

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JULY 10, 2025**

CASE NO. 25438

WELL INCREASED DENSITY – SJ 29-7 UNIT 032 WELLS

RIO ARRIBA COUNTY, NEW MEXICO



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

**APPLICATION OF HILCORP ENERGY COMPANY FOR
AN EXCEPTION TO THE WELL DENSITY
REQUIREMENTS OF THE SPECIAL RULES AND
REGULATIONS FOR THE BASIN-DAKOTA GAS POOL,
RIO ARRIBA COUNTY, NEW MEXICO.**

CASE NO. 25438

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

**APPLICATION OF HILCORP ENERGY COMPANY FOR
AN EXCEPTION TO THE WELL DENSITY
REQUIREMENTS OF THE SPECIAL RULES AND
REGULATIONS FOR THE BASIN-DAKOTA GAS POOL,
RIO ARRIBA COUNTY, NEW MEXICO.**

CASE NO. 25438

APPLICATION

Hilcorp Energy Company, ("Hilcorp") (OGRID No. 372171), through its undersigned counsel, hereby files this application with the Oil Conservation Division for an order for an exception to the well density requirements of the Basin-Dakota Gas Pool (71599), Rio Arriba County, New Mexico. Specifically, Hilcorp seeks an exception to the well density requirements of Rule II.B of the Special Rules and Regulations of the Basin-Dakota Gas Pool to permit it to drill and complete two additional Dakota vertical and/or directional gas wells, making a total of five vertical and/or directional gas wells within the same standard 320-acre, more or less, spacing and proration unit. In support of this application, Hilcorp states:

1. Hilcorp is the operator of a standard 320-acre, more or less, spacing and proration unit in the Basin-Dakota Gas Pool comprised of the W/2 of Section 32, Township 29 North, Range 7 West, Rio Arriba County, New Mexico, in which the following three vertical and/or directional wells were drilled and completed, and are currently producing:

- a. San Juan 29-7 Unit 032A Well (API No. 30-039-22064), which is vertically drilled with a surface hole location in the SE/4 NW/4 (Unit F) of said Section 32;

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Submitted by: Hilcorp Energy Company
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- b. San Juan 29-7 Unit 032E Well (API No. 30-039-22411), which is vertically drilled with a surface location in NE/4 SW/4 (Unit K) of said Section 32; and
- c. San Juan 29-7 Unit 032N Well (API No. 30-039-30563), which is vertically drilled with a surface location in SE/4 SW/4 (Unit N) of said Section 32.

2. The Basin-Dakota Gas Pool is governed by Special Rules and Regulations which provide for 320-acre spacing and proration units on which as many as four wells may be drilled. See Order No. R-8170, as amended by Order No. R-10987-B, and superseded by Order No. R-10987-B(1), effective January 29, 2002. These Special Pool Rules and Regulations provide:

II. ACREAGE AND WELL LOCATION REQUIREMENTS

A. Standard GPU (Gas Proration Unit): *A standard GPU in the Basin-Dakota Pool shall be 320 acres, more or less, comprising any two contiguous quarter sections of a single section that is a legal subdivision of the U. S. Public Land Surveys.*

B. Well density:

(1) *Up to four (4) wells may be drilled on a GPU, as follows:*

- (a) *the FIRST OPTIONAL INFILL WELL drilled on a GPU shall be located in the quarter section not containing the INITIAL Dakota well;*
- (b) *the SECOND OPTIONAL INFILL WELL drilled on a GPU shall be located in a quarter-quarter section not containing a Dakota well and within a quarter section of the GPU not containing more than one (1) Dakota well;*
- (c) *the THIRD OPTIONAL INFILL WELL drilled on a GPU shall be located in a quarter-quarter section of the GPU not containing a Dakota well and within a quarter section of the GPU not containing more than one (1) Dakota well;*
- (d) *at the discretion of the operator, the second or third optional infill well may be drilled prior to the drilling of the first optional infill well;*

(e) no more than two wells shall be located within either quarter section in a GPU; and

(f) any deviation from the above-described well density requirements shall be authorized only after hearing..

3. The objective formation in each of the above-described wells in Paragraph 1 is the Basin-Dakota Gas Pool, and each well was permitted and drilled with a Dakota completion.

4. Hilcorp now proposes to simultaneously dedicate and produce the following additional wells within the same standard spacing and proration unit, at the following locations:

- a. **San Juan 29-7 Unit 032P Well** (API No. 30-039-PENDING), to be directionally drilled with a surface hole location in the SE/4 NW/4 (Unit F) and bottom-hole location in the SW/4 NW/4 (Unit E); and
- b. **San Juan 29-7 Unit 032Q Well** (API No. 30-039-PENDING), to be directionally drilled with a surface hole location in the SE/4 NW/4 (Unit F) and bottom-hole location in the NE/4 SW/4 (Unit K).

5. Hilcorp therefore requests that the Division enter an order granting an exception to the well density requirements of Rule II.B of the Special Rules and Regulations of the Basin-Dakota Pool to authorize Hilcorp to simultaneously dedicate and produce the **San Juan 29-7 Unit 032P Well** (API No. 30-039-PENDING) and the **San Juan 29-7 Unit 032Q Well** (API No. 30-039-PENDING), within the W/2 of Section 32, Township 29 North, Range 7 West, permitting the total number of vertical and/or directionally drilled wells dedicated and producing within this spacing and proration unit to five.

6. Approval of this application will not impair the correlative rights of any other interest owner in the Basin-Dakota Gas Pool and will afford Hilcorp the opportunity to produce incremental reserves from this spacing unit, avoiding waste.

7. Approval of this application will be in the best interest of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, Hilcorp Energy Company requests that this application be set before an Examiner of the Oil Conservation Division on July 10, 2025, and, after notice and hearing as required by law, that the Division enter an order:

- Granting an exception to the well density requirements of Rule II.B of the Special Rules and Regulations of the Basin-Dakota Gas Pool (71599) permitting the total number of vertical and/or directional wells dedicated and producing within this spacing and proration unit to five; and
- Authorizing Hilcorp to simultaneously complete and produce the **San Juan 29-7 Unit 32P Well** (API No. 30-039-PENDING) and the **San Juan 29-7 Unit 032Q Well** (API No. 30-039-PENDING) from the Basin-Dakota Gas Pool.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
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Santa Fe, NM 87504
505-988-4421
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ATTORNEYS FOR HILCORP ENERGY COMPANY

CASE _____: **Application of Hilcorp Energy Company for an Exception to the Well Density Requirements of the Special Rules and Regulations of the Basin-Dakota Gas Pool, Rio Arriba County, New Mexico.** Applicant in the above-styled cause seeks an order for an exception to the well density requirements of Rule II.B of the Special Rules and Regulations for the Basin-Dakota Gas Pool (71599), Rio Arriba County, New Mexico, to permit it to drill and complete two additional Basin-Dakota vertical and/or directional gas wells, making a total of five vertical and/or directional gas wells within the same standard 320-acre, more or less, spacing and proration unit comprised of the W/2 of Section 32, Township 29 North, Range 7 West, Rio Arriba County, New Mexico. Hilcorp further seeks approval for the proposed locations of the **San Juan 29-7 Unit 032P Well** (API No. 30-039-PENDING), to be directionally drilled with a surface hole location in the SE/4 NW/4 (Unit F) and bottom-hole location in the SW/4 NW/4 (Unit E), and the **San Juan 29-7 Unit 032Q Well** (API No. 30-039-PENDING), to be directionally drilled with a surface hole location in the SE/4 NW/4 (Unit F) and bottom-hole location in the NE/4 SW/4 (Unit K), and authorization to simultaneously complete and produce both wells from the Basin-Dakota Gas Pool. Said area is located approximately 13 miles southeast of Blanco, NM.

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CASE NO. 25438

SELF-AFFIRMED STATEMENT OF GATEWOOD BROWN

1. My name is Gatewood Brown. I work for Hilcorp Energy Company ("Hilcorp") as a Landman.
2. I have previously testified before the New Mexico Oil Conservation Division ("Division") as an expert witness in petroleum land matters. My credentials as a landman have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Hilcorp in this case, and I am familiar with the status of the lands in the subject areas.
4. None of the affected parties in this case has indicated opposition, and therefore I do not expect any opposition at the hearing.
5. Hilcorp seeks an exception to the well density requirements of Rule II.B of the Special Rules and Regulations of the Basin-Dakota Gas Pool (71599) to permit it to drill and complete two additional Basin-Dakota vertical and/or directional gas wells, making a total of five vertical and/or directional gas wells within the same standard 320-acre, more or less, spacing and proration unit.

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6. The Basin-Dakota Gas Pool is governed by Special Rules and Regulations which provide for 320-acre spacing and proration units on which as many as four wells may be drilled. *See* Order No. R-8170, as amended by Order No. R-10987-B, and superseded by Order No. R-10987-B(1), effective January 29, 2002. The Special Rules also provide that well density exceptions can be approved only after notice and hearing.

7. Hilcorp is the operator of a standard 320-acre, more or less, spacing and proration units in the Basin-Dakota Gas Pool comprised of the W/2 of Section 32, Township 29 North, Range 7 West, Rio Arriba County, New Mexico, in which the following three vertical and/or directional wells were drilled and completed, and are currently producing:

- a. San Juan 29-7 Unit 032A Well (API No. 30-039-22064), which is vertically drilled with a surface hole location in the SE/4 NW/4 (Unit F) of said Section 32;
- b. San Juan 29-7 Unit 032E Well (API No. 30-039-22411), which is vertically drilled with a surface location in NE/4 SW/4 (Unit K) of said Section 32; and
- c. San Juan 29-7 Unit 032N Well (API No. 30-039-30563), which is vertically drilled with a surface location in SE/4 SW/4 (Unit N) of said Section 32.

8. Hilcorp now proposes to simultaneously dedicate and produce the following additional wells within the same standard spacing and proration unit, at the following locations:

- a. **San Juan 29-7 Unit 032P Well** (API No. 30-039-PENDING), to be directionally drilled with a surface hole location in the SE/4 NW/4 (Unit F) and bottom-hole location in the SW/4 NW/4 (Unit E); and
 - b. **San Juan 29-7 Unit 032Q Well** (API No. 30-039-PENDING), to be directionally drilled with a surface hole location in the SE/4 NW/4 (Unit F) and bottom-hole location in the NE/4 SW/4 (Unit K).
9. Hilcorp therefore requests that the Division enter an order granting an exception to the well density requirements of Rule II.B of the Special Rules and Regulations of the Basin-Dakota Pool to authorize Hilcorp to simultaneously dedicate and produce the **San Juan 29-7 Unit 032P Well** (API No. 30-039-PENDING) and the **San Juan 29-7 Unit 032Q Well** (API No. 30-039-PENDING), within the W/2 of Section 32, Township 29 North, Range 7 West, permitting the total number of vertical and/or directionally drilled wells dedicated and producing within this spacing and proration unit to five.
10. The proposed simultaneous dedication of the proposed wells will target development of incremental Basin-Dakota gas reserves in areas where there is not adequate gas drainage.
11. Pursuant to the Special Rules and Division precedent, Hilcorp provided notice to all Division-designated operators in offsetting 320-acre spacing units. Where Hilcorp is the operator, Hilcorp identified all working interest owners in offsetting spacing units as affected parties requiring notice. In some offsetting spacing units, Hilcorp may own 100% of the working interest, in which case there are no affected parties to notice.

12. **Hilcorp Exhibit B-1** is an overview map identifying the location of the subject Basin-Dakota Gas Pool spacing unit to which the proposed wells will be dedicated.

13. Exhibit B-1 also identifies the locations of the existing Basin-Dakota wells as black circles. Also depicted are the proposed wells as red squares.

14. Exhibit B-1 also depicts the notice area, which is the area within the orange shading surrounding the subject spacing unit. Hilcorp has provided notice of this application to the operators within the notice area. In some instances, Hilcorp may be the operator of offsetting spacing units within the notice area, in which case notice of the application was provided to all the working interest owners within the notice area.

15. **Hilcorp Exhibit B-2** identifies the affected parties within the offsetting tracts/spacing units who are required to be noticed. I provided a list of all affected parties requiring notice to Holland & Hart LLP. All parties were locatable.

16. To the best of my knowledge, the addresses used to provide notice are valid and correct addresses which have been recently used by Hilcorp and at which mail has been received by the notice parties.

17. **Hilcorp Exhibits B-1 through B-2** were prepared by me or under my direction and supervision.

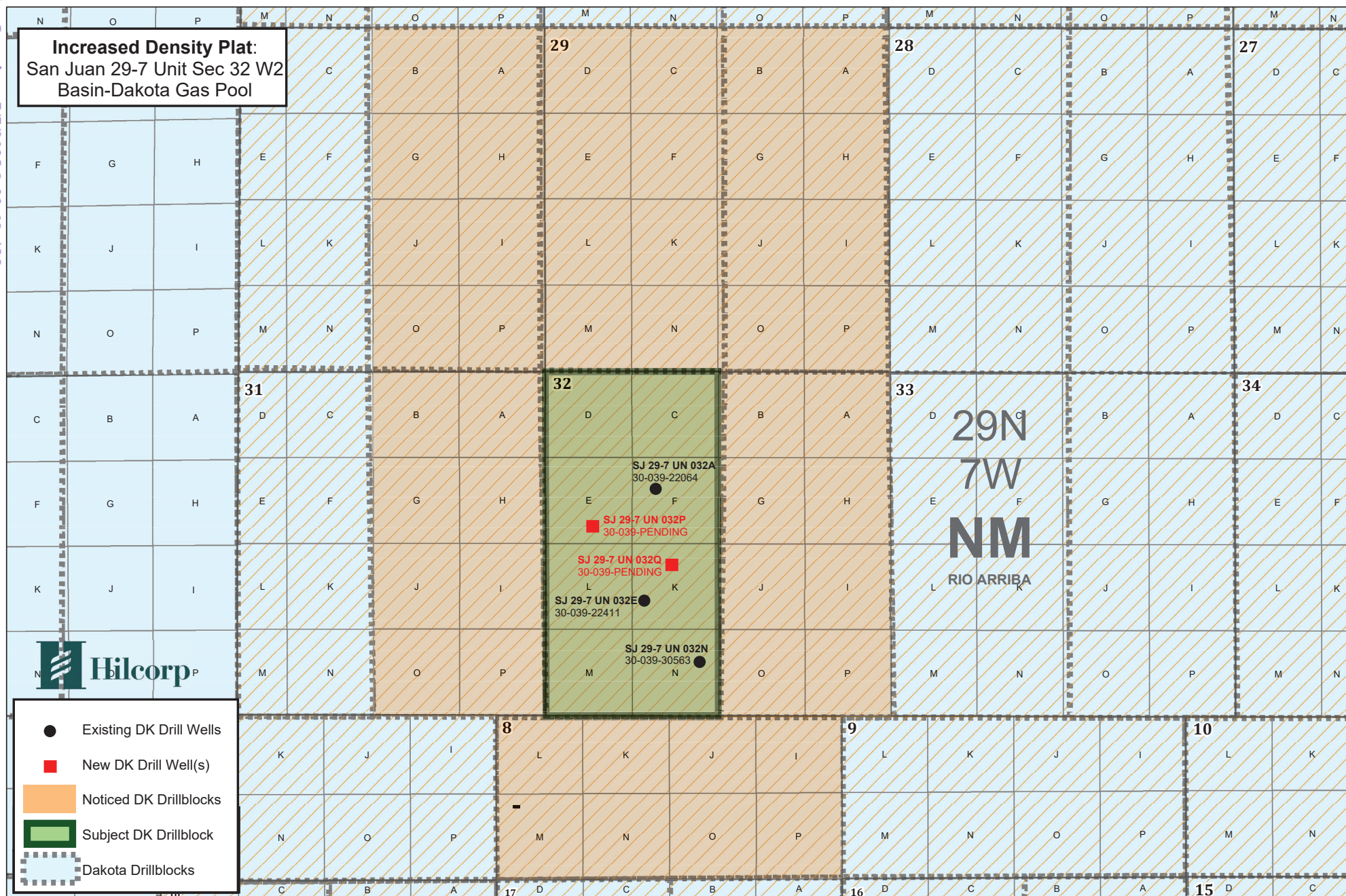
18. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Gatewood Brown

7/3/2024

Date



Owner Name

R L BOLIN PROPERTIES LTD
WILDCARD FAMILY LIMITED PARTNERSHIP
CROSS TIMBERS ENERGY LLC
T H MCELVAIN OIL & GAS LLLP
TAMACAM LLC
J&M RAYMOND LTD
BOLIN RESOURCES LP
LANCE REEMTSMA
DIRK VANHORN REEMTSMA
DAVID PIERCE & MAXINE PIERCE REV TR
ENDURING RESOURCES IV LLC
SIMCOE LLC
SILVERADO OIL & GAS LLP
PIONEER NATURAL RES USA INC
JAMES R BEAMON
ROBERT WALTER LUNDELL
SHARON BEAMON BURNS
SUSAN BEAMON PORTER
DUGAN PRODUCTION CORP
LINDA JEANNE LUNDELL LINDSEY
JUNE SIMMONS LIVELY
CLAUDIA MARCIA LUNDELL GILMER
W G PEAVY OIL COMPANY
LORELEI VON SCHILLING
CAROLYN BEAMON TILLEY
BOFB LTD
CB LIFELINE PARTNERSHIP
GB SAFEWAY PROPERTY LTD
MUSTANG ENERGY RESOURCES LLC
LANA S. SMITH
VICKI SMITH THAXTON

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SELF-AFFIRMED STATEMENT OF GRIFFIN SELBY

1. My name is Griffin Selby. I work for Hilcorp Energy Company ("Hilcorp") as a reservoir engineer.
2. I have not previously testified before the New Mexico Oil Conservation Division as an expert in reservoir engineering. Attached as **Hilcorp Exhibit C-1** is my resume, which summarizes my education and work experience as a reservoir engineer. I ask that my credentials as an expert in reservoir engineering be accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Hilcorp in this case and have conducted an engineering study of the subject area and of the Basin-Dakota Gas Pool.
4. I used a decline curve analysis on existing wells to estimate ultimate recoveries for the subject spacing unit under the existing well density. I then compared the estimated ultimate gas recoveries against log-derived volumetric calculations for the original gas in place with the cumulative gas production in the spacing unit.
5. Using this approach, we identified areas, including the subject spacing unit, that have substantial remaining recoverable gas and lower-than-expected gas recoveries where

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additional well bores or well completions are necessary to adequately drain remaining gas reserves.

6. **Hilcorp Exhibit C-2** contains information relating to the subject spacing unit and the general location of the additional wells proposed to be drilled and simultaneously dedicated within the subject spacing unit:

- a. **San Juan 29-7 Unit 032P Well** (API No. 30-039-PENDING), to be directionally drilled with a surface hole location in the SE/4 NW/4 (Unit F) and bottom-hole location in the SW/4 NW/4 (Unit E); and
- b. **San Juan 29-7 Unit 032Q Well** (API No. 30-039-PENDING), to be directionally drilled with a surface hole location in the SE/4 NW/4 (Unit F) and bottom-hole location in the NE/4 SW/4 (Unit K).

7. These will be the third and fourth Basin-Dakota completions within the spacing unit. I anticipate that they will help drain the northern portion of the spacing unit.

8. **Hilcorp Exhibit C-3** is a basin-wide map reflecting Hilcorp's calculations for original gas in place across the Basin-Dakota Gas Pool. The warmer colors represent areas where there is more original gas in place. The cooler colors indicate areas where there is less original gas in place. The yellow star indicates the location of the subject wells, which is in an area where Hilcorp calculated moderately high volumes of original gas in place.

9. **Exhibit C-4** is a map depicting the calculated cumulative gas production from the Basin-Dakota Gas Pool. The yellow star identifies the location of the subject wells where there is relatively low cumulative gas production.

10. **Exhibit C-5** is a map depicting calculated remaining recoverable gas. The cooler colors indicate areas where there is relatively less remaining recoverable gas. The warmer colors reflect areas where there is relatively more remaining recoverable gas. The yellow star identifies the location of the subject wells, which are in an area where Hilcorp calculated that there is remaining recoverable gas and relatively low cumulative production under the existing well density.

11. **Exhibit C-6** is a table that supports this volumetric analysis. The first column titled "Volumetric OGIP" reflects the calculated volumetric original gas in place on a section basis around the subject spacing unit. The column titled "CTD/RF%" shows the cumulative gas production to date on a section basis and the calculated recovery factor. The column titled "EUR/RF%" shows the estimated ultimate gas recovery and recovery factor calculated on a section basis. And the last column tabulates the total recoverable gas remaining on a section basis. I calculated the recoverable gas remaining within the subject spacing unit is approximately 5.3 Bcf.

12. I would expect recovery factors of approximately 70-80% in a gas pool of this type. The relatively low recovery factors in Exhibit C-6 indicate that this area is not being sufficiently drained by the existing wells in the subject spacing unit under the existing well density and that additional well bores, or completions, are necessary to adequately drain the Basin-Dakota Gas Pool in this area.

13. Approval of Hilcorp's application is therefore necessary to drain the unrecovered gas reserves that will otherwise be left in place under the existing well density within the subject spacing unit.

14. In my opinion, granting this application will not impair the Basin-Dakota Gas Pool, and will be in the interest of conservation, the prevention of waste and will protect correlative rights.

15. **Hilcorp Exhibits C-1 through C-6** were prepared by me or under my direction and supervision.

16. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Griffin Selby

7/3/25

Date

Griffin Selby

Oil & gas professional with over four years upstream experience in unconventional and conventional assets. Experienced in presenting results across an organization's staff & leadership.

✉ Griffin.Selby@hilcorp.com 📞 (205) 835-0423 📍 Houston, TX

Hilcorp Energy Company

Reservoir Engineer

Houston, TX (August 2023-Present)

- San Juan Basin; responsible for identifying & evaluating recompletes in the Fruitland Coal
- Executed 20 fracs at 1.84 PVR10, improved PVR10 from a 1.3 in 2023 through efforts via technical analysis/field studies
- High graded 74 MMBoe of PNP reserves to target tier 1 projects to be converted to PDP
- Planned future projects through multiple regulatory hurdles on permitting front in New Mexico
- Supported team assembling depletion and capital spend plan to meet CAPEX and CF goals
- Responsible for updating reserves at midyear and year end & compiling quarterly metric reviews

Ovintiv

Facilities Engineer

The Woodlands, TX (July 2022-June 2023)

- Managed design & construction of multi-well production facilities in the Bakken. Performed P&ID drawing reviews, sourcing and selection of equipment, and bidding of mechanical labor services. Maintained a record of zero recordable safety incidents while in role.
- Created location designs that allowed opportunities for facilities construction to be simultaneous with drilling & completions operations, significantly reducing cycle times. Team was required to remain agile through dynamic drill schedule and successfully pivot projects quickly.
- Responsible for sourcing freshwater for frac fluid. Worked with surface land & Federal/State regulatory agencies, designed transfer hydraulics, sourced bids for heating & water transfer services in the Bakken.
- Planned & designed Ovintiv's first procedure for redeploying facility equipment in the Bakken, saving over \$400M of net capital.

Reservoir Engineer

The Woodlands, TX (July 2021-July 2022)

- Responsible for 150+ wells in the Uinta basin for budget outlook and forecasting production. Basin exceeded full year goals at 21.6 Mboe/day generating more than \$280MM of free cash flow.
- Evaluated 13 existing vertical wells that could be recompleted; planned & executed stretch goal to bring four wells online in two quarters, adding 290 NBOPD annualized through the full year.
- Assessed competitor data to analyze performance relative to Ovintiv's type curves. Discovered completion design differences that led team to better understand production results from offset wells.

Drilling & Completions Engineer

The Woodlands, TX (July 2020-July 2021)

- Responsible for spudder rig operations in SCOOP/STACK on ~35 wells and over \$4MM in capital.
- Organized risk analysis used to identify areas where shallow gas could be present during surface hole operations. Engineered design to mitigate risks during drilling.
- Evaluated possible innovations with dual fuel & electric frac fleets, quantified potential cost savings.

Production Engineer

Okarche, OK (July 2019-July 2020)

- Field based engineer in SCOOP/STACK. Team was responsible for successfully maintaining base production of 123 Mboe/d at 7.5% below OPEX budget of \$132MM throughout the full year.
- Directly responsible for operating 40 wells and coordinating associated well work with zero safety incidents.
- De-risked and quantified surface leak potential on wells in proximity to saltwater disposal injection wells.
- Navigated through unique challenges associated with COVID pandemic and negative commodity price environment.

Covey Park Energy

Production Engineering Intern

Marshall, TX (Summer, 2018)

- Internship with focus on production operations in Haynesville Shale.
- Completed evaluation of potential artificial lift methods on 100+ wells in the Elm Grove field. Presented results to asset managers and engineers within the company.
- Consolidated well data into improved format for engineers and field staff.
- Valuable learning experience with exposure to drilling, completions, and production operations in the field and office.

RedZone Coil Tubing LLC

Engineering Intern

Kilgore, TX (Summer, 2017)

- Hands-on field experience with plug drill outs, toe preps, clean outs, and fishing jobs.
- Assisted in developing a new database to track inventory, personnel assignments/management, and trained field personnel on using the new database to improve documentation and efficiency.

EDUCATION

Louisiana State University

Baton Rouge, LA

B.S. Petroleum Engineering with minor in Business Administration | GPA: 3.41 | Graduation Date - May 2019
SPE/AADE Leadership Team Member

SOFTWARE EXPERIENCE

ARIES, PETRA, Spotfire, Harmony, PROSPER, Excel, Power BI, PIPESIM, Visio

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C-1

Submitted by: Hilcorp Energy Company

Hearing Date: July 10, 2025

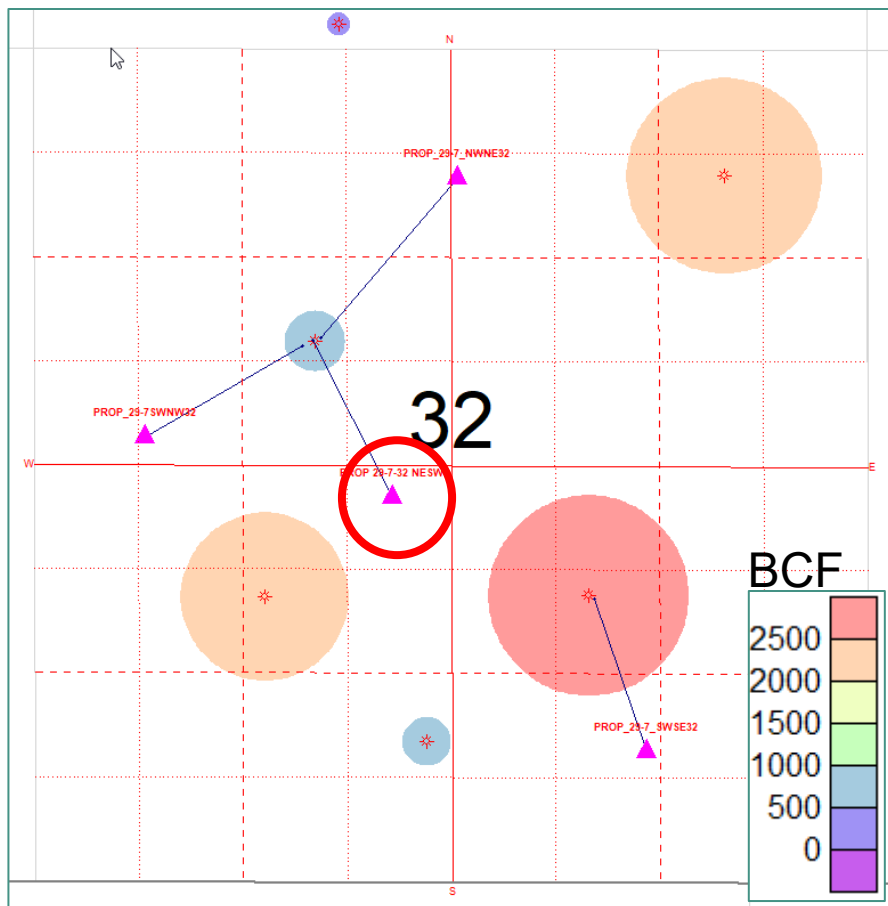
Case No. 25438

29-7 32



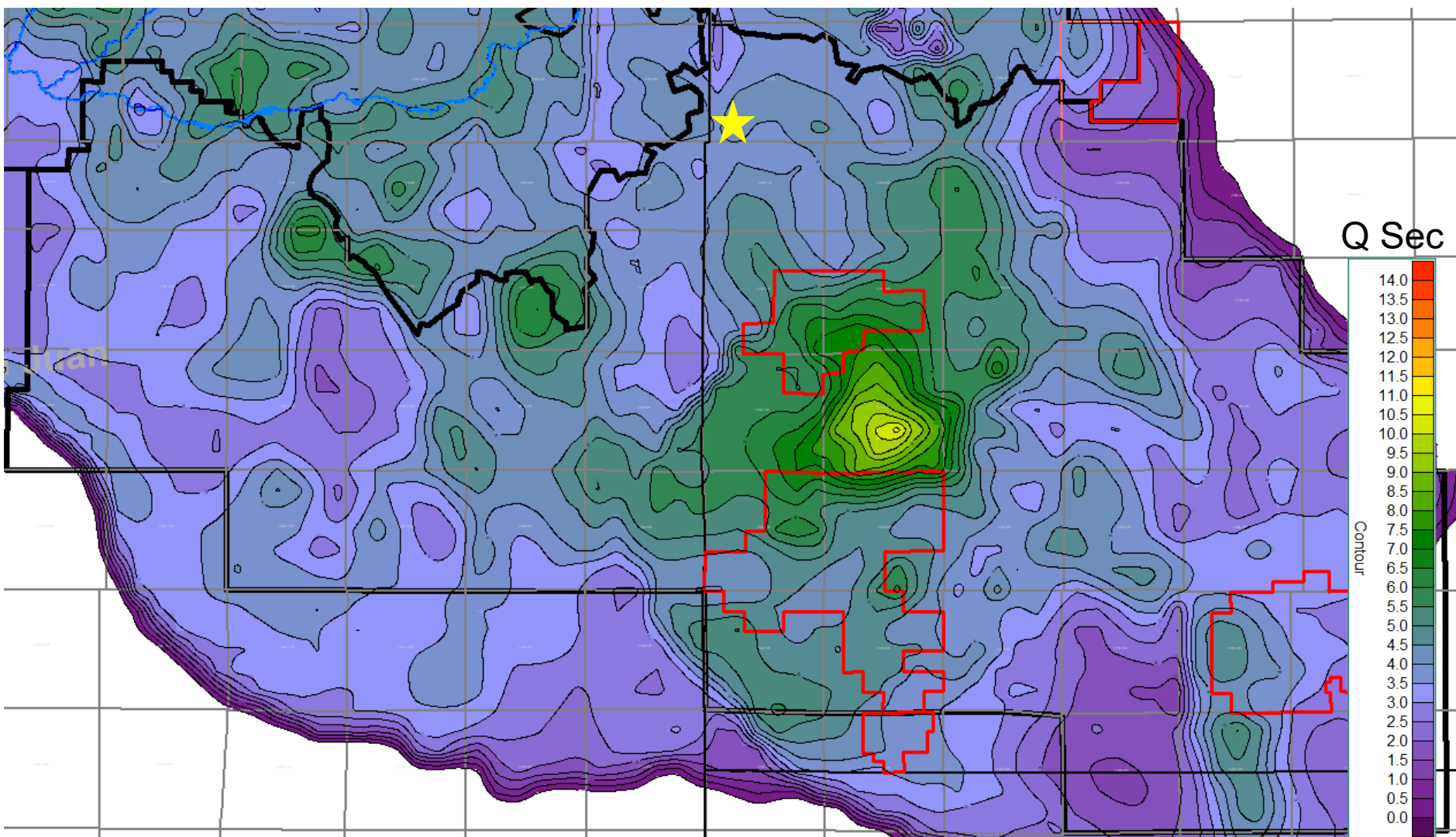
Overview

- Dakota developed at 8 wells per section (4 wells per 320 acres, 2 wells per 160 acres)
- Proposing two additional infill wells to fully deplete the reservoir
- Drilling from existing disturbances
- Will commingle Dakota with Mesaverde and Gallup reservoirs

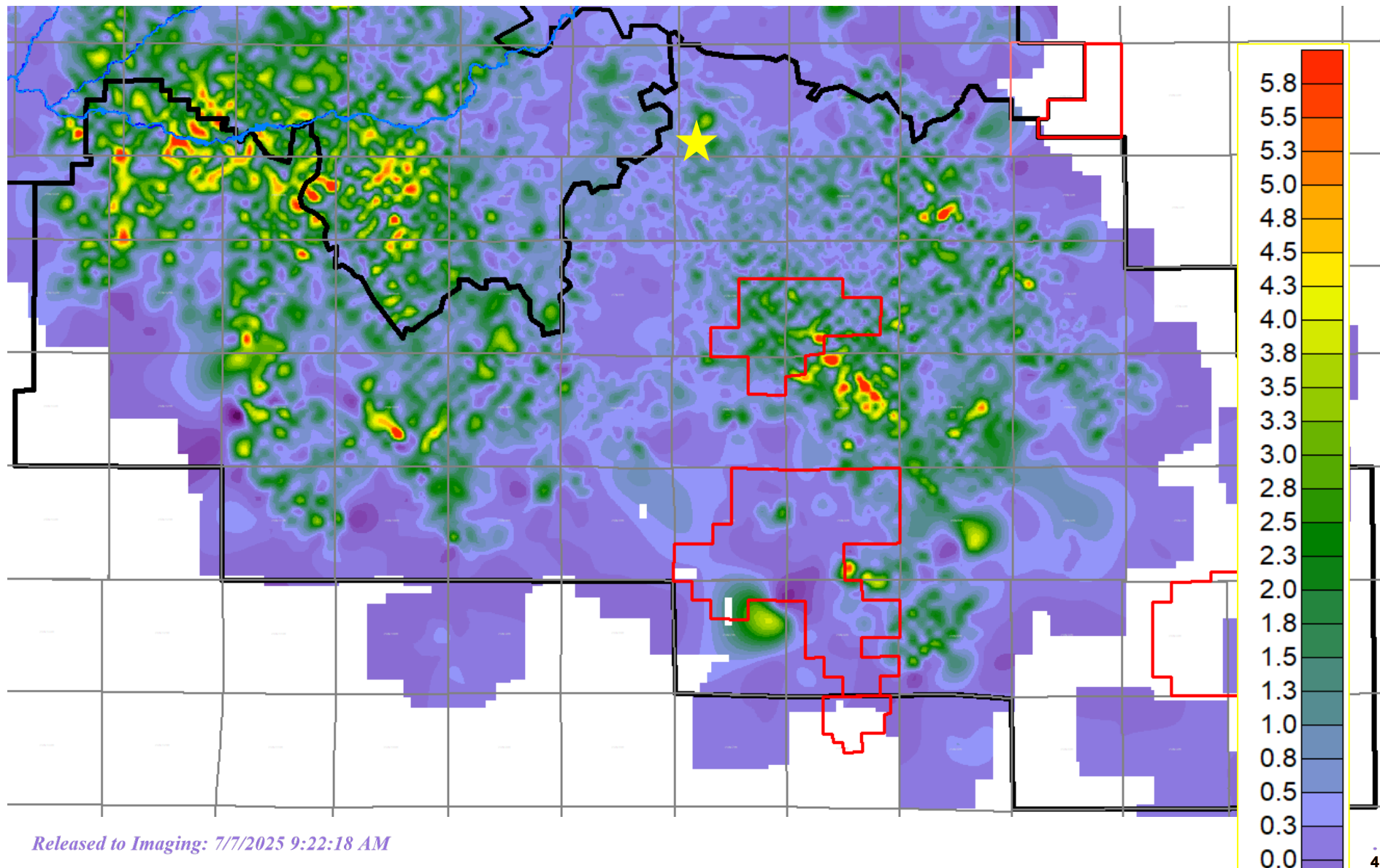




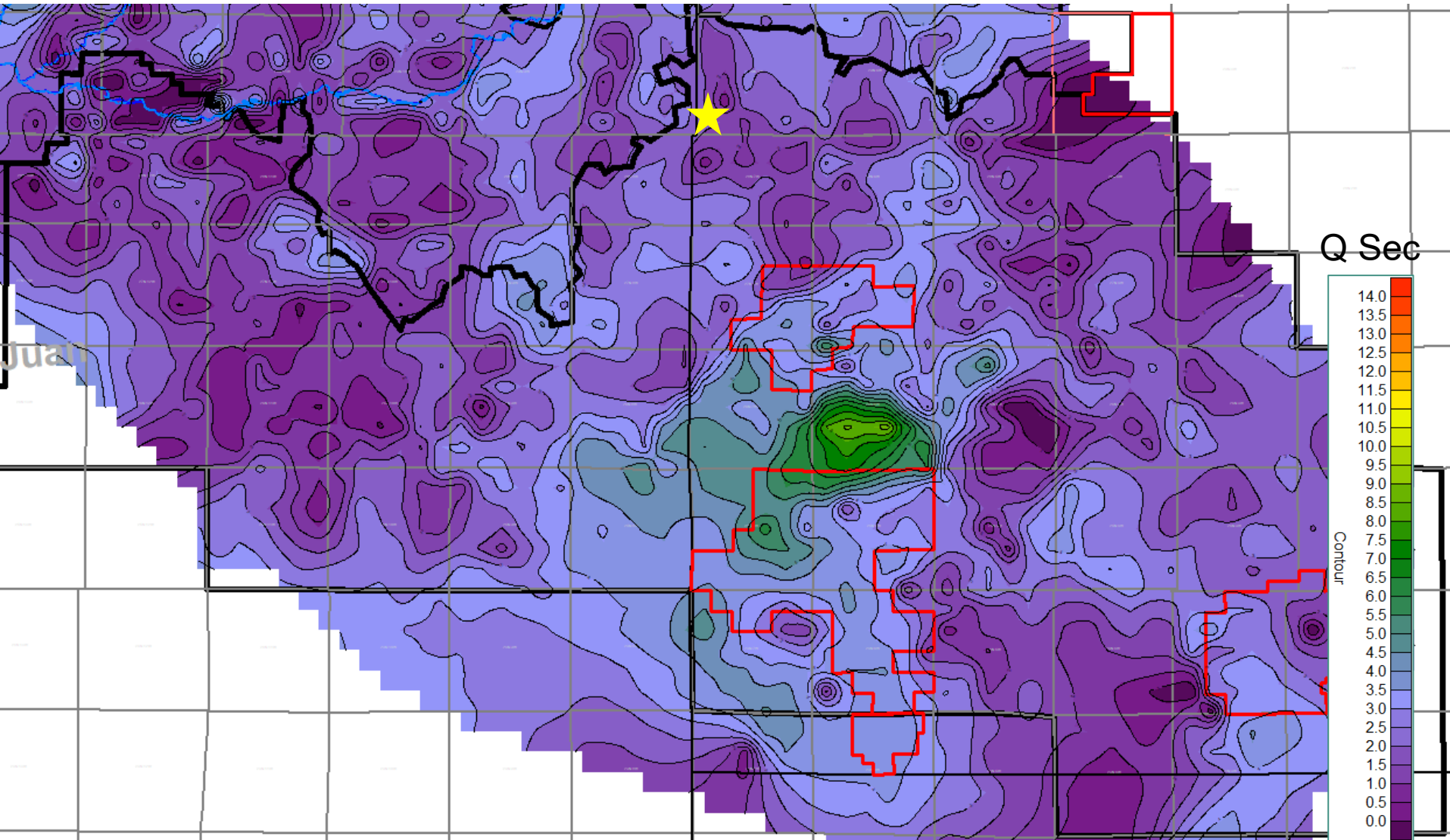
Dakota OGIP



Dakota Production



Dakota RGIP





Section Reserve Summary

Reference Area	Volumetric OGIP	CTD / RF%	EUR / RF%	Recoverable Gas Remaining
29-7 Section 32	16.84 BCF	7.3 BCF / 43%	8.17 BCF / 49%	5.3 BCF

- CTD= Cumulative Production to Date
- EUR= Estimated Ultimate Recovery and is based of Decline Curve Analysis
- Recoverable Gas Remaining assumes an 80% Recovery Factor

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Santa Fe, New Mexico
Exhibit No. C-6
Submitted by: Hilcorp Energy Company
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**SELF-AFFIRMED STATEMENT OF
PAULA M. VANCE**

1. I am attorney in fact and authorized representative of Hilcorp Energy Company (“Hilcorp”), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of June 27, 2025.

5. I caused a notice to be published to all parties subject to this compulsory pooling proceeding. An affidavit of publication from the publication’s legal clerk with a copy of the notice of publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

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Paula M. Vance

July 3, 2025

Date



Paula M. Vance
Associate
Phone (505) 988-4421
Fax (505) 954-7286
pmvance@hollandhart.com

June 20, 2025

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: AFFECTED PARTIES

Re: Application of Hilcorp Energy Company for an Exception to the Well Density Requirements of the Special Rules and Regulations of the Basin-Dakota Gas Pool, Rio Arriba County, New Mexico: San Juan 29-7 Unit 032P and 032Q Wells

Ladies & Gentlemen:

This letter is to advise you that Hilcorp Energy Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on July 10, 2025, and the status of the hearing can be monitored through the Division's website at <https://www.emnrd.nm.gov/ocd/>.

It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico. To participate virtually in the hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Gatewood D. Brown at (713) 289-2767 or gabrown@hilcorp.com.

Sincerely,

A handwritten signature in blue ink that reads "Paula M. Vance".

Paula M. Vance
ATTORNEY FOR HILCORP ENERGY COMPANY

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
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Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Hilcorp - Well Increased Density State Com Q013 and SJ 29-7 Unit 032 - Case nos. 25437-25438
Postal Delivery Report

9414811898765440464492	BOFB LTD	2104 Winter Sunday Way	Arlington	TX	76012-4941	We attempted to deliver your item at 1:43 pm on June 25, 2025 in ARLINGTON, TX 76012 and a notice was left because an authorized recipient was not available.
9414811898765440464447	Bolin Resources LP	2525 Kell Blvd Ste 510	Wichita Falls	TX	76308-1061	Your item was delivered to an individual at the address at 10:36 am on June 25, 2025 in WICHITA FALLS, TX 76308.
9414811898765440464485	Carolyn Beamon Tilley	4 Laureston Pl	Dallas	TX	75225-1830	We attempted to deliver your item at 6:09 pm on June 24, 2025 in DALLAS, TX 75225 and a notice was left because an authorized recipient was not available.
9414811898765440464430	CB Lifeline Partnership C/O Carolyn Tilley	4 Laureston Pl	Dallas	TX	75225-1830	We attempted to deliver your item at 6:09 pm on June 24, 2025 in DALLAS, TX 75225 and a notice was left because an authorized recipient was not available.
9414811898765440464515	Claudia Marcia Lundell Gilmer	723 W University Ave Ste 300-371	Georgetown	TX	78626-2662	Your item was delivered to the front desk, reception area, or mail room at 10:15 am on June 25, 2025 in GEORGETOWN, TX 78626.
9414811898765440464553	Cross Timbers Energy LLC	400 W 7th St	Fort Worth	TX	76102-4701	Your item was picked up at a postal facility at 9:07 am on June 25, 2025 in FORT WORTH, TX 76102.
9414811898765440464560	David Pierce & Maxine Pierce Rev Tr	PO Box 4140	Farmington	NM	87499-4140	Your item was picked up at a postal facility at 10:27 am on June 24, 2025 in FARMINGTON, NM 87499.
9414811898765440464522	Dirk Vanhorn Reemtsma	556 Crestwood Dr	Oceanside	CA	92058-7484	Your item was delivered to an individual at the address at 10:51 am on June 26, 2025 in OCEANSIDE, CA 92058.
9414811898765440464508	Dugan Production Corp	709 E Murray Dr	Farmington	NM	87401-6649	Your item arrived at the FARMINGTON, NM 87401 post office at 8:59 am on June 24, 2025 and is ready for pickup.

Hilcorp - Well Increased Density State Com Q013 and SJ 29-7 Unit 032 - Case nos. 25437-25438
Postal Delivery Report

9414811898765440464591	Enduring Resources IV LLC	6300 S Syracuse Way Ste 525	Centennial	CO	80111-6743	Your item was delivered to an individual at the address at 12:35 pm on June 23, 2025 in ENGLEWOOD, CO 80111.
9414811898765440464546	GB Safeway Property LTD	6140 Highway 6 PMB 154	Missouri City	TX	77459-3802	Your item was delivered to an individual at the address at 1:02 pm on June 25, 2025 in MISSOURI CITY, TX 77459.
9414811898765440464577	J&M Raymond LTD	PO Box 291445	Kerrville	TX	78029-1445	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765440465215	James R Beamon	6140 Highway 6 PMB 154	Missouri City	TX	77459-3802	Your item was delivered to an individual at the address at 12:55 pm on June 24, 2025 in MISSOURI CITY, TX 77459.
9414811898765440465260	June Simmons Lively	3529 Bellaire Dr N	Fort Worth	TX	76109-2110	Your item was delivered to an individual at the address at 10:50 am on June 27, 2025 in FORT WORTH, TX 76109.
9414811898765440465208	Lana S. Smith	8979 Baytowne Loop	Fort Myers	FL	33908-9609	Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.
9414811898765440465291	Lance Reemtsma	2601 Grant St	Berkeley	CA	94703-1915	We attempted to deliver your item at 9:51 am on June 24, 2025 in BERKELEY, CA 94703 and a notice was left because an authorized recipient was not available.
9414811898765440465246	Linda Jeanne Lundell Lindsey	PO Box 631565	Nacogdoches	TX	75963-1565	Your item departed our USPS facility in SHREVEPORT LA DISTRIBUTION CENTER on June 26, 2025 at 10:46 am. The item is currently in transit to the destination.

Hilcorp - Well Increased Density State Com Q013 and SJ 29-7 Unit 032 - Case nos. 25437-25438
Postal Delivery Report

9414811898765440465284	Lorelei Von Schilling	4008 Inwood Rd	Fort Worth	TX	76109-2603	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765440465239	Mustang Energy Resources LLC	1660 Lincoln St Ste 1450	Denver	CO	80264-1401	Your item arrived at our USPS facility in COLORADO SPRINGS CO DISTRIBUTION CENTER on June 27, 2025 at 1:01 am. The item is currently in transit to the destination.
9414811898765440465277	Pioneer Natural Res USA Inc.	Attn San Juan Land, PO Box 3178	Midland	TX	79702	Your item was picked up at a postal facility at 8:04 am on June 25, 2025 in MIDLAND, TX 79701.
9414811898765440465819	R L Bolin Properties LTD	2525 Kell Blvd Ste 510	Wichita Falls	TX	76308-1061	Your item was delivered to an individual at the address at 10:36 am on June 25, 2025 in WICHITA FALLS, TX 76308.
9414811898765440465864	Robert Walter Lundell	2450 Fondren Rd Ste 304	Houston	TX	77063-2316	Your item was delivered to an individual at the address at 3:11 pm on June 24, 2025 in HOUSTON, TX 77063.
9414811898765440465802	Sharon Beamon Burns	1512 Maryland St	Houston	TX	77006-1822	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765440465840	Silverado Oil & Gas LLP	PO Box 52308	Tulsa	OK	74152-0308	Your item has been delivered and is available at a PO Box at 9:39 am on June 24, 2025 in TULSA, OK 74152.
9414811898765440465833	Simcoe LLC	1199 Main Ave Ste 101	Durango	CO	81301-5170	Your item was delivered to the front desk, reception area, or mail room at 10:45 am on June 23, 2025 in DURANGO, CO 81301.
9414811898765440465710	Susan Beamon Porter	319 Knipp Forest St	Houston	TX	77024-5030	Your item has been delivered to an agent and left with an individual at the address at 7:11 pm on June 24, 2025 in HOUSTON, TX 77024.

Hilcorp - Well Incresed Desity State Com Q013 and SJ 29-7 Unit 032 - Case nos. 25437-25438
Postal Delivery Report

9414811898765440465758	T H Mcelvain Oil & Gas LLP	1819 Denver West Dr Ste 260	Lakewood	CO	80401-3118	Your item was delivered to an individual at the address at 12:45 pm on June 23, 2025 in GOLDEN, CO 80401.
9414811898765440465765	Tamacam LLC	263 Joe Rocky Rd	Raymond	WA	98577-9650	Your item arrived at our TACOMA WA DISTRIBUTION CENTER destination facility on June 26, 2025 at 6:53 pm. The item is currently in transit to the destination.
9414811898765440465727	Vicki Smith Thaxton	PO Box 52308	Tulsa	OK	74152-0308	Your item arrived at the Post Office at 9:37 am on June 24, 2025 in TULSA, OK 74114.
9414811898765440465703	W G Peavy Oil Company	221 Woodcrest Dr	Richardson	TX	75080-2038	Your item arrived at our COPPELL TX DISTRIBUTION CENTER destination facility on June 25, 2025 at 3:49 am. The item is currently in transit to the destination.
9414811898765440465789	Wildcard Family Limited Partnership	1601 Bryan St Ste 4300	Dallas	TX	75201-3477	Your item departed our USPS facility in OKLAHOMA CITY OK DISTRIBUTION CENTER on June 27, 2025 at 7:47 am. The item is currently in transit to the destination.

SANTA FE NEW MEXICAN

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BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. E

Submitted by: Hilcorp Energy Company

Hearing Date: July 10, 2025

Case No. 25438

HOLLAND AND HART
PO Box 2208
Santa Fe, NM 87504-2208

ACCOUNT: S1200
AD NUMBER: 98721
TAG LINE LEGAL #94043
P.O.#:

1 TIME(S)	\$149.80
AFFIDAVIT	10.00
TAX	13.08
TOTAL	172.88

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE

I, Alejandra Molina, being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe, Rio Arriba, San Miguel, and Los Alamos, State of New Mexico and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the Legal No 94043 a copy of which is hereto attached was published in said newspaper 1 day(s) between 06/25/2025 and 06/25/2025 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 25th day of June, 2025 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/s/

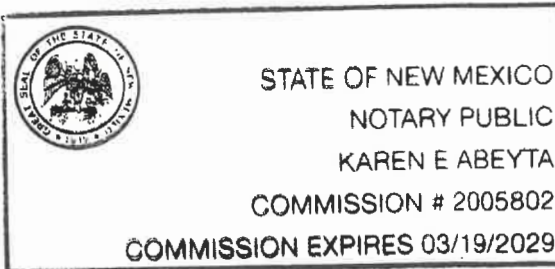
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 25th day of June, 2025

Notary

Commission Expires:

3/19/29



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LEGAL #94043 Gas Pool (71599), Rio Arriba County, New Mexico. Case No. 25438: Appli-Mexico, to permit it to cation of Hilcorp En-drill and complete ergy Company for antwo additional Basin-Exception to the WellDakota vertical and/or Density Requirementsdirectional gas wells, of the Special Rulesmaking a total of five and Regulations of thevertical and/or direc-Basin-Dakota Gastional gas wells within Pool, Rio Arribathe same standard County, New Mexico.320-acre, more or less, Notice to all affectedspacing and proration Interest owners, in-unit comprised of the cluding all heirs, de-W/2 of Section 32, visees and successorsTownship 29 North, of: BOFB LTD; Bolin Re-Range 7 West, Rio Ar-resources LP; Carolynriba County, New Beamon Tilley; CB Life-Mexico. Hilcorp fur-line Partnership C/Other seeks approval Carolyn Tilley Agent;for the proposed loca-Claudia Marcia Lundellitions of the San Juan Gilmer; Cross Timbers29-7 Unit 032P Well Energy LLC; David(API No. 30-039-PEND-Pierce & Maxine PlerceING), to be direction-Rev Tr; Dirk Vanhornally drilled with a Reemtsma; Dugan Pro-surface hole location duction Corp; Endur-in the SE/4 NW/4 (Unit ing Resources IV LLC;F) and bottom-hole lo-GB Safeway Propertycation in the SW/4 LTD; J&M RaymondNW/4 (Unit E), and the LTD; James R Beamon;San Juan 29-7 Unit June Simmons Lively;032Q Well (API No. 30-Lana S. Smilh; Lance039-PENDING), to be Reemtsma; Lindadirectionally drilled Jeanne Lundell Lind-with a surface hole lo-sey; Lorelei Voncation in the SE/4 Schilling; Mustang En-NW/4 (Unit F) and bot-ergy Resources LLC;tom-hole location in Pioneer Natural Resthe NE/4 SW/4 (Unit USA Inc.; R L Bolink), and authorization Properties LTD; Robertto simultaneously Walter Lundell; Sharoncomplete and pro-Beamon Burns; Silver-duce both wells from ado Oil & Gas LLP; Sim-the Basin-Dakota Gas coe LLC; SusanPool. Said area is lo-Beamon Porter; T Hcated approximately Mcelvain Oil & Gas13 miles southeast of LLP; Tamacam LLC;Blanco, NM. Vicki Smith Thaxton; W G Peavy Oil Com-PUB.: June 25, 2025 pany; and Wildcard Family Limited Part-nership. The State of New Mexico, Energy Minerals and Natural Resources Depart-ment, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearing 8:30 a.m. on July 10, 2025, to consider this application. The hear-ing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Nat-ural Resources Depart-ment, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the hear-ings electronically, see the instructions posted on the docket for the hearing date:<https://www.emnrd.nm.gov/ocd/hearing-info/> or con-tact Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov. Ap-plicant in the above-styled cause seeks an order for an exception to the well density re-quirements of Rule II.B of the Special Rules and Regulations for the Basin-Dakota