

State of New Mexico  
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham  
Governor

Erin Taylor  
Acting Cabinet Secretary

Ben Shelton  
Deputy Secretary

Albert C.S. Chang  
Division Director  
Oil Conservation Division



Gatewood Brown  
[gabrown@hilcorp.com](mailto:gabrown@hilcorp.com)

**ADMINISTRATIVE NON-STANDARD LOCATION**

**Administrative Order NSL - 9318**

**Hilcorp Energy Company [OGRID 372171]  
San Juan 28 05 Unit Well No. 63M  
API No. 30-039-30433**

Reference is made to your application received on March 31<sup>st</sup>, 2026.

**Proposed Location; Vertical Well**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	515 FSL & 440 FWL	O	20	28N	05W	Rio Arriba

**Proposed Unit**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 Section 20	320	Basin Fruitland Coal	71629

This vertical well was completed into an unorthodox location described above in the referenced pool or formation. Special pool rule R-8768 governs this well to provide for 320-acre spacing units with setbacks no closer than 660 feet to any outer boundary of the proration unit, nor closer than 10 feet to any interior quarter – quarter section line.

Administrative Order NSL – 9318  
Hilcorp Energy Company  
Page 2 of 2

---

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(6) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of the perforated zone referenced above within the proposed spacing unit.

This well's completed interval is as close as 220 feet to the western edge and 145 feet to the southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 20, encroachment to the SW/4  
Section 29, encroachment to the NE/4

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

Division understands you are requesting this unorthodox location to maximize recovery of oil and gas reserves and minimize surface disturbance. This will prevent waste within the Basin Fruitland Coal formation underlying the E/2 of Section 20.

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

Per 19.15.15.13 (B) 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.



---

**Albert C.S. Chang**  
Division Director  
AC/lrl

**Date:** 6/10/2026

NSL - 9318

Revised March 23, 2017

ID NO. 569372

RECEIVED: <b>03/31/26</b>	REVIEWER:	TYPE:	APP NO:
---------------------------	-----------	-------	---------

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 28-5 Unit 63M **API:** 30-039-30433  
**Pool:** Basin Fruitland Coal **Pool Code:** 71629

**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

<u>FOR OCD ONLY</u>	
<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.

Gatewood Brown

Print or Type Name

Gabrown

Signature

3/27/2026  
Date

713.289.2767  
Phone Number

gabrown@hilcorp.com  
e-mail Address



March 27, 2026

NEW MEXICO OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DRIVE  
SANTA FE, NEW MEXICO 87505  
ATTN: MR. LEONARD LOWE

Re: Unorthodox Well Location Application – San Juan Basin, Rio Arriba County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, Hilcorp Energy Company hereby requests administrative approval for an unorthodox well location with the following details:

**Well Details & Relevant Proration Units:**

**Well** – San Juan 28-5 Unit 63M (API: 30-039-30433)

**Type** – Vertical Gas Well to be Recompleted

**SHL** – Unit O, 515’ FSL & 440’ FWL

**BHL** – Unit O, 515’ FSL & 440’ FWL

**Subject Proration Unit** – Standard E/320 acres in Section 20, T28N, R05W

**Affected Proration Unit 1** – Standard W/320 acres in Section 20, T28N, R05W

**Affected Proration Unit 2** – Standard E/320 acres in Section 29, T28N, R05W

**Basin Fruitland Coal Gas Pool (Code 71629) – Special Rules and Regulations:** (Order R-8768)

**Rule 7** – “wells drilled or recompleted on every standard or non-standard unit in the Basin Fruitland Coal Gas Pool...shall be located no closer than **660 feet** to any outer boundary of a proration unit”. The proposed BHL is **515 feet** from the outer boundary of the southern proration unit and **440 feet** from the outer western proration unit.

To Support this request, the following information is hereby submitted for your review:

1. Administrative Application Checklist
2. C-102
3. Unorthodox Location Plat pursuant to Paragraph (2) of Subsection A of 19.15.4.12 NMAC
4. Affected offset parties list noticed pursuant to Paragraph (8) of Subsection A of 19.15.2.7 NMAC

This unorthodox location is necessary to maximize recovery of oil and gas reserves and minimize surface disturbance. For questions, please contact me at the email/number below.

Sincerely,

HILCORP SAN JUAN, L.P.

By: HILCORP ENERGY COMPANY,  
Its General Partner

Gatewood D. Brown  
Senior Landman – New Mexico  
Phone No. 713-289-2767  
Email: gabrown@hilcorp.com

Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116  Online Phone Directory Visit: <a href="https://www.emnrd.nm.gov/ocd/contact-us/">https://www.emnrd.nm.gov/ocd/contact-us/</a>	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	C-102 Revised July 9, 2024 Submit Electronically via OCD Permitting
		Submittal Type: <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

**WELL LOCATION INFORMATION**

API Number 30-039-30433	Pool Code 71629	Pool Name BASIN FRUITLAND COAL
Property Code 318708	Property Name SAN JUAN 28-5 UNIT	Well Number 63M
OGRID No. 372171	Operator Name Hilcorp Energy Company	Ground Level Elevation 6724'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

**Surface Location**

UL O	Section 20	Township 28N	Range 05W	Lot	Ft. from N/S 515' FSL	Ft. from E/W 2210' FEL	Latitude 36.6408882	Longitude -107.3811188	County RIO ARRIBA
---------	---------------	-----------------	--------------	-----	--------------------------	---------------------------	------------------------	---------------------------	----------------------

**Bottom Hole Location**

UL O	Section 20	Township 28N	Range 05W	Lot	Ft. from N/S 515' FSL	Ft. from E/W 2210' FEL	Latitude 36.6408882	Longitude -107.3811188	County RIO ARRIBA
---------	---------------	-----------------	--------------	-----	--------------------------	---------------------------	------------------------	---------------------------	----------------------

Dedicated Acres 320.00	Infill or Defining Well DEFINING	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code U
Order Numbers.			Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

**Kick Off Point (KOP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
----	---------	----------	-------	-----	--------------	--------------	----------	-----------	--------

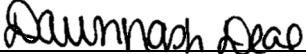
**First Take Point (FTP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
----	---------	----------	-------	-----	--------------	--------------	----------	-----------	--------

**Last Take Point (LTP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
----	---------	----------	-------	-----	--------------	--------------	----------	-----------	--------

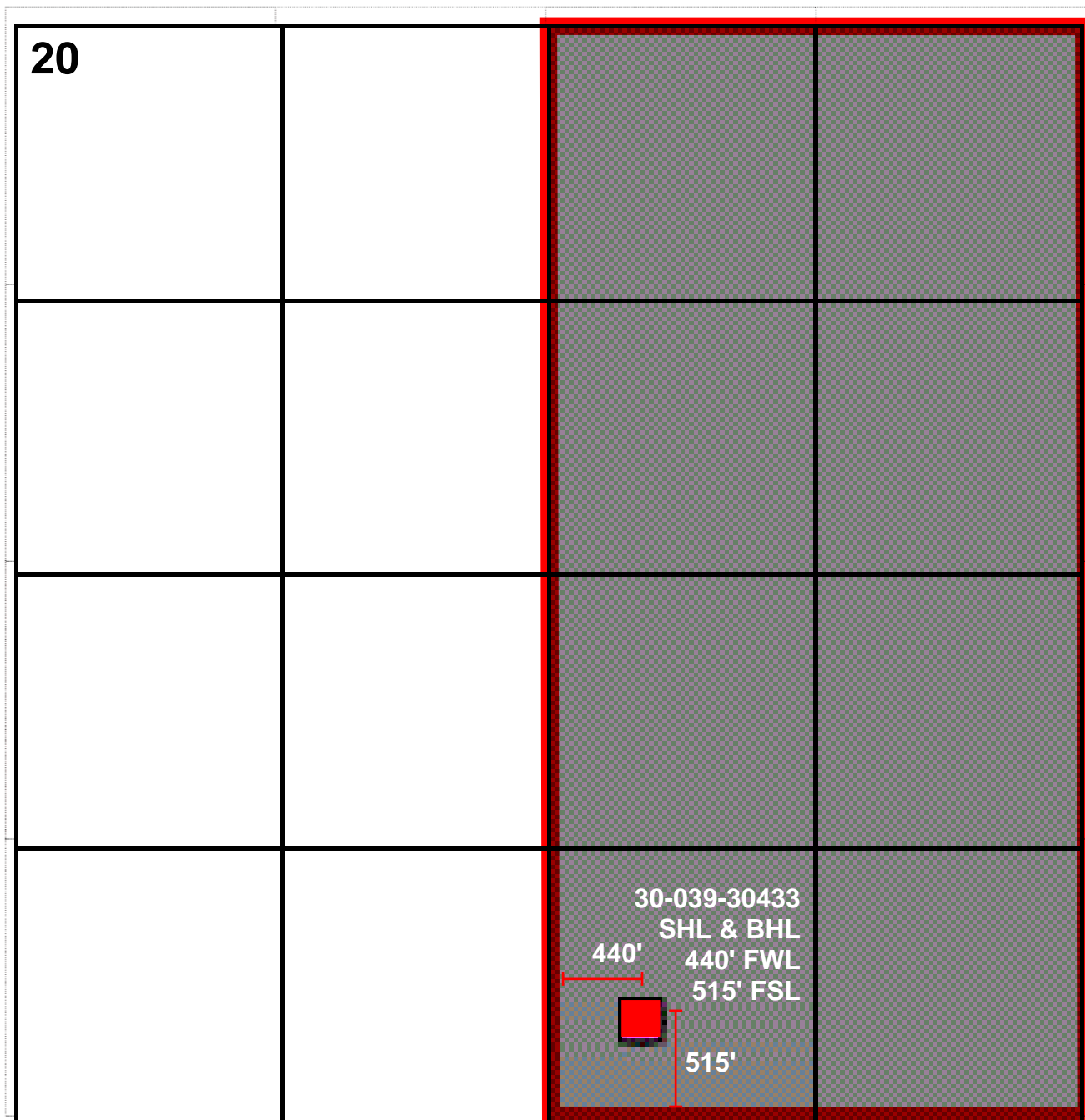
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input checked="" type="checkbox"/> Vertical	Ground Floor Elevation: 6724'
---	--	-------------------------------

<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>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></p> <p><i>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.</i></p> <p> 03/25/2026</p> <p>Signature Date</p> <p>Dawn Nash-Deal</p> <p>Printed Name</p> <p>Dnash@hilcorp.com</p> <p>Email Address</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Jason C. Edwards</p> <p>Signature and Seal of Professional Surveyor</p> <p>15269 6/1/2007</p> <p>Certificate Number Date of Survey</p>
---	---

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.

### C-102 Plat:

San Juan 28-5 Unit #063M  
30-039-30433  
Basin Fruitland Coal Gas Pool



**Legend:**

- Subject Well BHL
- ▭ Subject FRC Proration Unit

**Unorthodox  
Location Plat:**

San Juan 28-5  
Unit #063M

30-039-30433

Basin Fruitland  
Coal Gas Pool

20

21

D

C

B

A

D

C

E

F

G

H

E

F

L

K

J

I

L

K

O

P

M

N

440'

SHL & BHL 440' FWL

SHL & BHL 515' FSL

**San Juan 28-5  
Unit #063M**

P

M

N



515'

28N  
5W

29

28

B

A

D

C

B

A

D

C

G

H

E

F

G

H

E

F



**Legend:**

Affected FC Proration Units

Subject Well SHL & BHL

Subject FC Proration Unit

FC Federal Unit PA(s)

K

J

I

L

K

N

O

P

M

N

Certified Number	Recipient	Date Mailed
92148969009997901854823361	, ROY G and OPAL BARTON SR REV TR, 1919 NORTH TURNER, HOBBS, NM, 88240-2712 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823378	, PROVIDENCE MINERALS LLC, 16400 NORTH DALLAS PKWY STE 400, DALLAS, TX, 75248 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823385	, JABCO LLP, 2600 DALLAS PKWY STE 270, FRISCO, TX, 75034-8108 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823392	, DUGAN PRODUCTION CORP, PO BOX 420, FARMINGTON, NM, 87499 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823408	, TAMACAM LLC, 263 JOE ROCKY ROAD, RAYMOND, WA, 98577 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823415	, JandM RAYMOND LTD, PO BOX 291445, KERRVILLE, TX, 78029-1445 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823422	, RUTH ZIMMERMAN TRUST, 1513 HERITAGE PL, MCPHERSON, KS, 67460 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823439	, TINMIL A NM LLC, 1331 PARK AVE SW UNIT 1403, ALBUQUERQUE, NM, 87102 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026

Certified Number	Recipient	Date Mailed
92148969009997901854823446	, THOMAS P TINNIN, 2303 CANDELARIA RD NW, ALBUQUERQUE, NM, 87107 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823453	, MAR OIL and GAS CORPORATION, PO BOX 5155, SANTA FE, NM, 87502 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823460	, NAVATEX ENERGY LP, 4100 PERIMETER CENTER DR STE 300, OKLAHOMA CITY, OK, 73112-2311 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823477	, LANGDON D HARRISON REVOC TRUST B, 4100 PERIMETER CENTER DR STE 300, OKLAHOMA CITY, OK, 73112-2311 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823484	, RIO ARIBAGAS LTD, 8150 N CENTRAL EXWY STE 1400, DALLAS, TX, 75206 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823491	, RIO ARRIBA LIMITED PARTNERSHIP, 2182 E TONTO PL, CHANDLER, AZ, 85249 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823507	, COMMUNITY MINERALS II LLC, 2925 RICHMOND AVE STE 1200, HOUSTON, TX, 77098 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026
92148969009997901854823514	, Bureau of Land Management, 6251 College Blvd A, Farmington, NM, 87402 Code: SJ 28-5 Un 63M - FRC NSL	3/31/2026

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**

CONDITIONS

Action 569372

**CONDITIONS**

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 569372
	Action Type: [UF-NSL] Non-Standard Location (NSL)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	4/2/2026