

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION OF HILCORP ENERGY  
COMPANY TO AMEND ORDER NO. R-10385,  
SAN JUAN COUNTY, NEW MEXICO.**

**CASE NO. 23438**

**HILCORP'S PREHEARING STATEMENT**

Hilcorp Energy Company, ("Hilcorp") (OGRID No. 372171), through its undersigned counsel, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Hilcorp Energy Company  
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Houston, Texas 77002

**ATTORNEYS**

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**STATEMENT OF THE CASE**

Hilcorp seeks an order to amend Order No. R-10385 to dismiss from the order approval to downhole commingle the Basin-Dakota Pool gas production with gas production from the Gallup formation within the wellbore of its Sunray H Com Well No. 6 well (API No. 30-045-29242).

Hilcorp is the operator of the Sunray H Com Well No. 6 well (API No. 30-045-29242), which located 820 feet from the north line and 1,060 feet from the east line (Unit A) in Section 11, Township 30 North, Range 10 West, NMPM, San Juan County, New Mexico.

Order No. R-10385 authorizes the well to be simultaneously dedicated to a standard 160-acre, more or less, spacing unit within the Basin-Dakota Pool comprised of the NE/4 of said Section 11, and to a standard 320-acre, more or less, spacing unit within the Gallup formation comprised of the E/2 of the same Section.

Hilcorp now proposes to re-complete the well within the Mesaverde formation and to simultaneously dedicate it to a standard 320-acre, more or less, spacing unit in the Blanco-Mesaverde Gas Pool (Pool Code 72319) comprised of the N/2 of said Section 11.

Hilcorp filed an administrative application with the Division for such approval but was informed that because the Division had previously issued Order No. R-10385 after a hearing, the Division could not approve an additional downhole commingle request through an administrative application; Hilcorp could either amend Order No. R-10385 to authorize the additional pool for downhole commingling or it could dismiss the downhole commingling authorization from Order No. R-10385 and proceed its administrative application to downhole commingle all three pools.

Because administrative applications are more efficient than going to hearing, Hilcorp requests that Order No. R-10385 be amended to dismiss only that portion of the order providing authority to downhole commingle the Basin-Dakota Pool gas production with gas production from the Gallup formation within the wellbore of its Sunray H Com Well No. 6 well (API No. 30-045-29242).

**APPLICANT'S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Robert Carlson, Landman	Statement	Approximately 2

**PROCEDURAL MATTERS**

Hilcorp requests that the Division process and approve Hilcorp's pending administrative application before it enters an order dismissing from Order No. R-10385 approval to downhole commingle the Basin-Dakota Pool gas production with gas production from the Gallup formation within the wellbore of its Sunray H Com Well No. 6 well.

Respectfully submitted,

HOLLAND & HART LLP



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**Energy, Minerals and Natural Resources**  
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QUESTIONS  
  
Action 202502

QUESTIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 202502
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.