

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Mr. Carson Rice  
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NON-STANDARD LOCATION

**Administrative Order NSL-8337**

**Hilcorp Energy Company [OGRID 372171]  
San Juan 29 6 Unit Well No. 61B  
API No. 30-039-29618**

**Surface Location; Vertical Well**

<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
2265 FSL & 700 FWL	E	19	29N	06W	Rio Arriba

**Proposed Gas Unit**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NW/4 of Section 19	160	Blanco Pictured Cliffs, South	72439

Reference is made to your application received on March 11<sup>th</sup>, 2022.

This vertical well was recompleted into an unorthodox location described above in the referenced pool and formation. Special pool rule R-565-C governs this well, which provides for 160-acre spacing units with setbacks no closer than 790 feet from the outer boundary of the spacing unit.

This well's completed interval is as close as 375 feet to the southern edge of the spacing unit. Encroachment will impact the following tracts.

Section 19, encroachment to the SW/4

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 due to recompleting this well in another formation thus preventing of waste of resources and the protection of correlative rights within the Pictured Cliffs formation underlying the NW/4 of section 19.

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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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**ADRIENNE E. SANDOVAL**  
**Division Director**

**Date:** 4/28/2022

AES/lrl