

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



Carson Rice
carice@hilcorp.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 9220

**Hilcorp Energy Company [OGRID 372171]
Rhoda Abrams Well No. 2P
API No. 30-045-38519**

Reference is made to your application received on December 9th, 2025.

Proposed Location; Directional Well

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1539 FSL & 1823 FEL	J	05	30N	11W	San Juan
Terminus	1956 FSL & 2324 FEL	J	05	30N	11W	San Juan

Proposed Unit

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 Section 05	319.71	Blanco Mesaverde	72319

This directional well was completed into an unorthodox location described above in the referenced pool or formation. Special pool rule R-10987-A-6 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.

Administrative Order NSL - 9220
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 251 feet to the western edge of the spacing unit. Encroachment will impact the following tracts.

Section 05, encroachment to the W/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 Mesaverde formation underlying the E/2 of Section 05.

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: 2/1/2026

ID NO. 533053

NSL - 9220

Revised March 23, 2017

RECEIVED: 12/09/25	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: Rhoda Abrams 2P **API:** TBD
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

- 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

FOR OCD ONLY
<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.

Carson Rice

Print or Type Name

Signature

11/25/2025
Date

713-757-7108
Phone Number

carice@hilcorp.com
e-mail Address



December 8, 2025

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, 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** – Rhoda Abrams 2P (API: 30-045-TBD)
- Type** – Directional
- SHL** – Unit J, 1539’ FSL & 1823’ FEL
- BHL** – Unit J, 251’ FWL & 1956’ FSL
- Subject Proration Unit** – E/2 of Section 5, T30N, R11W
- Affected Proration Unit** – W/2 of Section 5, T30N, R11W

Blanco Mesaverde Gas Pool (Code 72319) – Order No. R-10987-A-6)

Rule (I.C.1) provides, “Wells drilled on a GPU shall be located no closer than 660’ to the outer boundary of the GPU and no closer than 10’ to any interior quarter or quarter-quarter section line or subdivision line boundary”. The subject wellbore, however, is situated approximately 251 feet from the west line boundary of the E/2 spacing unit. Thus, the Blanco-Mesaverde completion contemplated herein becomes unorthodox by default.

Pursuant to Paragraph (2) of Subsection A of 19.15.4.12 NMAC, the affected spacing unit encroached upon by this unorthodox location (shaded in red on the map enclosed) is the W/2 of Section 5, T30N, R11W; and contains a Federal lease. **Hilcorp owns 100% working interest in and operates the Storey B LS 3A (30-045-27024), Rhoda Abrams 2M (30-045-34406), Storey B LS 3 (30-045-13231), and Rhoda Abrams 1M (30-045-34150) the four (4) Mesaverde completions in the affected spacing 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. Proof of notification to BLM for federal minerals in affected spacing unit

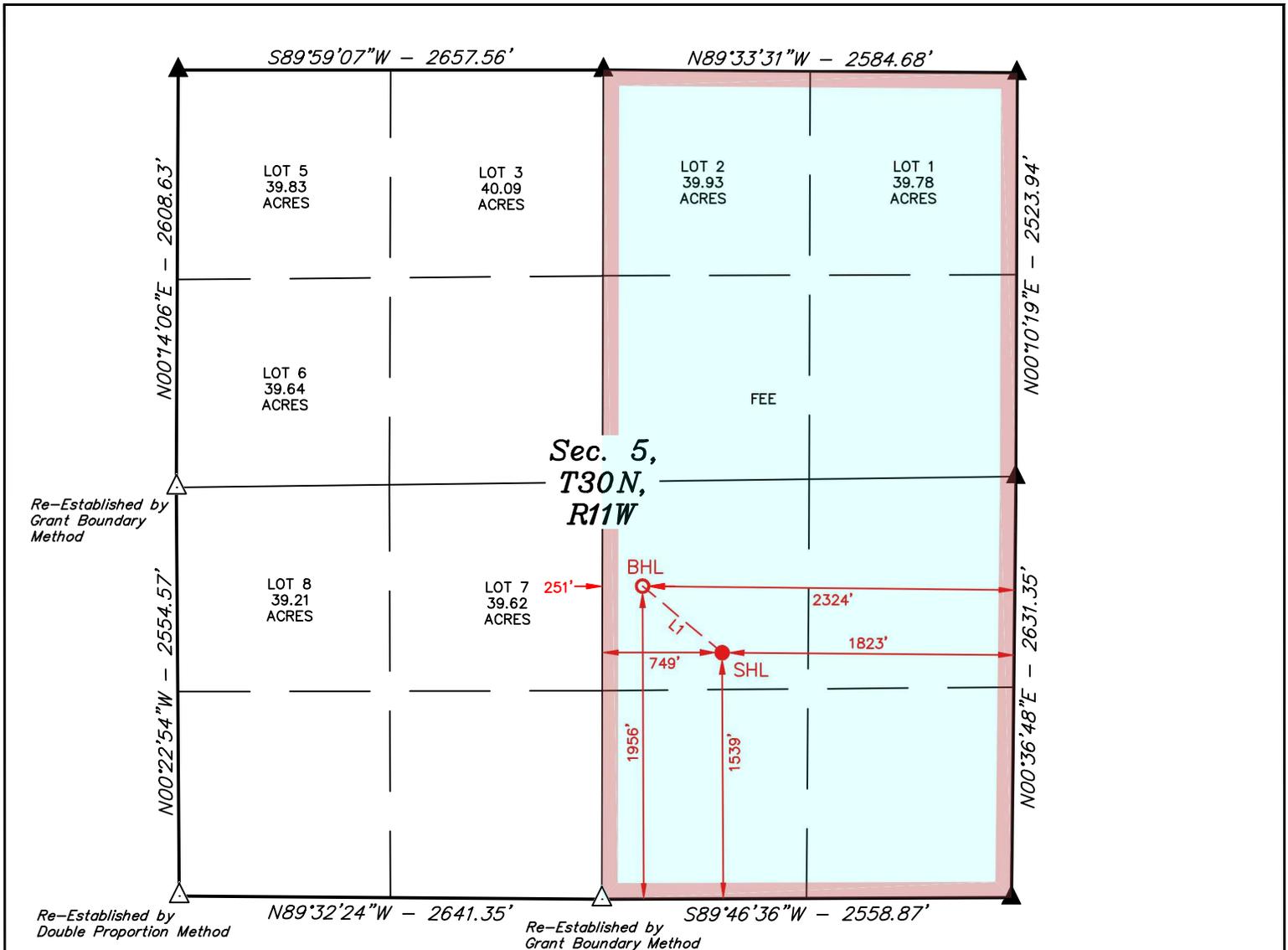
This unorthodox location is necessary to maximize recovery of oil and gas reserves and minimize surface disturbance. For questions, please contact me at the email/number below.

Sincerely,

HILCORP SAN JUAN, L.P.
By: HILCORP ENERGY COMPANY,
Its General Partner

Carson Rice
Sr. Landman
713-757-7108
carice@hilcorp.com

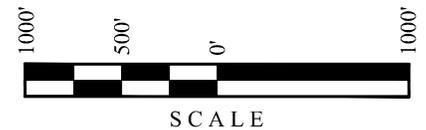
Property Name RHODA ABRAMS	Well Number 2P	Drawn By C.D. 11-20-25	Revised By REV. 2 C.D. 12-09-25 (TYPO CORRECTIONS)
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NAD 83 (SURFACE HOLE LOCATION)	
LATITUDE = 36°50'17.93" (36.838315°)	
LONGITUDE = -108°00'40.73" (-108.011314°)	
NAD 27 (SURFACE HOLE LOCATION)	
LATITUDE = 36°50'17.92" (36.838311°)	
LONGITUDE = -108°00'38.48" (-108.010690°)	
STATE PLANE NAD 83 (N.M. WEST)	
N: 2124517.71' E: 2671010.14'	
STATE PLANE NAD 27 (N.M. WEST)	
N: 2124454.26' E: 448099.80'	

NAD 83 (BOTTOM HOLE LOCATION)	
LATITUDE = 36°50'22.04" (36.839454°)	
LONGITUDE = -108°00'46.85" (-108.013014°)	
NAD 27 (BOTTOM HOLE LOCATION)	
LATITUDE = 36°50'22.02" (36.839451°)	
LONGITUDE = -108°00'44.61" (-108.012390°)	
STATE PLANE NAD 83 (N.M. WEST)	
N: 2124933.47' E: 2670513.22'	
STATE PLANE NAD 27 (N.M. WEST)	
N: 2124870.01' E: 447602.89'	

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N50°04'54"W	647.90'

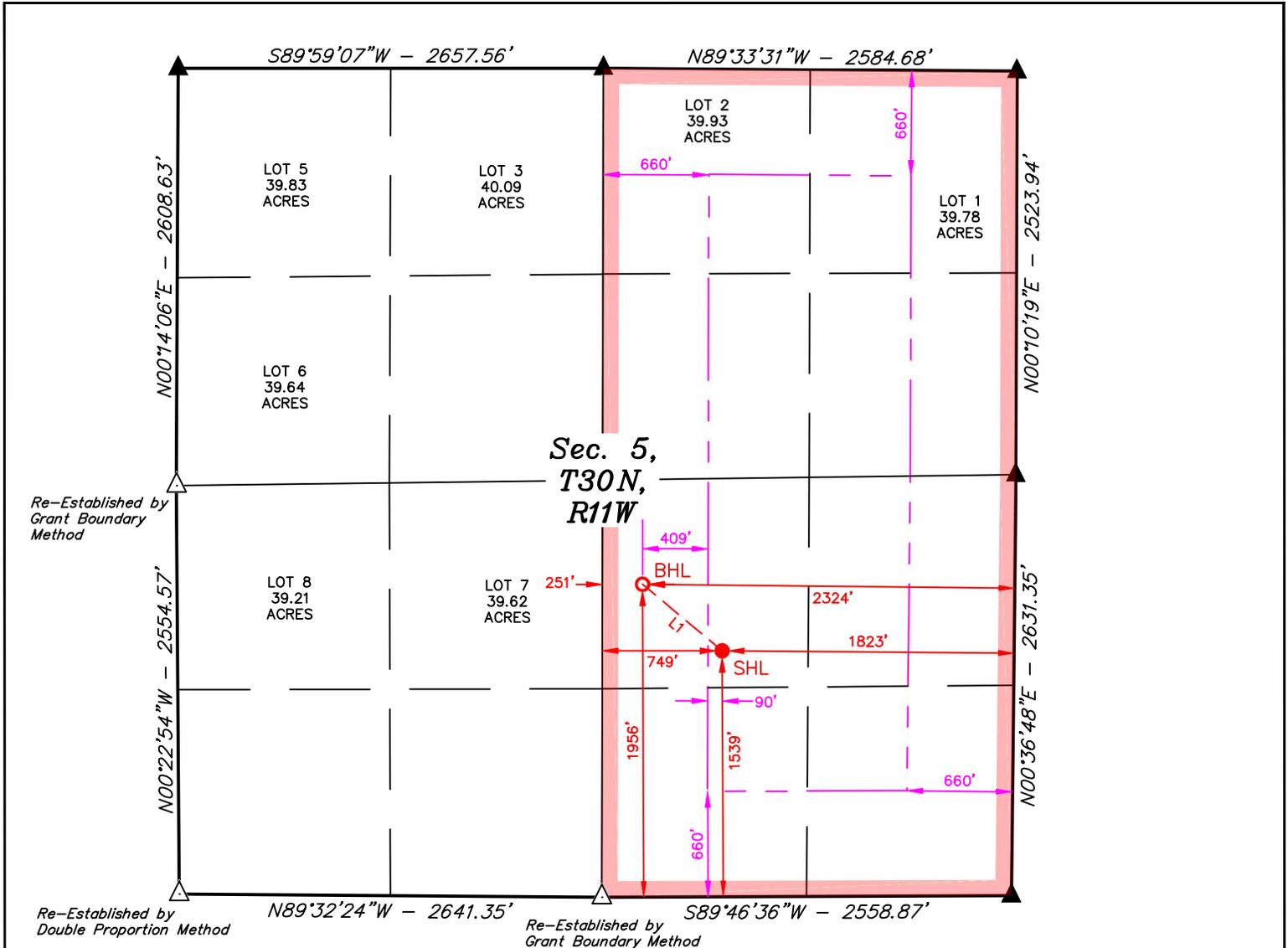


- = SURFACE HOLE LOCATION
- = BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DESIGNATED SPACING UNIT

NOTE:

- Distances referenced on plat to section lines are perpendicular.
- Bearings, Distances, Coordinates and Areas are based on the New Mexico Coordinate System of 1983, West Zone, in U.S. Feet.
- Colored areas within section lines represent oil & gas leases.
- Section breakdown information for this plat may be obtained from Uintah Engineering & Land Survey.

Property Name RHODA ABRAMS	Well Number 2P	Drawn By C.D. 11-20-25	Revised By REV. 2 C.D. 12-09-25 (TYPO CORRECTIONS)
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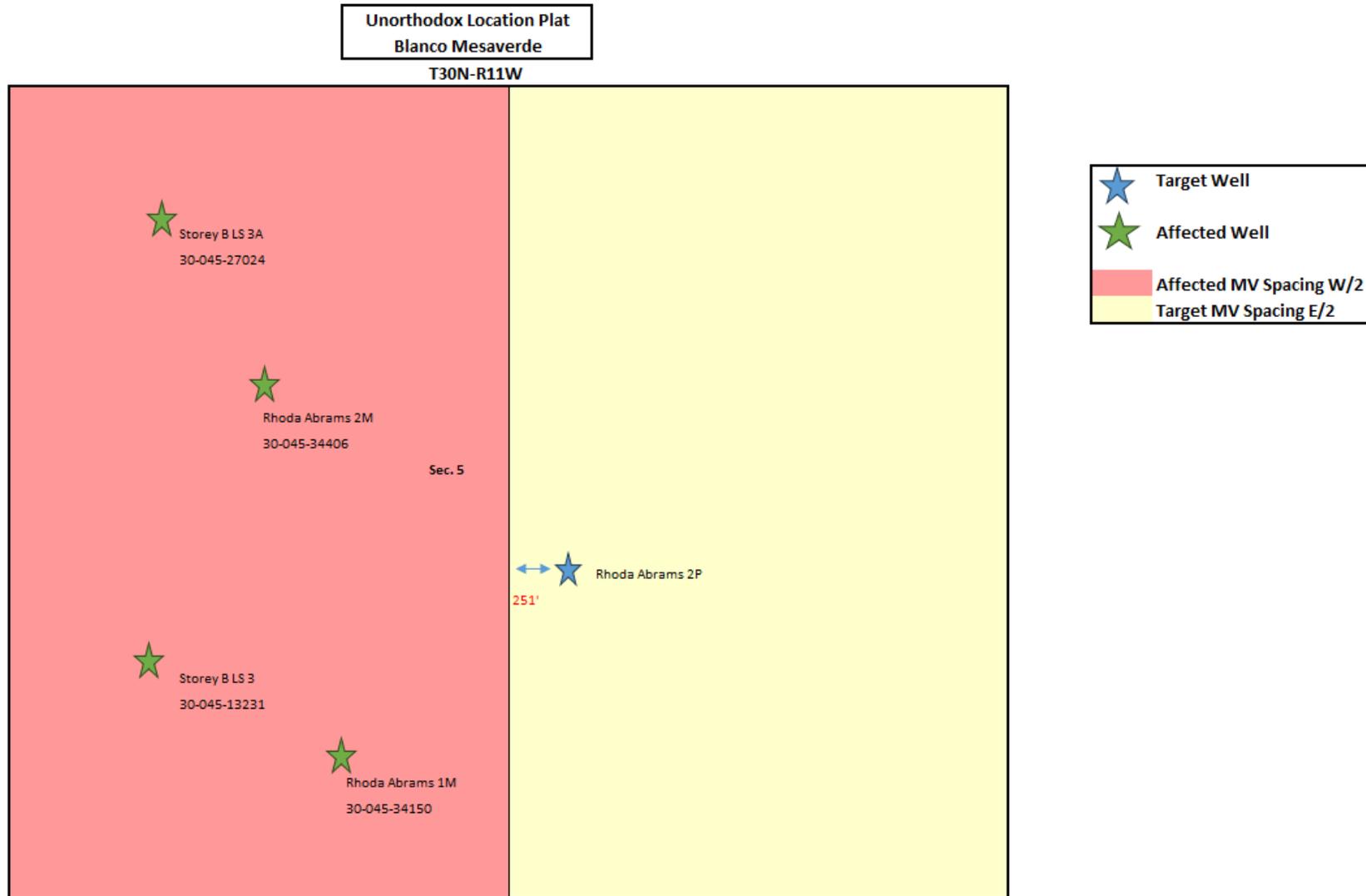


SCALE

- = SURFACE HOLE LOCATION
- = BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DESIGNATED SPACING UNIT
- - - = SETBACK BOUNDARY

NOTE:

- Distances referenced on plat to section lines are perpendicular.
- Bearings, Distances, Coordinates and Areas are based on the New Mexico Coordinate System of 1983, West Zone, in U.S. Feet.
- Section breakdown information for this plat may be obtained from Uintah Engineering & Land Survey.





December 8, 2025

Sent via Certified Mail
9214 8969 0099 9790 1852 3101 08

Bureau of Land Management
6251 College Blvd A
Farmington, NM 87402

**Re: Unorthodox Well Location Application for Blanco Mesaverde
Rhoda Abrams 2P (API: TBD)
SHL – Unit J, 1539' FSL & 1823' FEL
BHL – Unit J, 251' FWL & 1956' FSL
Mesaverde Spacing Unit: E/319.71 acres in Section 5, T30N, R11W
San Juan County, New Mexico**

To Whom it May Concern:

Pursuant to 19.15.15.13 NMAC, Hilcorp has filed an Unorthodox Location Application with the New Mexico Oil Conservation Division. The spacing unit the subject unorthodox location encroaches upon contains a federal lease. Thus, this letter serves to provide the BLM with notice as required by 19.15.4.12.A.2 NMAC.

Please refer to copies of the application materials enclosed for further details. Per 19.15.15.13 NMAC, objections shall be made in writing with the NMOCD within twenty (20) days from the date of this letter.

Should have any questions concerning this application, please feel free to call me at the number below.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Carson Rice'.

Carson Rice
Sr. Landman
713-757-7108
carice@hilcorp.com

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oecd/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 533053

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 533053
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	12/11/2025