

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

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 9275

**Hilcorp Energy Company [OGRID 372171]
San Juan 29 07 Unit Well No. 57B
API No. 30-039-25633**

Reference is made to your application received on February 6th, 2026.

Proposed Location; Directional Well

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
SHL	1500 FSL & 1660 FEL	J	11	29N	07W	Rio Arriba
BHL	465 FSL & 325 FEL	N	11	29N	07W	Rio Arriba

Proposed Unit

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 Section 23	320	Basin Fruitland Coal	71629

This directional 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, nor closer than 10 feet to any interior quarter – quarter section line.

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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 325 feet to the eastern edge, 567 feet to the southeastern edge and 465 feet to the southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 11, encroachment to the SE/4
Section 14, encroachment to the N/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.

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 W/2 of Section 11.

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: 3-6-2026

ID NO. 551337

NSL - 9275

RECEIVED: 02/06/26	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: San Juan 29-7 Unit #057B **API:** 30-039-25633
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

2/4/2026
Date

713.289.2767
Phone Number

gabrown@hilcorp.com
e-mail Address



February 4, 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 29-7 Unit #057B (API: 30-039-25633)

Type – Vertical Gas Well to be Recompleted

SHL – Unit N, 465' FSL & 325' FEL

BHL – Unit N, 465' FSL & 325' FEL

Subject Proration Unit – Standard W/320 acres in Section 11, T29N, R07W

Affected Proration Unit 1 – Standard W/320 acres in Section 14, T29N, R07W

Affected Proration Unit 2 – Standard E/320 acres in Section 11, T29N, R07W

Affected Proration Unit 3 – Standard E/320 acres in Section 11, T29N, R07W

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

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 **325** feet from the outer boundary of the eastern proration unit and **465** feet from the outer boundary of the southern 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.

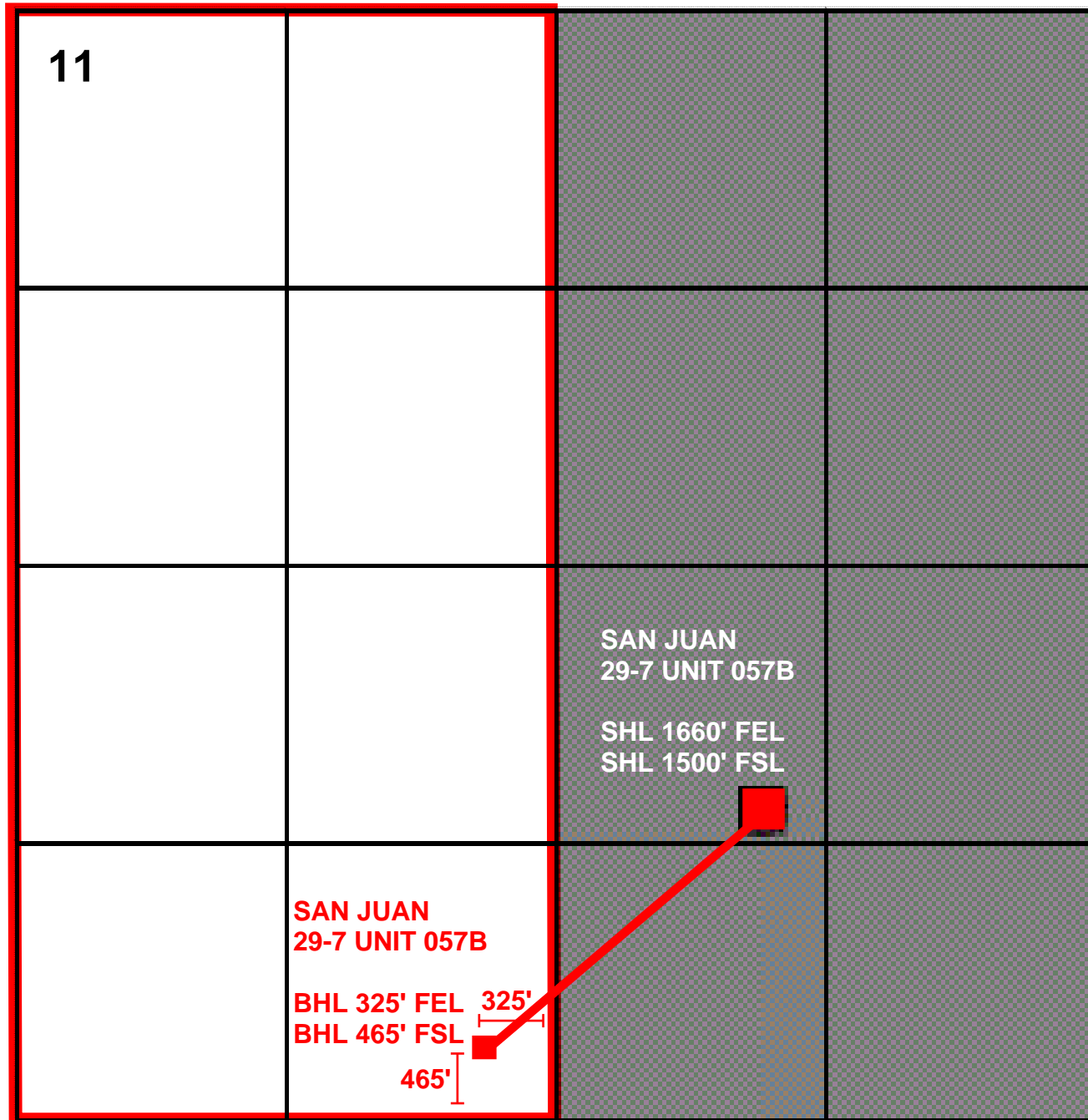
Sincerely,

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

C-102 Plat:

San Juan 29-7 Unit #057B
30-039-25633
Basin Fruitland Coal Gas Pool



Legend:

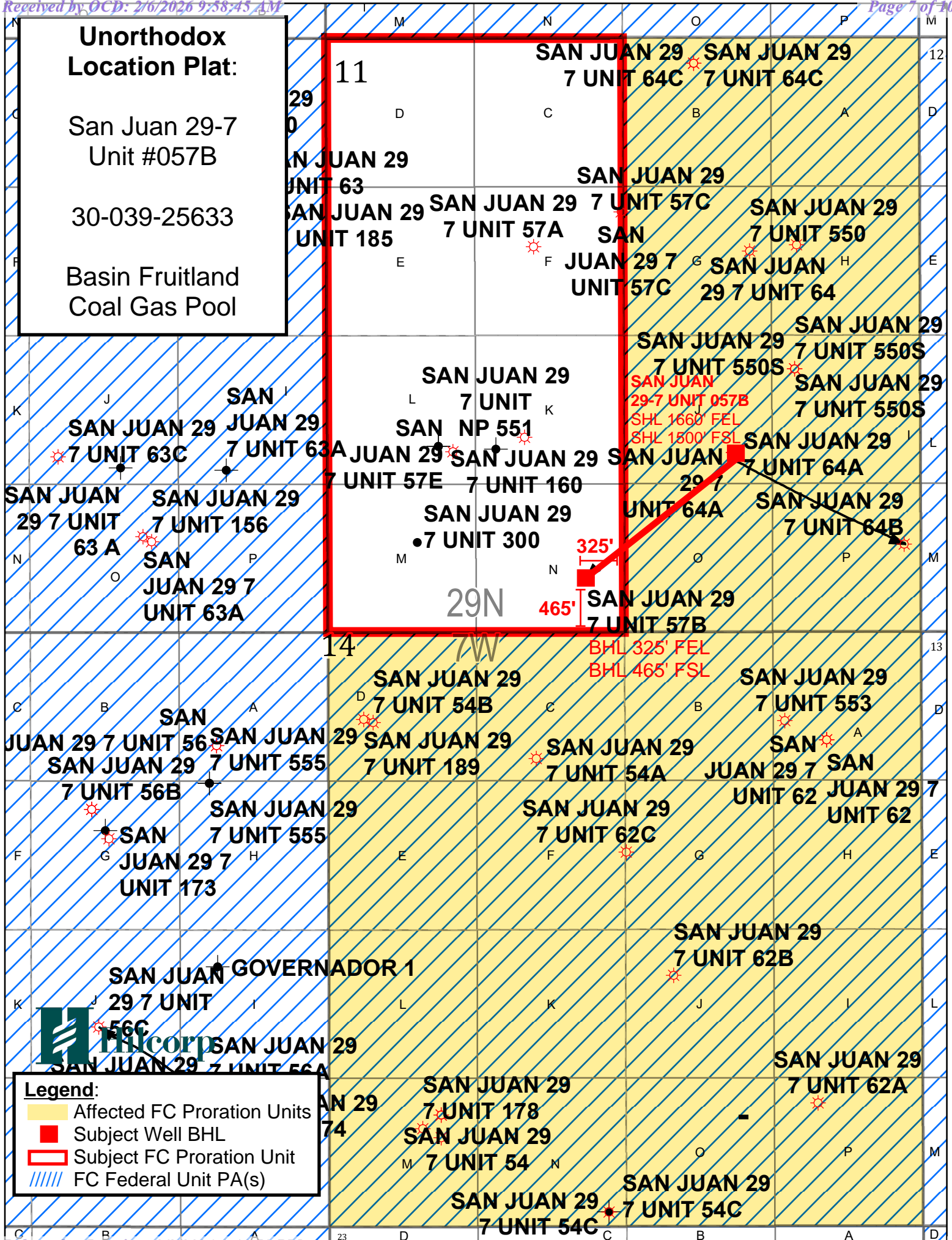
- Subject Well BHL
- Subject FC Proration Unit
- Affected FC Proration Unit

Unorthodox Location Plat:

San Juan 29-7 Unit #057B

30-039-25633

Basin Fruitland Coal Gas Pool



Legend:

- Affected FC Proration Units
- Subject Well BHL
- Subject FC Proration Unit
- FC Federal Unit PA(s)

USPS Tracking Number	WI Party Notification	Date Sent
92148969009997901853474588	, LOGOS RESOURCES II LLC, 2010 AFTON PL, FARMINGTON, NM, 87401 Code: SJ 29-7 57B NSL	2/4/2026
92148969009997901853474595	, LANCE REEMTSMA, 2601 GRANT ST, BERKELEY, CA, 94703 Code: SJ 29-7 57B NSL	2/4/2026
92148969009997901853474601	, DAVID PIERCE and MAXINE PIERCE REV TR, PO BOX 4140, FARMINGTON, NM, 87499-4140 Code: SJ 29-7 57B NSL	2/4/2026
92148969009997901853474618	, ENDURING RESOURCES IV, LLC, 6300 S SYRACUSE WAY STE 525, CENTENNIAL, CO, 80111 Code: SJ 29-7 57B NSL	2/4/2026
92148969009997901853474625	, SIMCOE, LLC, 1199 Main Ave, Suite 101, Durango, CO, 81301 Code: SJ 29-7 57B NSL	2/4/2026
92148969009997901853474632	, REEMTSA FAMILY TR DTD 02.28.2001, 556 CRESTWOOD AVENUE, OCEANSIDE, CA, 92058 Code: SJ 29-7 57B NSL	2/4/2026

USPS Tracking Number	Party on Notice	Date Sent
92148969009997901853474649	, Bureau of Land Management, 6251 College Blvd A, FARMINGTON, NM, 87402 Code: SJ 29-7 57B NSL	2/4/2026

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 551337

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 551337
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	2/13/2026