

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Dylan M. Fuge
Deputy Secretary

Dylan M. Fuge, Division Director (Acting)
Oil Conservation Division



Ms. Amanda Walker
mwalker@hilcorp.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 8724

Hilcorp Energy Company [OGRID 372171]
San Juan 30 6 Well No. 8A
API No. 30-039-21701

Surface Location; Vertical Well

Footages	Unit/Lot	Sec.	Twsp	Range	County
640 FNL & 800 FWL	C	31	30N	07W	Rio Arriba

Proposed Gas Unit

Description	Acres	Pool	Pool Code
W/2 of Section 31	211.32	Basin Fruitland Coal (Gas)	61760

Reference is made to your application received on February 28th, 2024.

This vertical well will be recompleted within an unorthodox gas well location described above in the referenced pool or formation. This location is governed by special pool rule, R – 8768, in all that apply, which provides for 320-acre units, comprising any two contiguous quarter sections of a single government section, with wells to be located at least 660 feet to any outer boundary of the unit not closer than 10 feet to any interior quarter-quarter section line or subdivision inner boundary.

This well's completed interval is as close as 640 feet to the northern boundary. Encroachment will impact the following tracts.

Section 30, encroachment to the W/2 (equivalent)

The Division understands you have of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Administrative Order NSL - 8724
Hilcorp Energy Corporation
Page 2 of 2

Division understands that you are seeking this orthodox location in order to recover reserves, to minimize surface disturbance and the recompletion into a new formation within the Basin Fruitland Coal formation underlying the W/2, equivalent, of Section 31.

Your application has been filed under Subsection 6 of Paragraph of Section (C) of 19.15.16.15 NMAC, 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 NMAC.

Per Subsection B of 19.15.15.13 NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.



DYLAN M. FUGE
Division Director (Acting)

Date: 4/5/24

DMF/lrl

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 334715

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 334715
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	4/17/2024