

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 - 9317**

**Hilcorp Energy Company [OGRID 372171]  
San Juan 29 05 Unit Well No. 70G  
API No. 30-039-29653**

Reference is made to your application received on March 29<sup>th</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	570 FNL & 2480 FEL	B	28	29N	05W	Rio Arriba

**Proposed Unit**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NE/4 Section 28	160	Gobernador Pictured Cliffs	77440

This vertical well was completed into an unorthodox location described above in the referenced pool or formation. Special pool rule R-8170 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 330 feet to any interior quarter – quarter section line.

Administrative Order NSL – 9317  
Hilcorp Energy Company  
Page 2 of 2

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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 170 feet to the western edge, 595 feet to the northwestern edge and 570 feet to the northern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 28, encroachment to the NW/4  
Section 21, encroachment to the S/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 Gobernador Pictured Cliffs formation underlying the NE/4 of Section 28.

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.



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

**Date:** 5/8/26

Revised March 23, 2017

ID NO. 568653

NSL - 9317

RECEIVED: <b>03/29/26</b>	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 29-5 Unit #70G **API:** 30-039-29653  
**Pool:** Gobernador Pictured Cliffs **Pool Code:** 77440

**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 29-5 Unit #70G (API: 30-039-29653)

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

**SHL** – Unit B, 570’ FNL & 170’ FWL

**BHL** – Unit B, 570’ FNL & 170’ FWL

**Subject Proration Unit** – Standard NE/160 acres in Section 28, T29N, R05W

**Affected Proration Unit 1** – Standard NW/160 acres in Section 28, T29N, R05W

**Affected Proration Unit 2** – Standard SE/160 acres in Section 21, T29N, R05W

**Affected Proration Unit 3** – Standard SW/160 acres in Section 21, T29N, R05W

**Gobernador Pictured Cliffs Gas Pool (Code 72439) – Special Rules and Regulations:** (Order R-8170 & R-10533)

**Rule 7** – “wells drilled or recompleted on every standard or non-standard unit in the Gobernador Pictured Cliffs Gas Pool...shall be located no closer than **660** feet to any outer boundary of a proration unit”. The proposed BHL is **170** feet from the outer boundary of the western proration unit and **570** feet from the outer boundary of the northern 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 30-039-29653	Pool Code 77440	Pool Name GOBERNADOR PICTURED CLIFFS
Property Code 318837	Property Name SAN JUAN 29-5 UNIT	Well Number 70G
OGRID No. 372171	Operator Name Hilcorp Energy Company	Ground Level Elevation 6674'
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 B	Section 28	Township 29N	Range 05W	Lot	Ft. from N/S 570' FNL	Ft. from E/W 2480' FEL	Latitude 36.7022629	Longitude -107.3622665	County RIO ARRIBA
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**Bottom Hole Location**

UL B	Section 28	Township 29N	Range 05W	Lot	Ft. from N/S 570' FNL	Ft. from E/W 2480' FEL	Latitude 36.7022629	Longitude -107.3622665	County RIO ARRIBA
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Dedicated Acres 160.00	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
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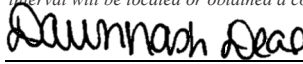
**First Take Point (FTP)**

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

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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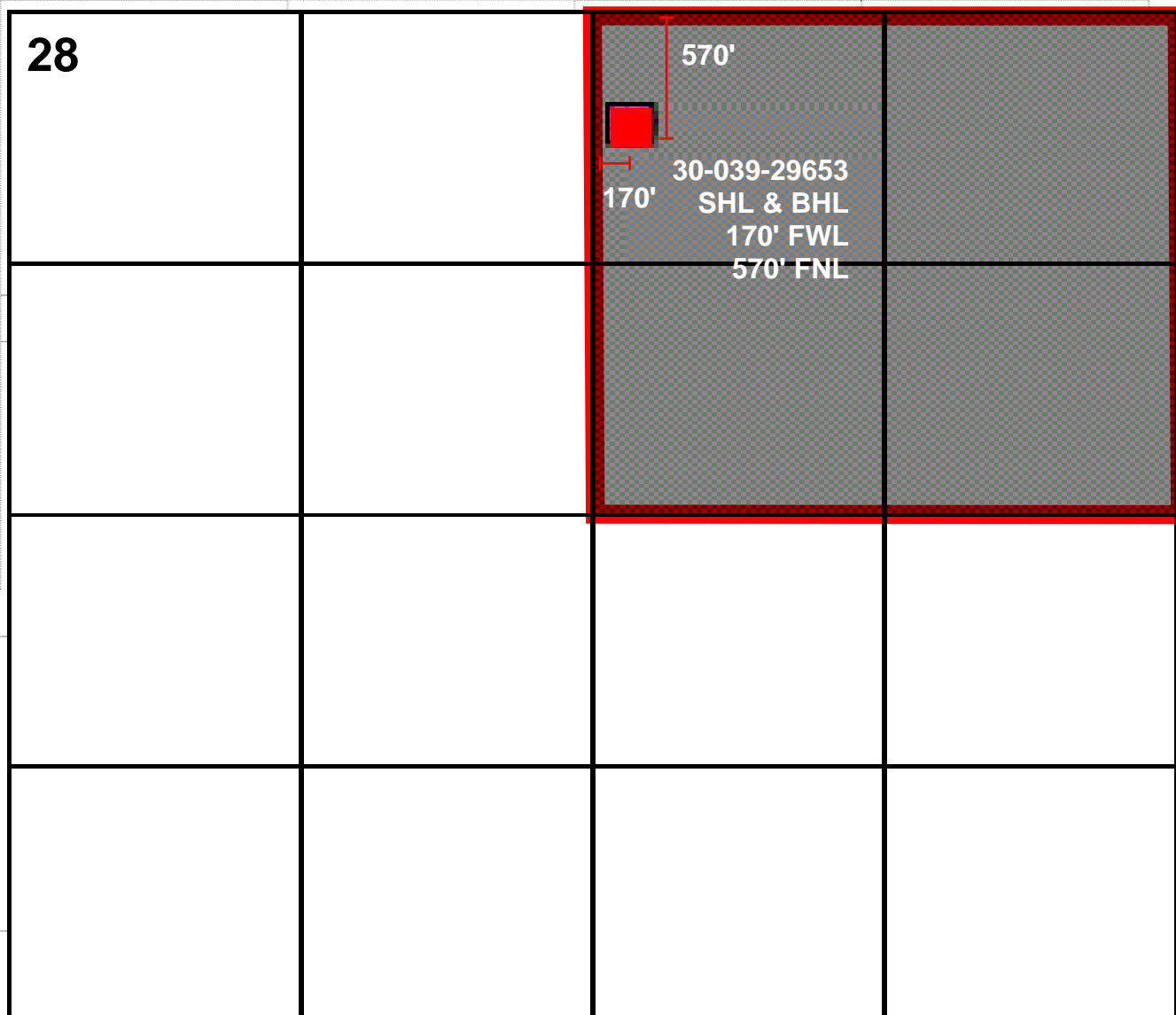
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input checked="" type="checkbox"/> Vertical	Ground Floor Elevation: 6674'
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information 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> <table style="width:100%;"> <tr> <td style="width:50%;">15269</td> <td style="width:50%;">07/20/2005</td> </tr> <tr> <td>Certificate Number</td> <td>Date of Survey</td> </tr> </table>	15269	07/20/2005	Certificate Number	Date of Survey
15269	07/20/2005				
Certificate Number	Date of Survey				

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 29-5 Unit #070G  
30-039-29653  
Gobernador Pictured Cliffs Gas Pool



**Legend:**

- Subject Well BHL
- Subject PC Proration Unit

SAN JUAN 29

Unorthodox Location Plat:

San Juan 29-5 Unit #070G

30-039-29653

Gobernador Pictured Cliffs Gas Pool

SAN JUAN 29 5 UNIT 46  
SAN JUAN 29 5 UNIT 69F  
SAN JUAN 29 5 UNIT 207

SAN JUAN 29 5 UNIT 67

SAN JUAN 29 5 UNIT 67

SAN JUAN 29 5 UNIT 64M

SAN JUAN 29 5 UNIT 64M

SAN JUAN 29 5 UNIT 46

SAN JUAN 29 5 UNIT 207

SAN JUAN 29 5 UNIT 57F

SAN JUAN 29 5 UNIT 57F

SAN JUAN 29 5 UNIT 16

SAN JUAN 29 5 UNIT 64

SAN JUAN 29 5 UNIT 69

SAN JUAN 29 5 UNIT 57M

SAN JUAN 29 5 UNIT 208

SAN JUAN 29 5 UNIT 69M

SAN JUAN 29 5 UNIT 52G

29N

5W

SAN JUAN 29 5 UNIT 70G

27

SAN JUAN 29 5 UNIT 52G

SAN JUAN 29 5 UNIT 65F

570'

170'

SHL & BHL 170' FWL  
SHL & BHL 570' FNL

SAN JUAN 29 5 UNIT 52

SAN JUAN 29 5 UNIT 31

SAN JUAN 29 5 UNIT 65M

SAN JUAN 29 5 UNIT 40

SAN JUAN 29 5 UNIT 70

SAN JUAN 29 5 UNIT 52

SAN JUAN 29 5 UNIT 65M

SAN JUAN 29 5 UNIT 70



SAN JUAN 29 5 UNIT 30

SAN JUAN 29 5 UNIT 52M

SAN JUAN 29 5 UNIT 30

SAN JUAN 29 5 UNIT 70F

Legend:

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

SAN JUAN 29 5 UNIT 65

SAN JUAN 29 5 UNIT 70M

<b>Certified Number</b>	<b>Recipient</b>	<b>Date Mailed</b>
92148969009997901854778739	, Bureau of Land Management, , Farmington, NM, 87402 Code: FC-PC - SJ 29-5 Unit 70G NSL	3/27/2026

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 568653

**CONDITIONS**

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 568653
	Action Type: [UF-NSL] Non-Standard Location (NSL)

**CONDITIONS**

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