

NSL Initial Application

Received: 04/04/19

This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete

RECEIVED: 4/4/19	REVIEWER: LRL	TYPE: NSL	APP NO: PLEL 1909455187
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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



NSL-7875

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 COMPANYOGRID Number: 372171Well Name: HOWELL E #001API: 30-045-09089Pool: BLANCO MESAVERDEPool 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☐ PPR2) **NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☐ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐

Notice Complete

☐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.

Bradley W. Pearson - Landman

Print or Type Name

4/2/2019

Date

713-289-2793

Phone Number

bpearson@hilcorp.com

e-mail Address

Signature



April 2, 2019
Sent via FedEx

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

RE: Unorthodox Well Location Application for Blanco Mesaverde
Howell E 001 (API: 30-045-09089)
SHL/BHL: Lot 14 (ULN) (SE/SW), 545' FSL & 1292' FWL
Proration Unit: W/281.24 Section 29, T30N, R8W, 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 Howell E 001 (the "Well") as to the Blanco Mesaverde (72319). The Well was originally drilled in 1951 and the surface hole location ("SHL") was originally reported at 790' FSL 790' FWL.

As part of its regular inspection program, the Aztec Oil Conservation Division ("OCD") inspector found a significant discrepancy from the reported SHL on file. After conducting a new survey, the actual SHL of the Well was found to be 545' FSL 1292' FWL.

The Blanco Mesaverde Gas Pool is currently governed by Division Order R-10987-A which provides for 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.

The Well's updated SHL is less than 660 feet from the outer boundary of the spacing unit; therefore, it is considered unorthodox as to the Blanco Mesaverde.

The spacing unit encroached upon by this unorthodox location comprises the N/2 Section 32, T30N, R8W. Hilcorp as operator, has provided notice to the affected interest owners.

A sundry with the new C-102 has been filed with the Aztec OCD district office. Attached is the original C-102, the new C-102 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 cursive script that reads 'Bradley W. Pearson'.

Brad Pearson
Landman

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACERAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

Operator EL PASO NATURAL GAS COMPANY			Lease HOWELL E		Well No. 1	
Unit Letter M	Section 29	Township 30-N	Range 8-W	County SAN JUAN		

Actual Footage Location of Well:
790 feet from the **SOUTH** line and **790** feet from the **WEST** line

Ground Level Elev. 5791	Producing Formation MESA VERDE	Pool BLANCO-MESA VERDE	Dedicated Acreage: 281.24 Acres
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1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

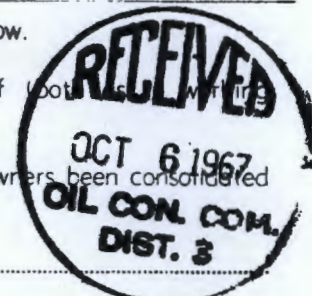
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (not interest and royalty),

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

() Yes () No If answer is "yes," type of consolidation

If answer is "no," list the owners and tract descriptions which have actually consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non standard unit, eliminating such interests, has been approved by the Commission.



**NOTE: THIS PLAT REISSUED TO SHOW CORRECTED ACREAGE DEDICATION
AS PER N. M. O. C. C. REQUEST 10-4-67**

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Original signed by
Carl E. Matthews

Name

Petroleum Engineer

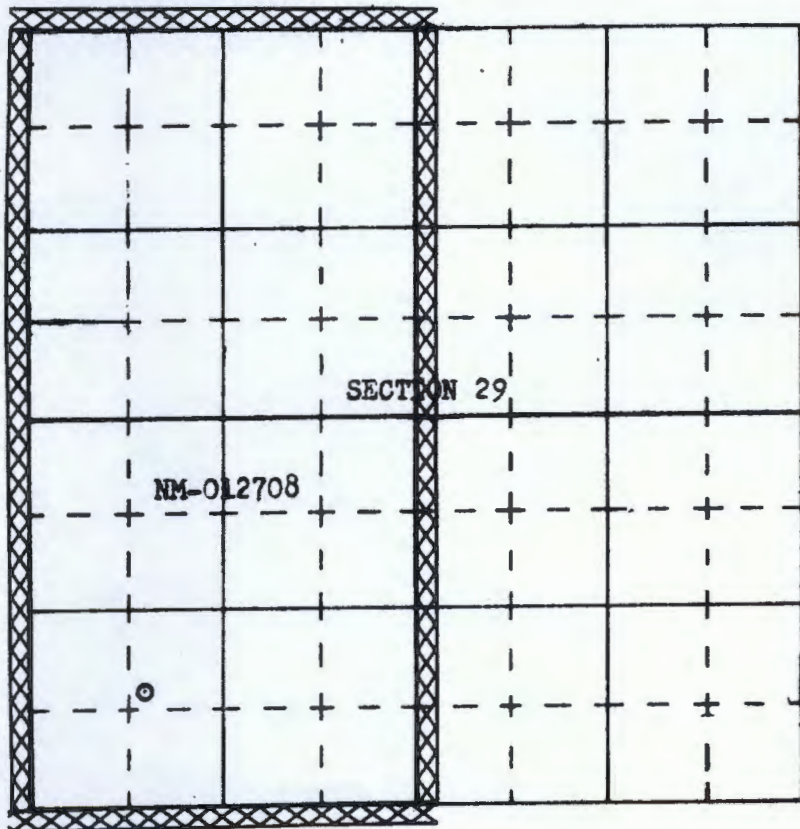
Position

El Paso Natural Gas Company

Company

October 5, 1967

Date



N

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 knowledge and belief.

Date Surveyed

JUNE 5, 1951

Registered Professional Engineer
and/or Land Surveyor

Certificate No.

DISTRICT I

1626 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II

811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1263 Fax: (575) 748-9720

DISTRICT III

1000 Rio Brazos Rd., Artesia, N.M. 87410
Phone: (505) 334-6176 Fax: (505) 334-6170

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-09089		² Pool Code 72319	³ Pool Name BLANCO-MESAVERDE
⁴ Property Code 318566	⁵ Property Name HOWELL E		⁶ Well Number 1
⁷ OGRID No. 372171	⁸ Operator Name HILCORP ENERGY COMPANY		⁹ Elevation 5796'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	29	30N	8W	14	545'	SOUTH	1292'	WEST	SAN JUAN

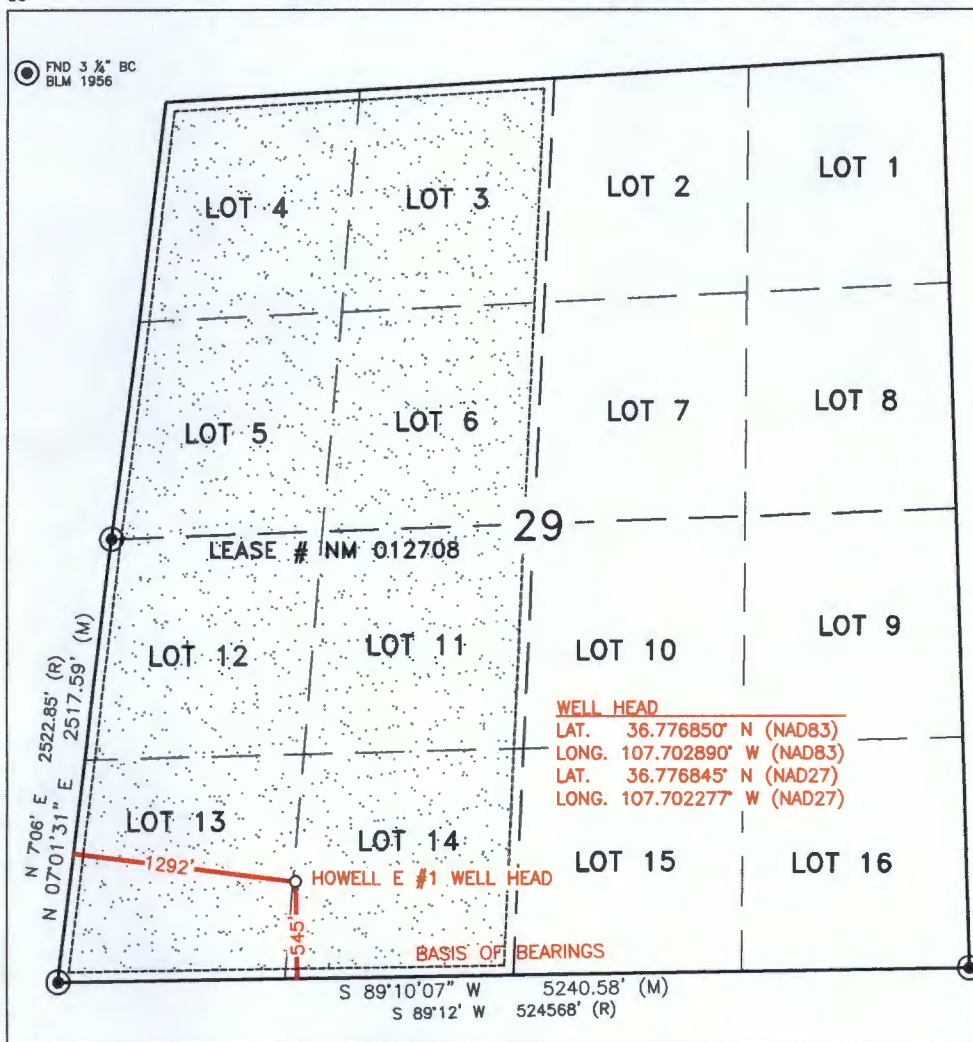
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres W/2 SECTION 29 281.24 ACRES	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

16



17 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 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.

Signature _____ Date _____

Christine Brock
Printed Name

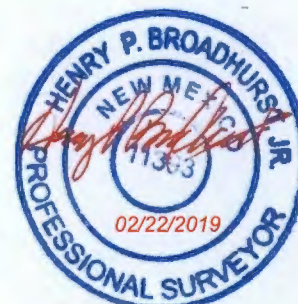
cbrock@hilcorp.com
E-mail Address

SURVEYOR CERTIFICATION

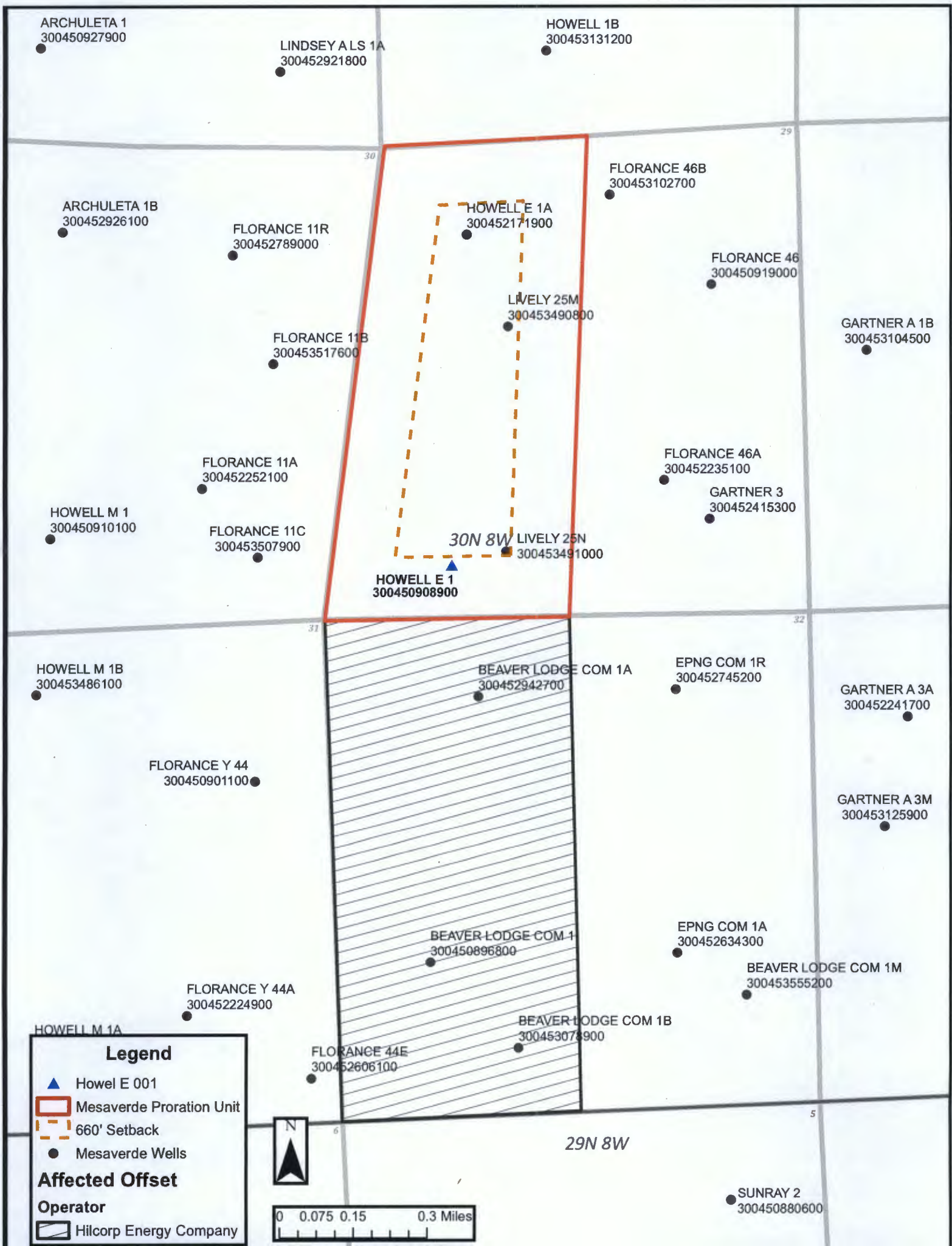
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

FEBRUARY 21, 2019

Date of Survey
Signature and Seal of Professional Surveyor:



Certificate Number 11393





April 2, 2019

Transmitted Via
Certified Mail - Return Receipt Requested

TO: AFFECTED PARTIES

RE: Non-Standard Location ("NSL") Application for Blanco Mesaverde
Howell E 001 (API# 30-045-09089)
Lot 14 (ULN) (SE/SW), 545' FSL & 1292' FWL, Sec. 29, T30N, R8W
Rio Arriba County, NM

To Whom It May Concern,

Enclosed you will find a copy of the above-referenced application filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty (20) days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If the 20 day waiting period expires, the Division will conclude that your company has no objection to the NSL.

If you should have any questions concerning this application, please feel free to call me at the email/number below.

Sincerely,

A handwritten signature in cursive script that reads 'Bradley W. Pearson'.

Brad Pearson
Landman

bmg
Enclosures

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Certified Number	Sender	Recipient	Date Mailed	Delivery Status
92148969009997901772082765	Brenda Guzman	, BP AMERICA PRODUCTION COMPANY ATTN: CRAIG T FERGUSON, 737 N ELDRIDGE PARKWAY E3-12.173B, HOUSTON, TX, 77079 Code: HOWELL E 1 MV NSL	4/2/2019	Signature Pending
92148969009997901772082772	Brenda Guzman	, ROBERT UMBACH CANCER FOUNDATION, ZIA DATA SEARCH CORP AGENT PO BOX 2188, ROSWELL, NM, 88202-2188 Code: HOWELL E 1 MV NSL	4/2/2019	Signature Pending
92148969009997901772082789	Brenda Guzman	, NEW MEXICO STATE LAND OFFICE, PO BOX 1148, SANTA FE, NM, 87504 Code: HOWELL E 1 MV NSL	4/2/2019	Signature Pending