

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



July 13, 2018
Administrative Order NSP-2108

NON-STANDARD SPACING UNIT

Priscilla A. Shorty
Hilcorp Energy Company [OGRID 372171]

Well(s)

Allison Unit Well No. 123H (API No. 30-045-35611)

Basin Fruitland Coal Gas Pool (Pool Code 71629) Special Pool Rules Apply

Proposed 652.7-Acre, Horizontal Gas Spacing Unit ("HGSU")

Comprised of the following lands:

Township 32 North, Range 7 West, NMPM San Juan County, New Mexico

Irregular Section 10: Lots 1 – 11, NW/4 SE/4, NE/4 SE/4, SE/4 SE/4 (All)

Irregular Section 11: Lots 3, 4, SW/4 (West Half Equivalent)

Consisting of the following Proposed Non-Standard Gas Spacing Units:

Irregular Section 10: E/2 Equivalent (214.5 acres)
Irregular Section 10: W/2 Equivalent (239.19 acres)
Irregular Section 11: W/2 Equivalent (199.01 acres)

Pertinent Rules:

Hearing Order R-8768, as amended,
320-acre Gas Spacing Units within the Basin Fruitland Coal Gas Pool.
Division Rule 19.15.15.11 B (3) NMAC
Notice Requirements, Formation of Non-Standard Spacing Units.
Division Rule 19.15.16.15 NMAC
Horizontal Well Rules recently revised in Case No 15957 by Order No. R-14689

Reference is made of your application received on July 11, 2018 for administrative approval of the above described non-standard gas spacing units and the horizontal gas spacing unit and the pertinent rules governing formation of the proposed units.

The three, proposed non-standard gas spacing units are necessitated by a variation in the land survey and should be approved. There are no affected parties as the proposed horizontal gas spacing unit is within the Allison Unit Fruitland Coal Participating Area.

The following vertically drilled wells, all operated by Hilcorp Energy Company are completed within the Basin Fruitland Coal Gas Pool and have gas spacing units wholly or partially within the proposed horizontal gas spacing unit:

Allison Unit Well No. 103	30-045-26956	Lot 8, Irregular Section 10
Allison Unit Well No. 103S	30-045-31337	Unit P, Irregular Section 10
Allison Unit Well No. 124	30-045-27155	Unit N, Irregular Section 11

The above referenced three proposed Non-Standard Gas Spacing Units and the proposed Horizontal Gas Spacing Unit are hereby approved.

Additional or alternately named wells may be drilled and produce from these non-standard spacing and proration units or from this horizontal spacing unit.

These approvals are subject to the operator following all other applicable Division rules. Jurisdiction is retained for the entry of such further orders as the Division may deem necessary.


HEATHER RILEY
Director

HR/wvjj

cc: Oil Conservation Division – Aztec District Office
Bureau of Land Management – Farmington Field Office