

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Melanie Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary

Erin Taylor
Deputy Secretary

Albert C.S. Chang
Division Director
Oil Conservation Division



Carson Rice
carice@hilcorp.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 9079

**Hilcorp Energy Company [OGRID 372171]
Bruington Well No. 15P
API No. 30-045-PENDING**

Reference is made to your application received on September 3rd, 2025.

Surface Location; Vertical Well

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
SHL	1034 FNL & 214 FEL	A	16	30N	11W	San Juan
BHL	825 FNL & 267 FWL	D	15	30N	11W	San Juan

Proposed Gas Unit

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 of Section 15	323.42	Basin Dakota	71599

This deviated well will be completed into an unorthodox location described above in the referenced pool or formation. 19.15.15.10.C NMAC governs this well which provides for 160-acre spacing units with setbacks no closer than 660 feet, nor closer than 10 feet to any interior quarter – quarter section line.

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 Last Take referenced above within the described Unit.

Administrative Order NSL - 9079
Hilcorp Energy Company
Page 2 of 2

This well's completed interval is as close as 267 feet to the western edge of the spacing unit. Encroachment will impact the following tracts.

Section 16, encroachment to the E/2

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. OCD understands that the Applicant is 100% Working Interest within the encroachment area and public notice is not required.

Division understands you are requesting this unorthodox location in order to maximize the recovery of resources and to minimize surface disturbance within the Basin Dakota formation underlying the W/2 of section 15. All while protecting the correlative rights of and the disposition of waste from oil and gas operations.

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: 10/24/2025

ID NO. 495484

NSL - 9079

Revised March 23, 2017

RECEIVED: 09/03/25	REVIEWER:	TYPE:	APP NO:
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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: Bruington 15P **API:** TBD
Pool: Basin Dakota **Pool Code:** 71599

**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

- ☐ Notice Complete
☐ 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 Rice

Print or Type Name

8/12/2025

Date

713-757-7108

Phone Number

Carson Rice (2471)

Signature

Digitally signed by Carson Rice (2471)
 DN: cn=Carson Rice (2471)
 Date: 2025.09.03 09:06:30 -0500

carice@hilcorp.com

e-mail Address



September 3, 2025

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 Basin-Dakota
Bruington 15P (API: TBD)
SHL: Unit A, 1034' FNL & 214' FEL
BHL: Unit D, 267' FWL & 825' FNL
Spacing Unit: W/323.42 acres in Section 15, T30N, R11W
San Juan County, New Mexico**

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, Hilcorp Energy Company ("Hilcorp") hereby requests administrative approval for an unorthodox gas well location in the Basin-Dakota Gas Pool (71599).

Hilcorp intends to drill a Basin-Dakota gas well with a BHL in the NW/4 of Section 15, T30N-R11W. Spacing for the Dakota is W/2 of Section 15. The Dakota BHL will be in a non-standard location.

Rule (II.C.1) of the Special Rules and Regulations for the Basin-Dakota Gas Pool (Order R-10982-B-1) provides wells "Drilled on a GPU shall be located not closer than 660' to the outer boundary of the GPU and not closer than 10' to any interior quarter or quarter-quarter section line or subdivision inner boundary". The subject wellbore, however, is situated approximately 267 feet from the west line boundary of the W/2 spacing unit. Thus, the Basin-Dakota completion contemplated herein becomes unorthodox by default.

Referring to the enclosed map titled "Unorthodox Location Plat":

Pursuant to Paragraph (2) of Subsection A of 19.15.4.12 NMAC, the affected spacing unit encroached upon by this unorthodox location (shaded in red on the map enclosed) is E/2 of Section 16, T30N, R11W; comprised of multiple States leases. **Hilcorp operates and owns 100% working interest in the Gonsales State Com #1 (API No. 30-045-09520) & the Gonsales State Com #1N (API No. 30-045-38344); the two (2) producing Basin-Dakota wells in the affected spacing unit.**

This unorthodox location is necessary to maximize recovery of oil and gas reserves and minimize surface disturbance. An APD has been filed with the State. Attached is the C-102 and an unorthodox location map. For questions, please contact me at the email/number below.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Carson Rice', is written over a light blue horizontal line.

Carson Rice
Sr. Landman
713-757-7108
carice@hilcorp.com

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024	
		Submittal Type	<input checked="" type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
		<input type="checkbox"/> As Drilled	

WELL LOCATION INFORMATION

API Number	Pool Code 71599	Pool Name BASIN DAKOTA
Property Code 318464	Property Name BRUINGTON	Well Number 15P
OGRID No. 372171	Operator Name HILCORP ENERGY COMPANY	Ground Level Elevation 5755'
Surface Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL A	Section 16	Township 30N	Range 11W	Lot	Feet from N/S Line 1034' NORTH	Feet from E/W Line 214' EAST	Latitude 36.816561 °N	Longitude -107.988204 °W	County SAN JUAN
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Bottom Hole Location

UL D	Section 15	Township 30N	Range 11W	Lot	Feet from N/S Line 825' NORTH	Feet from E/W Line 267' WEST	Latitude 36.817124 °N	Longitude -107.986519 °W	County SAN JUAN
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Dedicated Acres 323.42	Penetrated Spacing Unit W/2 - Section 15, T30N, R11W	Infill or Defining Well Infill	Defining Well API 30-045-24140	Overlapping Spacing Unit <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Consolidation Code C
Order Numbers			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

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

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

UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical <input checked="" type="checkbox"/> Directional	Ground Floor Elevation 5755'
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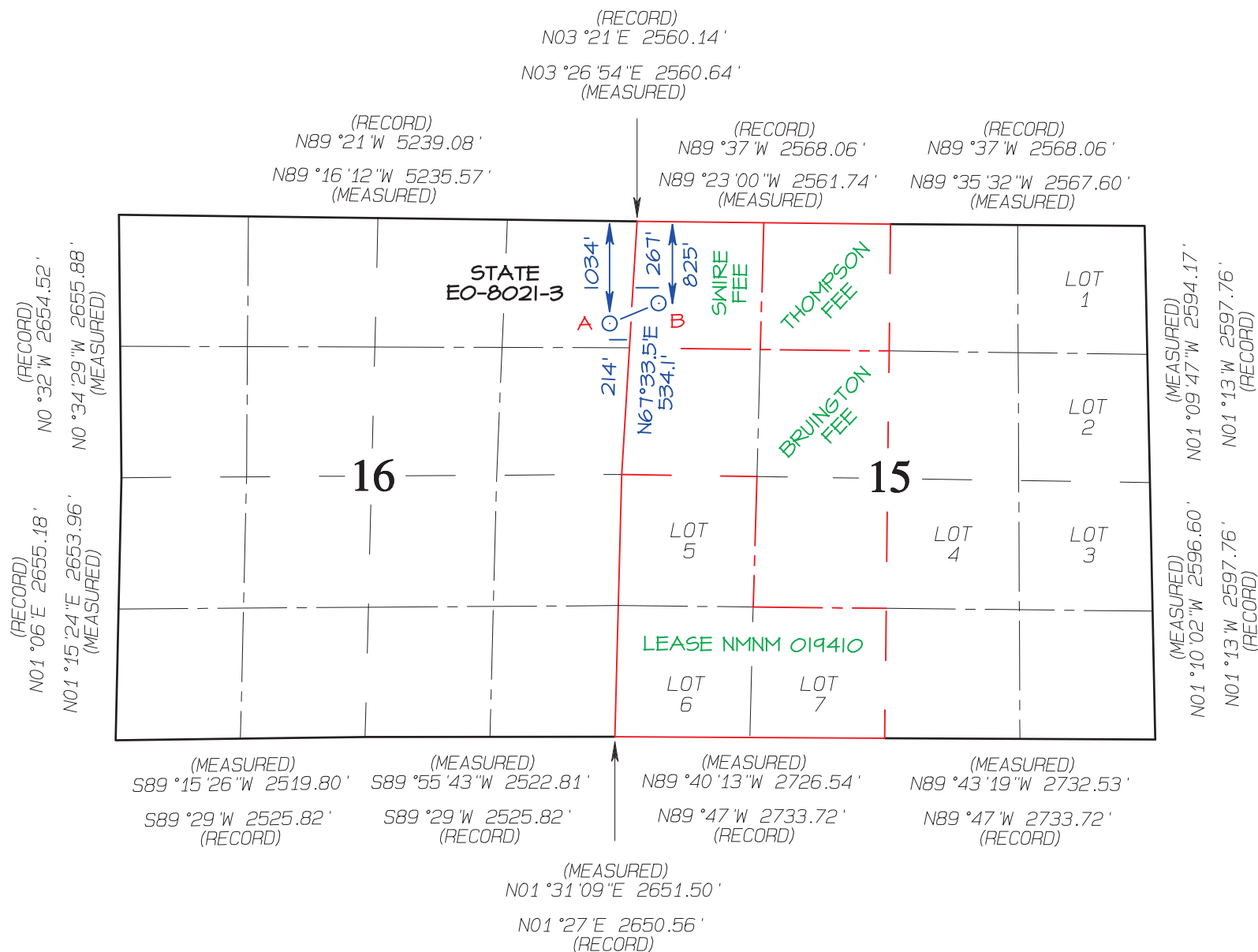
<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including 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.</p> <p>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.</p> <div><div>Cherylene Weston</div><div>Signature</div></div> <div><div>8/12/2025</div><div>Date</div></div> <div><div>Cherylene Weston, Operations/Regulatory Tech-Sr.</div><div>Printed Name</div></div> <div><div>cweston@hilcorp.com</div><div>E-mail Address</div></div>	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <div></div> <div><div>JASON C. EDWARDS</div><div>Signature and Seal of Professional Surveyor</div></div> <div><div>Certificate Number 15269</div><div>Date of Survey JULY 14, 2025</div></div>
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SURFACE LOCATION (A)
 1034' FNL 214' FEL
 SECTION 16, T30N, R11W
 LAT 36.816557°N
 LONG -107.987581°W
 DATUM: NAD1927

BOTTOM HOLE LOCATION (B)
 825' FNL 267' FWL
 SECTION 15, T30N, R11W
 LAT 36.817120°N
 LONG -107.985896°W
 DATUM: NAD1927

LAT 36.816561°N
 LONG -107.988204°W
 DATUM: NAD1983

LAT 36.817124°N
 LONG -107.986519°W
 DATUM: NAD1983

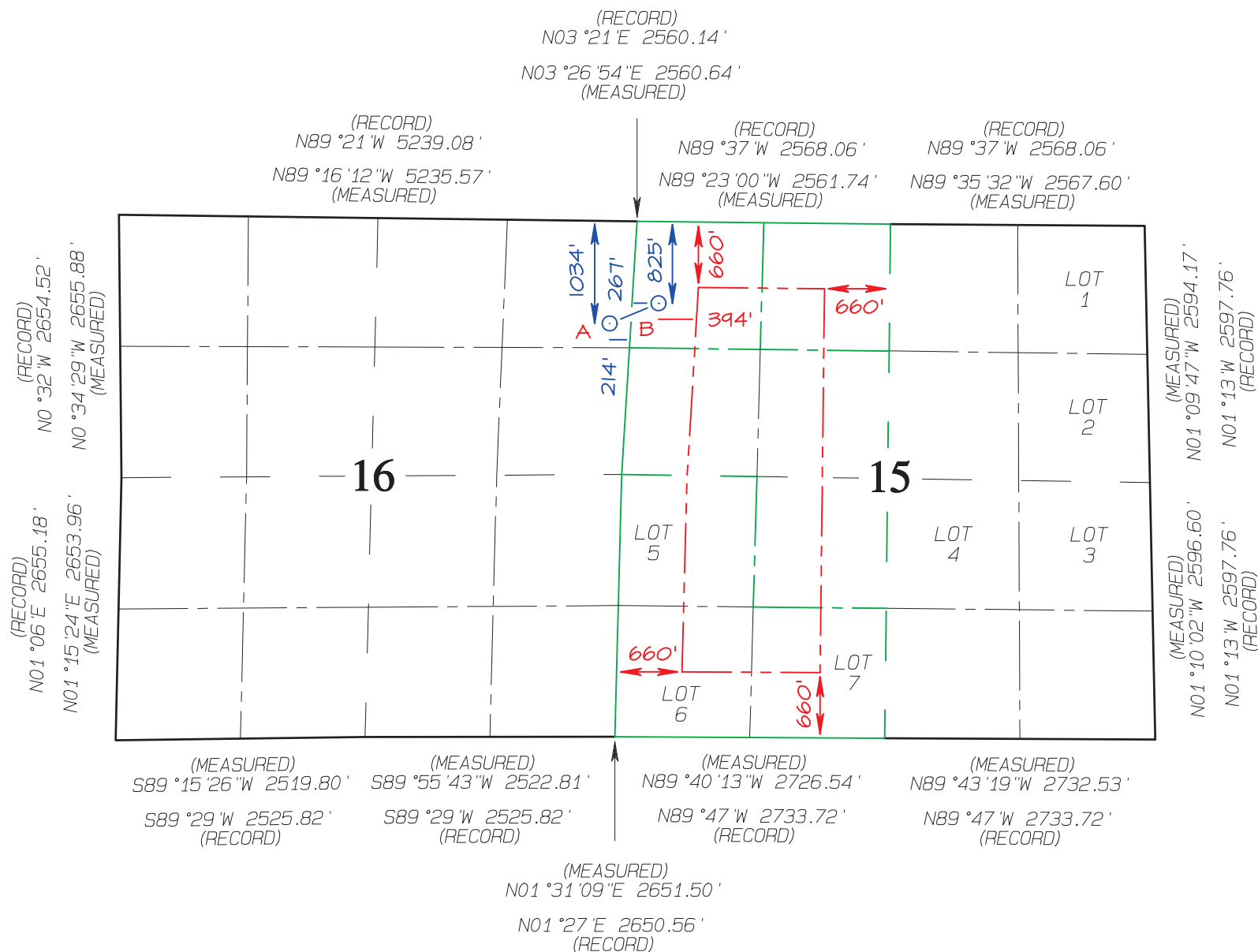


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 LAT 36.816557°N
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BOTTOM HOLE LOCATION (B)
 825' FNL 267' FWL
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 LAT 36.817120°N
 LONG -107.985896°W
 DATUM: NAD1927

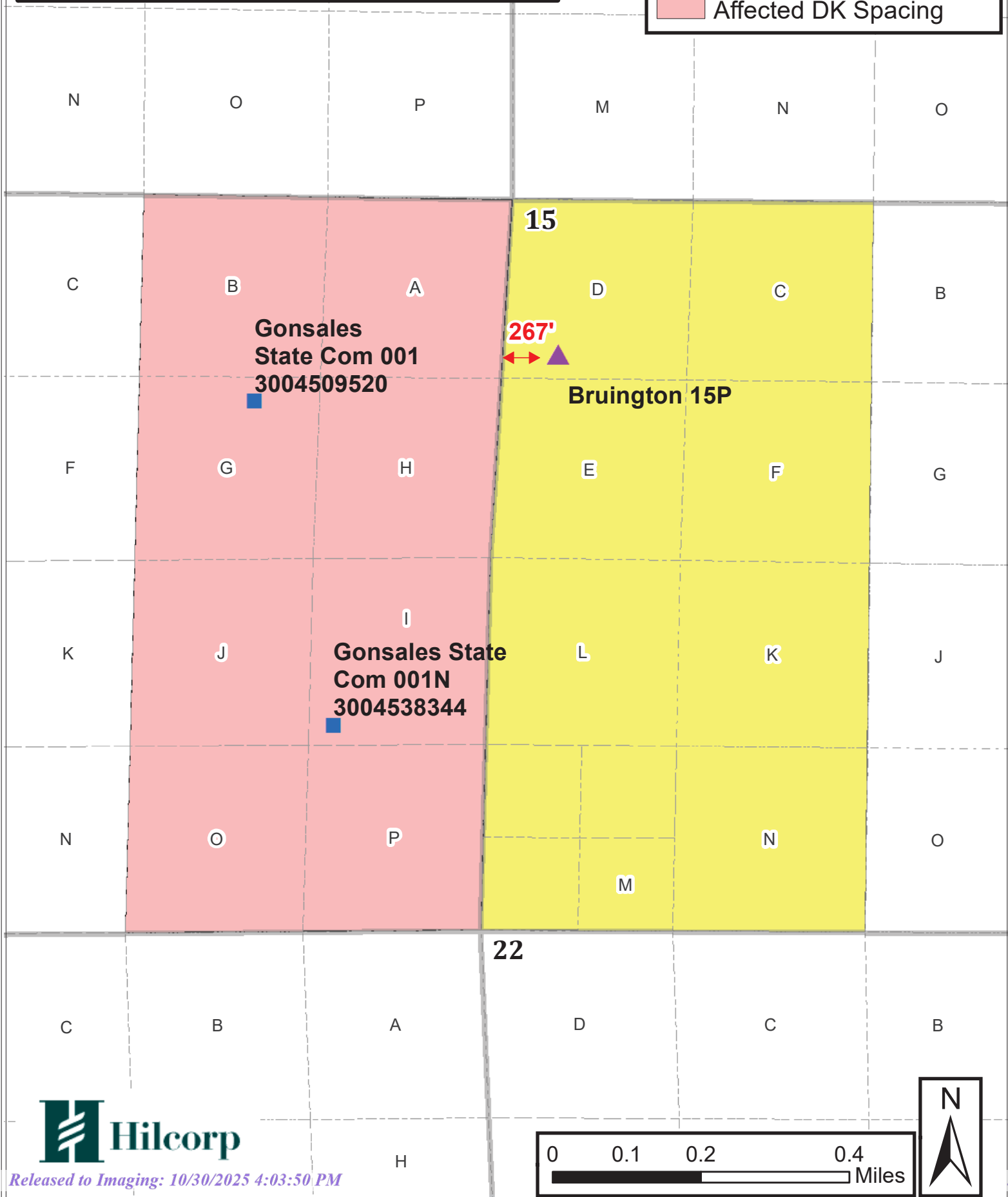
LAT 36.816561°N
 LONG -107.988204°W
 DATUM: NAD1983

LAT 36.817124°N
 LONG -107.986519°W
 DATUM: NAD1983



Unorthodox Location Plat Bruington 15P Basin Dakota

- Subject Well
- Affected Well
- Subject DK Spacing
- Affected DK Spacing



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 495484

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 495484
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	8/19/2025