

carice@hilcorp.com

e-mail Address



March 9, 2022

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505  
Attn: Mr. Leonard Lowe

**Re: Unorthodox Well Location Application for Blanco Pictured Cliffs  
San Juan 29-7 Unit No. 038B (API No. 30-039-29639)  
SHL: 1,700' FSL, 2,215' FEL, Section 12, T29N-R07W, Rio Arriba County, NM**

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.4.12.A.2 and 19.15.15.13, Hilcorp Energy Company ("Hilcorp") requests administrative approval of an unorthodox gas well location for the San Juan 29-7 Unit 038B (the "Well") as to the Blanco Pictured Cliffs (72359). The Well was originally drilled to the Basin Dakota (71599) and Blanco Mesaverde (72319) in 2006. Hilcorp intends to recomplete the Well to the Blanco Pictured Cliffs and subsequently downhole commingle the three (3) formations. The Blanco Pictured Cliffs production in the subject Well will be dedicated to a 160-acre standard gas spacing and proration unit comprised of the SE/4 Section 12, T29N-R07W.

The Blanco Pictured Cliffs Gas Pool is currently governed by Division Rule 15.10.C[19.15.15.10.C NMAC] which provides for 160-acre gas spacing and proration units with wells to be located no closer than 660' to the outer boundary of the spacing unit, nor closer than 10' to any interior quarter-quarter section line or subdivision inner boundary. The Well's SHL is less than 660' from the outer boundary of the spacing unit; therefore, it is considered unorthodox as to the Blanco Pictured Cliffs.

The spacing unit encroached upon by this unorthodox location comprises the SW/4 Section 12, T29N, R07W. Hilcorp is the operator and 100% working interest owner of the SW/4 Section 12, T29N, R07W; therefore, notice is not required for these spacing units. Attached is a copy of the C-102 and a plat identifying the subject proration unit and the proration unit encroached upon. If you have any questions or concerns, please contact the undersigned using the information provided below.

Sincerely,

HILCORP ENERGY I, LP  
By: HILCORP ENERGY COMPANY,  
Its General Partner

A handwritten signature in blue ink, appearing to read 'Carson Parker Rice'.

Carson Parker Rice  
Hilcorp Energy Company  
1111 Travis Street  
Houston, Texas 77002  
713-757-7108 Direct  
Email: carice@hilcorp.com

**DISTRICT I**  
**1625 N. French Dr., Hobbs, N.M. 88240**

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 15, 2000

**DISTRICT II**  
**811 South First, Artesia, N.M. 88210**

## OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, NM 87505

**Submit to Appropriate District Office**  
**State Lease - 4 Copies**  
**Fee Lease - 3 Copies**

**DISTRICT III**  
**1000 Rio Brazos Rd., Aztec, N.M. 87410**

**DISTRICT IV**  
**2040 South Pacheco, Santa Fe, NM 87505**

2005 DEC 20 PM 1 03

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-039- 29639		<sup>2</sup> Pool Code 72319/71599	<sup>3</sup> Pool Name Blanco Mesaverde/Basin Dakota
<sup>4</sup> Property Code 7465	<sup>5</sup> Property Name SAN JUAN 29-7 UNIT		<sup>6</sup> Well Number 38B
<sup>7</sup> GRID No. 14538	<sup>8</sup> Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP		<sup>9</sup> Elevation 6318'

### <sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	12	29-N	7-W		1700'	SOUTH	2215'	EAST	RIO ARriba

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>18</sup> Dedicated Acres  320 E/2			<sup>19</sup> Joint or Infill		<sup>24</sup> Consolidation Code		<sup>25</sup> 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

18

NMSF-078945

MCCARTY, C W  
SOENS, A ET UX

12

LAT: 36°44.2555' N,  
LONG: 107°31.2144' W,  
NAD 1927

1700'

2215'

N 89-46-29 W  
2836.53'

N 00-08-43 E  
2641.77'

## 17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Joni Clark  
Signature

Joni Clark  
Printed Name

Sr. Regulatory Specialist  
Title

12/20/05  
Date

## 18 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.

Date of Survey                     

Signature and Seal of Licensed Surveyor                     

Certificate Number 15703

**District I**

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

**District II**

811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720

**District III**

1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**

1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-102

August 1, 2011

Permit 283659

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-039-29639	2. Pool Code 72359	3. Pool Name BLANCO PICTURED CLIFFS (GAS)
4. Property Code 318713	5. Property Name SAN JUAN 29 7 UNIT	6. Well No. 038B
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6318

**10. Surface Location**

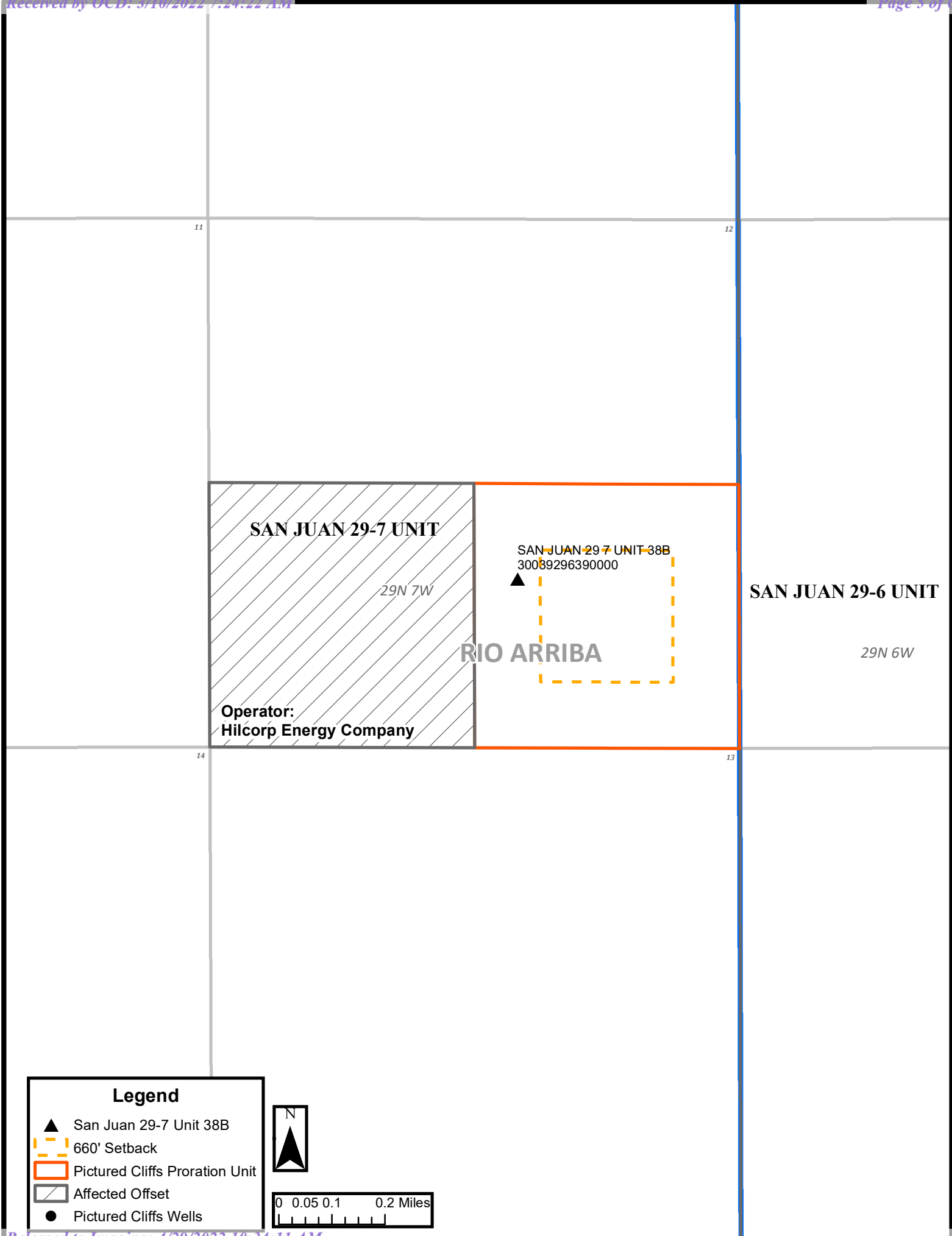
UL - Lot J	Section 12	Township 29N	Range 07W	Lot Idn	Feet From 1700	N/S Line S	Feet From 2215	E/W Line E	County RIO ARRIBA
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**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 160.00 SE/4				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**

	<b>OPERATOR CERTIFICATION</b>	
	<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>	
	E-Signed By: Kandis Roland Title: Regulatory Technician Date: 6/18/2020	
	<b>SURVEYOR CERTIFICATION</b>	
<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>		
Surveyed By: Glen Russell Date of Survey: 6/29/2005 Certificate Number: 15703		



**Legend**

- ▲ San Juan 29-7 Unit 38B
- - - 660' Setback
- ▭ Pictured Cliffs Proration Unit
- ▨ Affected Offset
- Pictured Cliffs Wells



0 0.05 0.1 0.2 Miles

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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 89068

**CONDITIONS**

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 89068
	Action Type: [UF-NSL] Non-Standard Location (NSL)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	NSL-8336 is approved. The order can be reviewed on the OCD website: <a href="https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx">https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx</a>	4/29/2022