

RECEIVED: 08/21/18	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL1823543656
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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 Gas Com C IR API: 30-045-33532  
 Pool: Blanco Mesaverde Pool Code: 72319

**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

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

- 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

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.**

Rob Carlson  
 Print or Type Name

08/16/2018  
 Date

832-839-4596  
 Phone Number

[Signature]  
 Signature

rcarlson@hilcorp.com  
 e-mail Address



August 16, 2018  
Sent Overnight UPS

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505  
Attn: Mr. Leonard Lowe

Re: Unorthodox Well Location for Blanco-Mesaverde  
Bruington Gas Com C 1R (API: 30-045-33532)  
SHL/BHL: Unit D (NW/NW), 770' FNL & 495' FWL,  
Proration Unit: W/2 (318.47) Section 21, T30N, R11W, San Juan County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.4.12.A.2 and 19.15.15.13, Hilcorp Energy Company ("Hilcorp") requests administrative approval of an unorthodox gas well location for the Bruington Gas Com C 1R (the "Well") as to the Blanco-Mesaverde Gas Pool (72319). The Well was originally drilled to the Basin-Dakota (71599) in 2006. Hilcorp intends to recomplete the Well to Mesaverde and subsequently downhole commingle the two formations.

Mesaverde production in the subject Well will be dedicated to a 318.47 acre gas spacing and proration unit comprised of the W/2 Section 21, T30N, R11W.

The Blanco-Mesaverde Gas Pool is currently governed by Division Rule 19.19.15.10 which requires standard 320-acre gas spacing and proration units with wells to be located no closer than 660 feet to the outer boundary of the spacing unit, nor closer than 10 feet to any interior quarter-quarter section line or subdivision inner boundary, or in the case of a horizontal well, no closer than 660 feet to the outer boundary of the producing area.

As evidenced by administrative order NSL-5354 approved 3/21/2006 related to the existing Basin-Dakota completion, the subject Well's location is considered unorthodox since the location is less than 660' from the outer boundary of the producing area; therefore, by default in terms of recompleting this wellbore, the subject Blanco-Mesaverde recompletion is also considered unorthodox.

This unorthodox location, as to the Blanco-Mesaverde, is necessary to maximize recovery of oil and gas reserves and minimize surface disturbance.

The spacing unit encroached upon by this unorthodox location comprises the N/2 Section 20, T30N, R11W. Hilcorp is the operator and 100% working interest owner within this spacing unit; therefore, no notice is required.

A notice of intent to recomplete into the Blanco Mesaverde pool will be filed with the Aztec OCD district office. Attached are C-102's for both formations and a plat identifying the subject proration unit/wells and proration unit/wells encroached upon. For questions, please contact me at the email/number below.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Rob Carlson'.

Rob Carlson  
Landman

**Energy, Minerals and Natural Resources**

**Oil Conservation Division**

**1220 S. St Francis Dr.**

**Santa Fe, NM 87505**

District II

1301 W. Grand Ave., Artesia, NM 88210  
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Erazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-045-33532	2. Pool Code 71599	3. Pool Name BASIN DAKOTA (PRORATED GAS)
4. Property Code 22597	5. Property Name BRUINGTON GAS COM C	
7. OGRID No. 167067	8. Operator Name XTO ENERGY, INC.	9. Elevation 5722

**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	21	30N	11W		770	N	495	W	SAN JUAN

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00		13. Joint or Infill		14. Consolidation Code			15. Order No.		

**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**

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**OPERATOR CERTIFICATION**

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

E-Signed By: Holly Perkins  
 Title: Administrator  
 Date: 1/16/2006

**SURVEYOR CERTIFICATION**

*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.*

Surveyed By: John Vukonich  
 Date of Survey: 12/1/2005  
 Certificate Number: 14831

**District I**1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720**District II**811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720**District III**1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170**District IV**1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural**  
**Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
August 1, 2011

Permit 254743

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-045-33532	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 319138	5. Property Name BRUINGTON GAS COM C	6. Well No. 001R
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5722

**10. Surface Location**

UL - Lot D	Section 21	Township 30N	Range 11W	Lot Idn	Feet From 770	N/S Line N	Feet From 495	E/W Line W	County SAN JUAN
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**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 318.47	13. Joint or Infill			14. Consolidation Code			15. Order No.		

**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**

	<b>OPERATOR CERTIFICATION</b>
	<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: <i>Priscilla Shorty</i> Title: Operations Regulatory Technician - Sr. Date: 07/16/2018</p>
	<b>SURVEYOR CERTIFICATION</b>
	<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>Surveyed By: John Vukonich Date of Survey: 12/1/2005 Certificate Number: 14831</p>



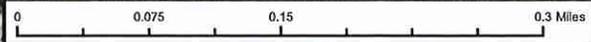
BRUINGTON GAS COM C1R

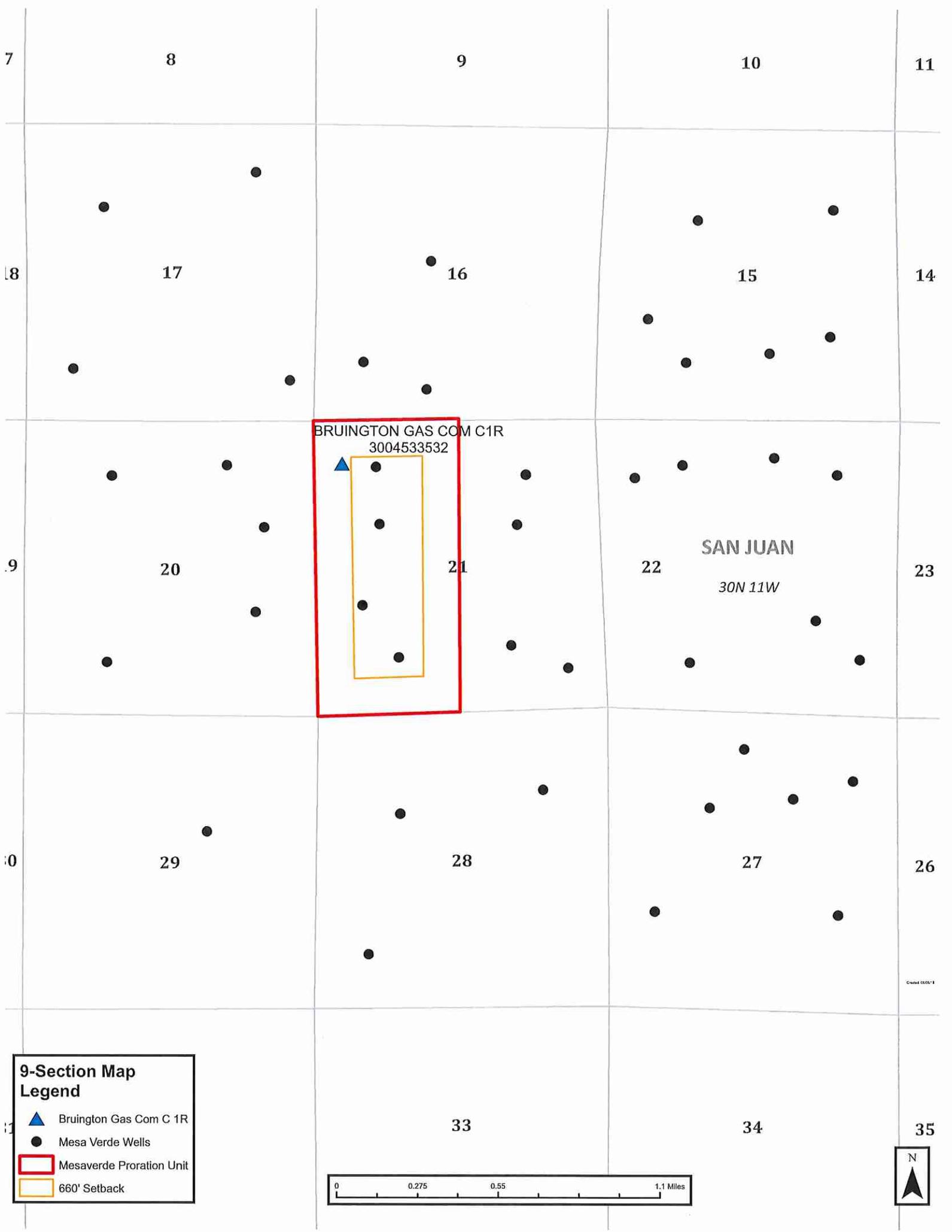
3004533532

20  
M 11W

**Aerial Map  
Legend**

-  Bruington Gas Com C 1R
-  Mesaverde Proration Unit
-  660' Setback





7 8 9 10 11

18 17 16 15 14

9 20 21 22 23  
SAN JUAN  
30N 11W

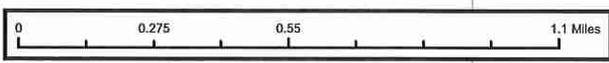
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33 34 35

BRUINGTON GAS COM C1R  
3004533532

**9-Section Map Legend**

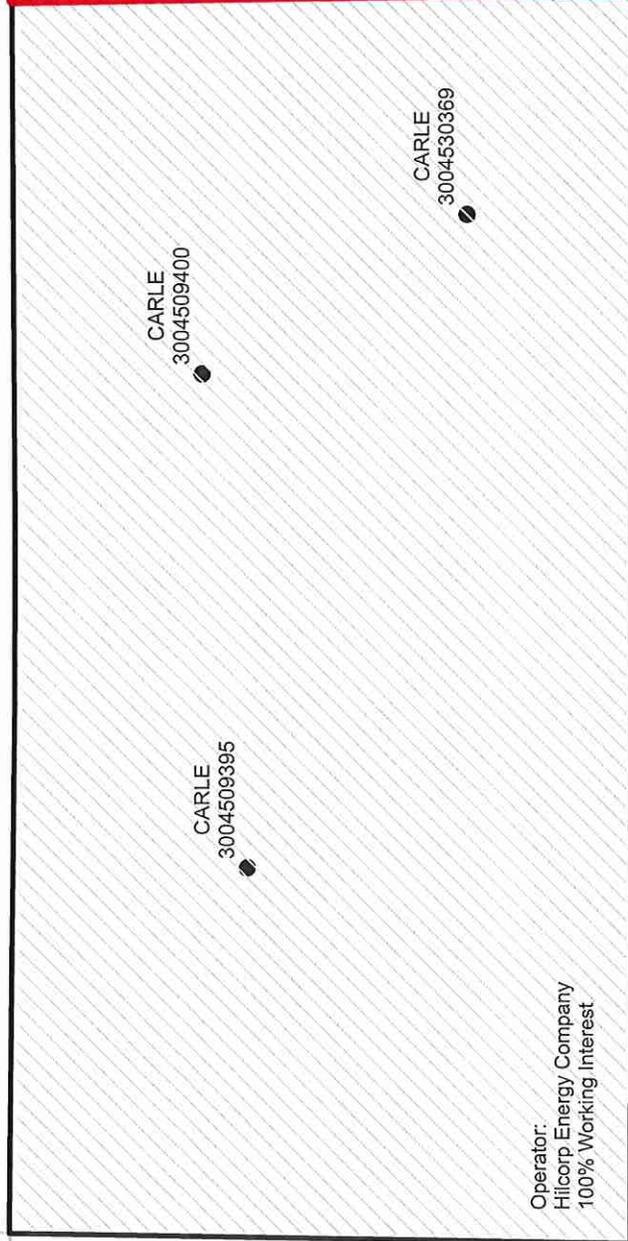
- Bruington Gas Com C 1R
- Mesa Verde Wells
- Mesaverde Proration Unit
- 660' Setback



18

17

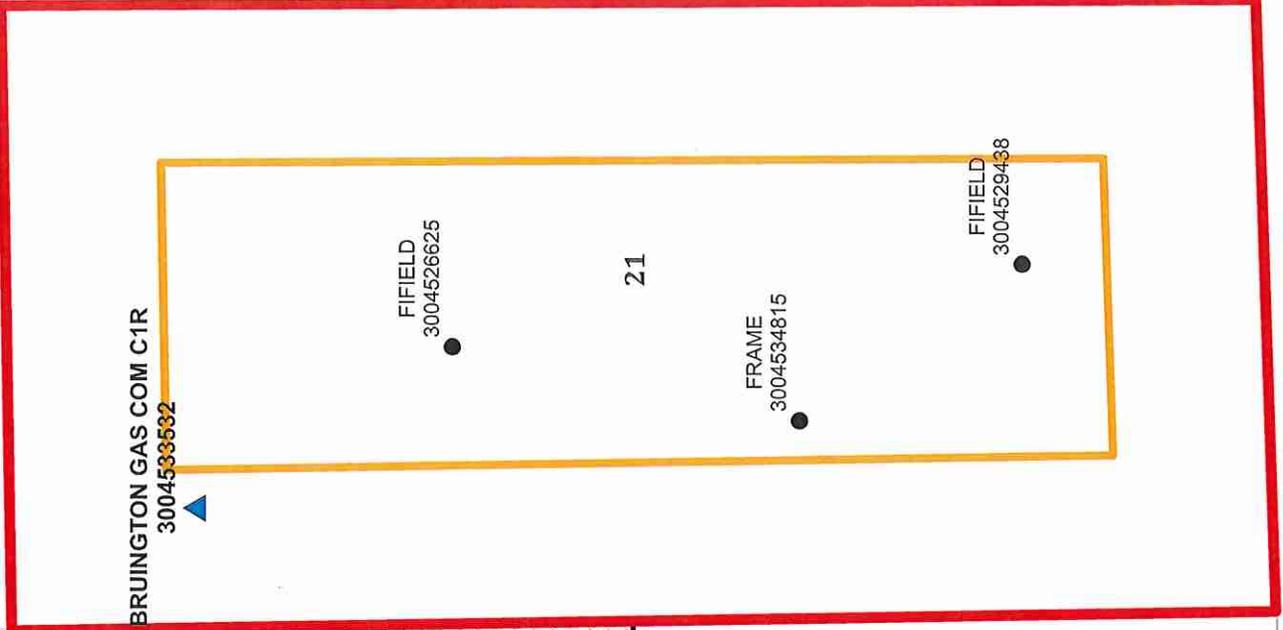
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19

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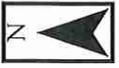
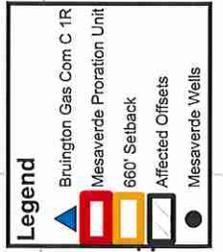


ON 11W

SAN JUAN

29

28





TO: New Mexico Oil Conservation Division  
ATTN: Leonard Lowe  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

FROM: Hilcorp Energy Company  
382 Road 3100  
Aztec NM 87410  
Priscilla Shorty  
505-324-5188

**From:** Priscilla Shorty  
**To:** [Lowe, Leonard, EMNRD](#)  
**Cc:** [Rob Carlson](#); [Dani Papetti](#); [Mandi Walker](#)  
**Subject:** BRUINGTON GAS COM C 1R NSL Packet  
**Date:** Tuesday, August 21, 2018 8:24:26 AM  
**Attachments:** [Bruington Gas Com C 1R NSL Packet\\_08.20.18.pdf](#)  
**Importance:** High

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Mr. Lowe,

Please see attached NSL packet for the Bruington Gas Com C 1R. The hard copy has been overnighted to you. Please let us know if you have any questions.

*Priscilla A. Shorty*

San Juan North Regulatory Technician

**Hilcorp Energy Company**

505-324-5188

[pshorty@hilcorp.com](mailto:pshorty@hilcorp.com)

## **Lowe, Leonard, EMNRD**

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**From:** Lowe, Leonard, EMNRD  
**Sent:** Friday, August 31, 2018 12:33 PM  
**To:** 'rcarlson@hilcorp.com'  
**Cc:** Perrin, Charlie, EMNRD; Vermersch, Amy H, EMNRD; Pickford, Katherine, EMNRD; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; 'lisa@rwbyram.com'; 'jglover@blm.gov'; 'dmankiew@blm.gov'  
**Subject:** NSL-7755\_Hilcorp Energy Company\_Bruington Gas Com Well No. 1R\_SEC 21 30N 11W

**Mister Rob Carlson,**

The following Administrative Order has been issued.

**NSL-7755**

The Order will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

Thank you!

**Leonard Lowe**

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: [leonard.lowe@state.nm.us](mailto:leonard.lowe@state.nm.us)

Website: <http://www.emnrd.state.nm.us/ocd/>