

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING MAY 31, 2018**

CASE NO. 16201

SAN JUAN 28-6 UNIT 205E

SAN JUAN COUNTY, NEW MEXICO



N 29-7

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 1
Submitted by: **Hilcorp Energy Co**
Hearing Date: May 31, 2018

Overview Map
San Juan 28-6

- Reservoir**
- DAKOTA
 - MESAVERDE
 - SJ 28-6 Unit 120 Well
 - SJ 28-6 Unit 120 Drillblock
 - SJ 28-6 Unit 120 Offset
 - SJ 28-6 Unit 117**
 - Reservoir**
 - DAKOTA
 - MESAVERDE
 - SJ 28-6 Unit 117 well
 - SJ 28-6 Unit 117 Drillblock
 - SJ 28 Unit 117 Offset
 - SJ 28-6 Unit 133 Wells**
 - Reservoir**
 - DAKOTA
 - MESAVERDE
 - SJ 28-6 Unit 133
 - SJ 28-6 Unit 133 Offset
 - SJ 28-6 Unit 133 Drillblock
 - SJ 28-6 Unit 205E**
 - Reservoir**
 - DAKOTA
 - MESAVERDE
 - SJ 28-6 Unit 205E well
 - SJ 28-6 Unit 205E Offset
 - SJ 28-6 Unit 205E Drillblock

SAN JUAN 29-6

SAN JUAN 28 6 UNIT 120 SAN JUAN 28 6 UNIT 117

SAN JUAN 28 6 UNIT 15 SAN JUAN 28 6 UNIT 10

SAN JUAN 28 6 UNIT 9 SAN JUAN 28 6 UNIT 8

SAN JUAN 28 6 UNIT 7 SAN JUAN 28 6 UNIT 6

SAN JUAN 28 6 UNIT 5 SAN JUAN 28 6 UNIT 4

SAN JUAN 28 6 UNIT 3 SAN JUAN 28 6 UNIT 2

SAN JUAN 28 6 UNIT 1 SAN JUAN 28 6 UNIT 0

RIO ARRIBA

SAN JUAN 28-6

SAN JUAN 28-6 UNIT 1

SAN JUAN 28-6 UNIT 2

SAN JUAN 28-6 UNIT 3

SAN JUAN 28-6 UNIT 4

SAN JUAN 28-6 UNIT 5

SAN JUAN 28-6 UNIT 6

SAN JUAN 28-6 UNIT 7

SAN JUAN 28-6 UNIT 8

SAN JUAN 28-6 UNIT 9

SAN JUAN 28-6 UNIT 10

SAN JUAN 28-6 UNIT 11

SAN JUAN 28-6 UNIT 12

SAN JUAN 28-6 UNIT 13

SAN JUAN 28-6 UNIT 14

SAN JUAN 28-6 UNIT 15

SAN JUAN 28-6 UNIT 16

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SAN JUAN 28-6 UNIT 27

SAN JUAN 28-6 UNIT 28

SAN JUAN 28-6 UNIT 29

SAN JUAN 28-6 UNIT 30

SAN JUAN 28-6 UNIT 31

SAN JUAN 28-6 UNIT 32

SAN JUAN 28-6 UNIT 33

SAN JUAN 28-6 UNIT 34

SAN JUAN 28-6 UNIT 35

SAN JUAN 28-6 UNIT 36

San Juan Basin
Rio Arriba County, NM

1111
Houston, TX 77002

File: BK 2012-231422

Scale: 1:25,000

Created: 1/2012

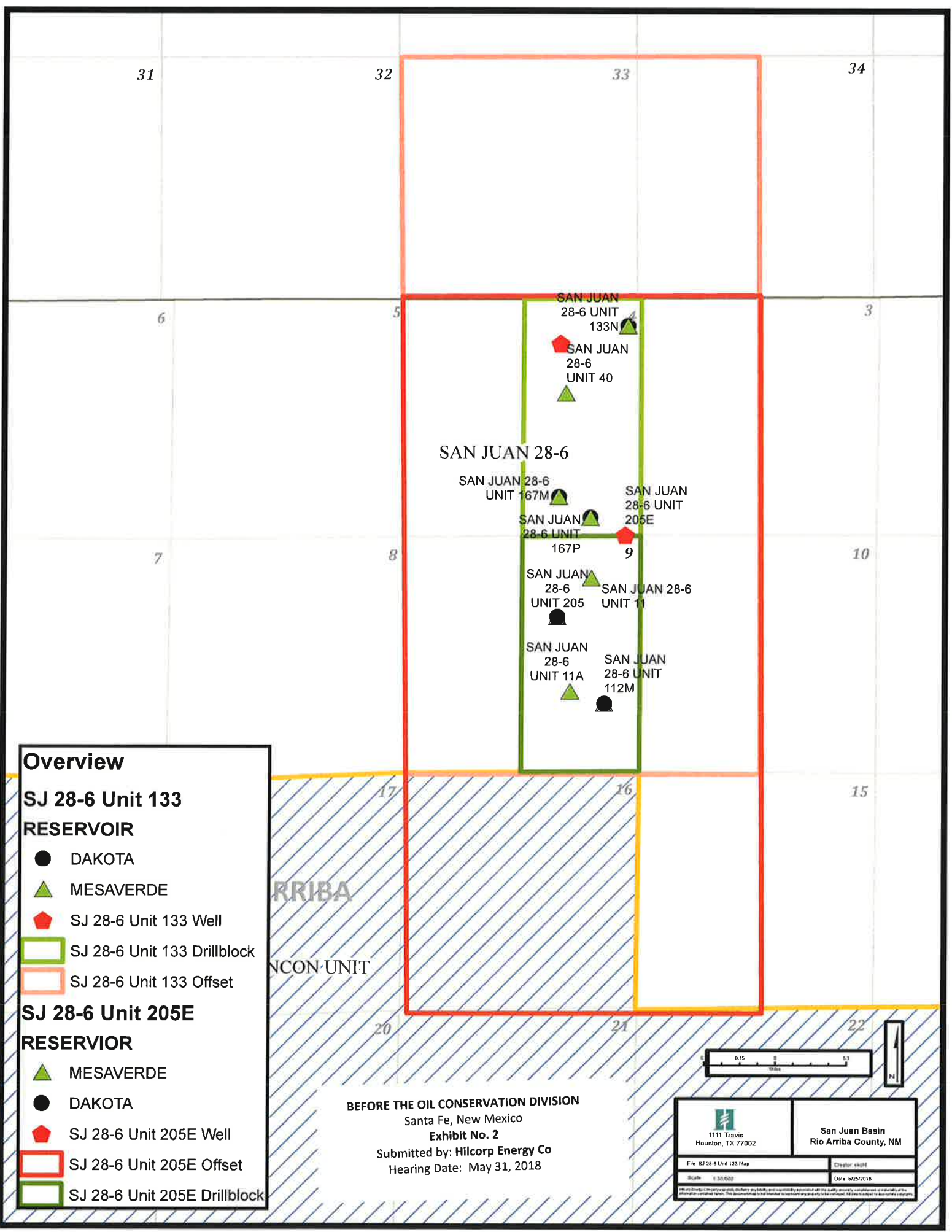
Drawn: 1/2012

Checked: 1/2012

Approved: 1/2012



RINCON UNIT



Overview

SJ 28-6 Unit 133

RESERVOIR

- DAKOTA
- ▲ MESAVERDE
- ◆ SJ 28-6 Unit 133 Well
- SJ 28-6 Unit 133 Drillblock
- SJ 28-6 Unit 133 Offset

SJ 28-6 Unit 205E

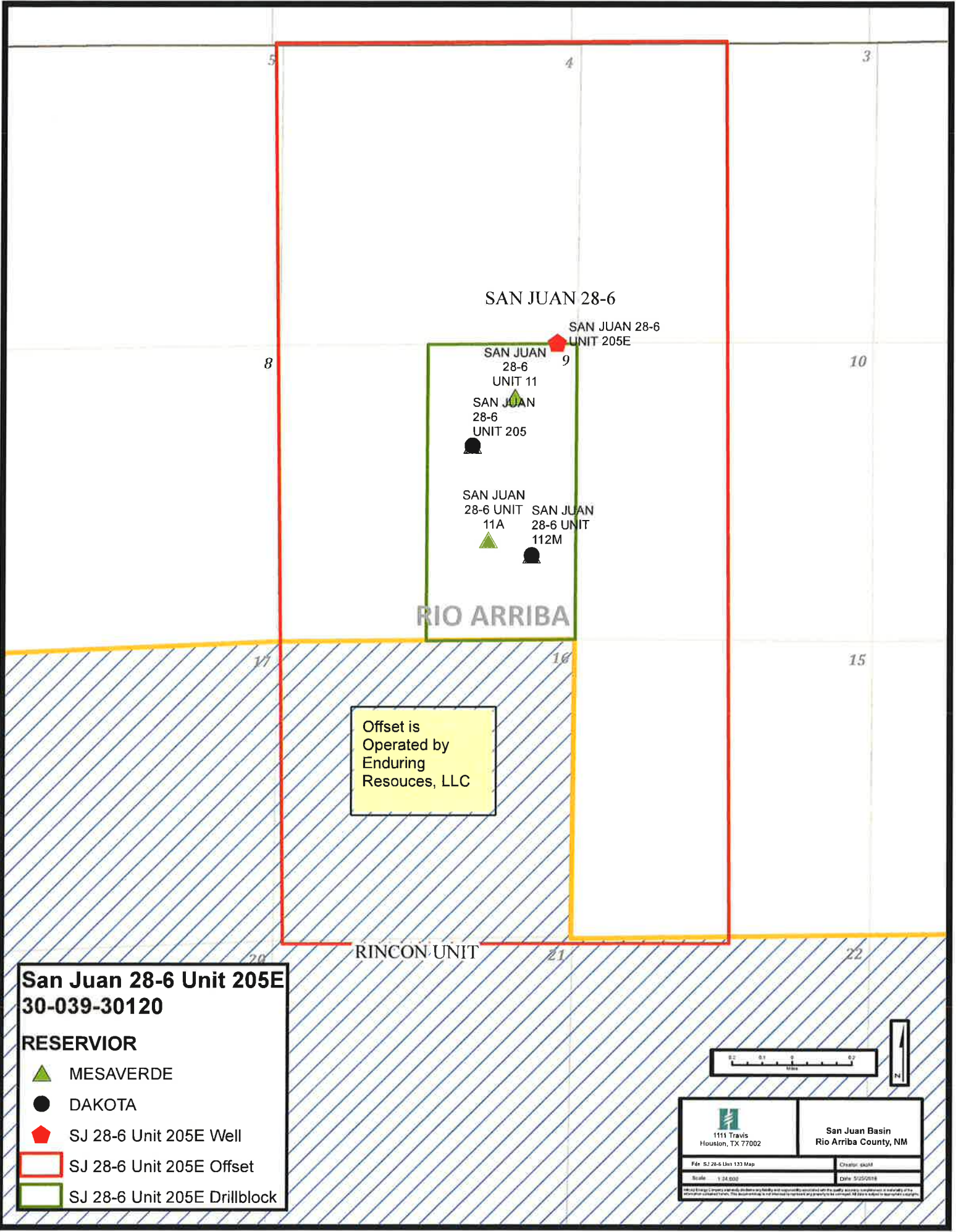
RESERVOIR

- ▲ MESAVERDE
- DAKOTA
- ◆ SJ 28-6 Unit 205E Well
- SJ 28-6 Unit 205E Offset
- SJ 28-6 Unit 205E Drillblock

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 2
Submitted by: **Hilcorp Energy Co**
Hearing Date: May 31, 2018



 1111 Travis Houston, TX 77002		San Juan Basin Rio Arriba County, NM	
File: SJ 28-6 Unit 133 Map		Drafter: skiff	
Scale: 1:30,000		Date: 5/25/2018	
Hilcorp Energy Company warrants that the data and information contained herein are true and correct to the best of its knowledge and belief. The user of this information is advised to verify the accuracy of the data and information contained herein. The user of this information is advised to verify the accuracy of the data and information contained herein.			



BP AMERICA PRODUCTION COMPANY	PO BOX 848103	DALLAS	TX	75284-8103	W0001
CROSS TIMBERS ENERGY LLC	400 W 7TH STREET	FT WORTH	TX	76102	W0001
JAMES R BEAMON	2603 AUGUSTA STE 1050	HOUSTON	TX	77057-5640	W0001
ROBERT WALTER LUNDELL	2450 FONDREN STE 304	HOUSTON	TX	77063-2318	W0001
SHARON BEAMON BURNS	122 ESTRADA REDONDA	SANTA FE	NM	87506-7933	W0001
SUSAN BEAMON PORTER	319 KNIPP FOREST	HOUSTON	TX	77024-5030	W0001
OMIMEX PETROLEUM	7950 JOHN T WHITE ROAD	FORT WORTH	TX	76120	W0001
T H MCELVAIN OIL & GAS LLLP	1050 17TH ST SUITE 2500	DENVER	CO	80265-2080	W0001
HARRINGTON ENERGY RESOURCES LP	A NM LP HARRINGTON SAN JUAN LLC	KANSAS CITY	MO	64121	W0001
	GP				
	PO BOX 219119				
HARRINGTON SOUTHWEST ENERGY LP	A NM LP HARRINGTON SAN JUAN LLC	KANSAS CITY	MO	64121	W0001
	GP				
	PO BOX 219119				
LINDA JEANNE LUNDELL LINDSEY	PO BOX 631565	NACOGDOCHES	TX	75963	W0001
TAMACAM LLC	JAMES M RAYMOND AFENT & AIF	KERRVILLE	TX	78029	W0001
	PO BOX 291445				
LORRAYN GAY HACKER	PO BOX 291445	KERRVILLE	TX	78029-1445	W0001
J&M RAYMOND LTD	RAYMOND & SONS I LLC GEN	KERRVILLE	TX	78029-1445	W0001
	PARTNER				
	PO BOX 291445				
CLAUDIA MARCIA LUNDELL GILMER	1102 S AUSTIN AVE	GEORGETOWN	TX	78626	W0001
CHARLES W GAY	PO BOX 291445	KERRVILLE	TX	78029-1445	W0001
CAROLYN BEAMON TILLEY	5225 PRESTON HAVEN	DALLAS	TX	75229	W0001
CB LIFELINE PARTNERSHIP	5225 PRESTON HAVEN DR	DALLAS	TX	75229	W0001
ROBERT E BEAMON III	2603 AUGUSTA DR STE 1050	HOUSTON	TX	77057-5797	W0001
ENDURING RESOURCES IV LLC	511 16TH STREET, SUITE 700	DENVER	CO	80202	W0001

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 3

Submitted by: Hilcorp Energy Co

Hearing Date: May 31, 2018

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

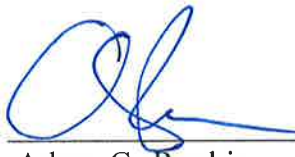
**APPLICATION OF HILCORP ENERGY
COMPANY FOR AN EXCEPTION TO THE
WELL DENSITY REQUIREMENTS OF THE
SPECIAL RULES AND REGULATIONS FOR
THE BLANCO-MESAVERDE GAS POOL,
RIO ARriba COUNTY, NEW MEXICO.**

CASE NO. 16201

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Adam G. Rankin, attorney in fact and authorized representative of **HILCORP
ENERGY COMPANY** the Applicant herein, being first duly sworn, upon oath, states that the
above-referenced Applications have been provided under the notice letters and proof of receipts
attached hereto.

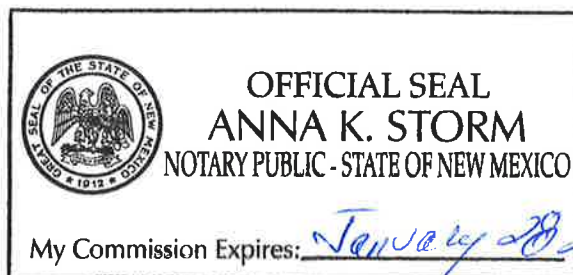

Adam G. Rankin

SUBSCRIBED AND SWORN to before me this 30th day of May, 2018 by Adam G. Rankin.


Notary Public

My Commission Expires:

January 28, 2019





April 16, 2018

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: AFFECTED PARTIES

**Re: Application of Black River Water Management Company, LLC for
a Salt Water Disposal Well and Authorization to Inject Through
Its Proposed Malaga SWD No. 4 Well, Eddy County, New Mexico.**

Ladies and Gentlemen:

This letter is to advise you that Black River Water Management Company, LLC ("Black River") has filed an administrative application with the New Mexico Oil Conservation Division seeking an order authorizing injection of produced water for disposal purposes through its proposed **Malaga SWD No. 4 well** (API No. 30-015-44514), with a surface location 1,489 feet from the North line and 490 feet from the West line (Unit E) of Section 11, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. Said well is located approximately 1 mile northeast of Malaga, New Mexico. A copy of the legal advertisement for this application is enclosed for your information. If you would like to review a copy of the Oil Conservation Division Form C-108, please contact the undersigned at the email or phone number provided above.

Any objection to this application must be filed in writing within twenty 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 no objection is received within this twenty-day period, this application may be approved administratively by the Division.

Sincerely,

Adam G. Rankin
**BLACK RIVER WATER MANAGEMENT COMPANY,
LLC**

10824337 2

	B	D	E	F	G	I	J	K
	TrackingNo	TransactionDate	ToCompanyName	ToName	DeliveryAddress	City	State	Zip
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2	9414810898765011214139	05/11/2018	BP AMERICA PRODUCTION COMPANY		PO BOX 848103	DALLAS	TX	75284
3	9414810898765011214146	05/11/2018	CROSS TIMBERS ENERGY LLC		400 W 7TH STREET	FT WORTH	TX	76102
4	9414810898765011214160	05/11/2018		JAMES R BEAMON	2603 AUGUSTA STE 1050	HOUSTON	TX	77057
5	9414810898765011214177	05/11/2018		ROBERT WALTER LUNDELL	2450 FONDREN STE 304	HOUSTON	TX	77063-2318
6	9414810898765011214184	05/11/2018		SHARON BEAMON BURNS	122 ESTRADA REDONDA	SANTA FE	NM	87506-7933
7	9414810898765011214191	05/11/2018		SUSAN BEAMON PORTER	319 KNIPP FOREST	HOUSTON	TX	77024-5030
8	9414810898765011214207	05/11/2018	OMIMEX PETROLEUM		7950 JOHN T WHITE ROAD	FORT WORTH	TX	76120
9	9414810898765011214214	05/11/2018	T H MCELVAIN OIL & GAS LLLP		1050 17TH ST SUITE 2500	DENVER	CO	80265-2080
10	9414810898765011214221	05/11/2018	HARRINGTON ENERGY RESOURCES LP		PO BOX 219119	KANSAS CITY	MO	64121
11	9414810898765011214238	05/11/2018	HARRINGTON SOUTHWEST ENERGY LP		PO BOX 219119	KANSAS CITY	MO	64121
12	9414810898765011214245	05/11/2018		LINDA JEANNE LUNDELL LINDSEY	PO BOX 631565	NACOGDOCHES	TX	75963
13	9414810898765011214252	05/11/2018	TAMACAM LLC c/o JAMES M RAYMOND AFENT & AIF		PO BOX 291445	KERRVILLE	TX	78029
14	9414810898765011214269	05/11/2018		LORRAYN GAY HACKER	PO BOX 291445	KERRVILLE	TX	78029-1445
15	9414810898765011214276	05/11/2018	J&M RAYMOND LTD RAYMOND & SONS I LLC GEN PARTN		PO BOX 291445	KERRVILLE	TX	78029-1445
16	9414810898765011214283	05/11/2018		CLAUDIA MARCIA LUNDELL GILMER	1102 S AUSTIN AVE	GEORGETOWN	TX	78626
17	9414810898765011214290	05/11/2018		CHARLES W GAY	PO BOX 291445	KERRVILLE	TX	78029-1445
18	9414810898765011214306	05/11/2018		CAROLYN BEAMON TILLEY	5225 PRESTON HAVEN	DALLAS	TX	75229

SummaryTrackingReport_2018-May-25_1555San Juan Unit 205E

	N	R	U	X	Y
1	MailDate	ERR_SigDate	USPS_Status	Last_Modified	Continue_Processing
2	05/11/2018	05/15/2018	Your item was delivered at 9:14 am on May 14, 2018 in DALLAS, TX 75284.	2018-05-16 06:04:03	NO
3	05/11/2018	05/15/2018	Your item has been delivered to the mail room at 10:20 am on May 14, 2018 in FORT WORTH, TX 76102.	2018-05-16 06:04:10	NO
4	05/11/2018	05/20/2018	Your item was delivered to an individual at the address at 6:13 pm on May 19, 2018 in HOUSTON, TX 77057.	2018-05-21 03:09:44	NO
5	05/11/2018	05/16/2018	Your item has been delivered to the mail room at 10:50 am on May 15, 2018 in HOUSTON, TX 77063.	2018-05-17 04:16:10	NO
6	05/11/2018		The item is currently in transit to the next facility as of May 16, 2018.	2018-05-12 05:34:42	YES
7	05/11/2018	05/15/2018	Your item was delivered to an individual at the address at 3:41 pm on May 14, 2018 in HOUSTON, TX 77024.	2018-05-16 06:04:12	NO
8	05/11/2018	05/17/2018	Your item was delivered to an individual at the address at 11:19 am on May 14, 2018 in FORT WORTH, TX 76120.	2018-05-17 06:34:24	NO
9	05/11/2018	05/15/2018	Your item has been delivered to the mail room at 12:55 pm on May 14, 2018 in DENVER, CO 80202.	2018-05-16 06:04:14	NO
10	05/11/2018	05/16/2018	Your item was delivered at 10:54 pm on May 15, 2018 in KANSAS CITY, MO 64121.	2018-05-17 04:16:11	NO
11	05/11/2018	05/16/2018	Your item was delivered at 10:54 pm on May 15, 2018 in KANSAS CITY, MO 64121.	2018-05-17 04:16:12	NO
12	05/11/2018	05/15/2018	Your item was delivered at 1:20 pm on May 14, 2018 in NACOGDOCHES, TX 75965.	2018-05-16 06:04:16	NO
13	05/11/2018		This is a reminder to arrange for redelivery of your item or your item will be returned to sender.	2018-05-12 05:34:38	YES
14	05/11/2018	05/16/2018	Your item was delivered at 11:21 am on May 15, 2018 in KERRVILLE, TX 78028.	2018-05-17 04:16:13	NO
15	05/11/2018	05/16/2018	Your item was delivered at 11:21 am on May 15, 2018 in KERRVILLE, TX 78028.	2018-05-17 04:16:13	NO
16	05/11/2018	05/15/2018	Your item was delivered to an individual at the address at 11:13 am on May 14, 2018 in GEORGETOWN, TX 78626.	2018-05-16 06:04:16	NO
17	05/11/2018	05/16/2018	Your item was delivered at 11:21 am on May 15, 2018 in KERRVILLE, TX 78028.	2018-05-17 04:16:14	NO
18	05/11/2018	05/16/2018	Your item was delivered to an individual at the address at 1:12 pm on May 14, 2018 in DALLAS, TX 75229.	2018-05-16 06:20:09	NO

SummaryTrackingReport_2018-May-25_1555San Juan Unit 205E

	B	D	E	F	G	I	J	K
	TrackingNo	TransactionDate	ToCompanyName	ToName	DeliveryAddress	City	State	Zip
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19	9414810898765011214313	05/11/2018	CB LIFELINE PARTNERSHIP		5225 PRESTON HAVEN DR	DALLAS	TX	75229
20	9414810898765011214320	05/11/2018		ROBERT E BEAMON III	2603 AUGUSTA DR STE 1050	HOUSTON	TX	77057-5797
21	9414810898765011214337	05/11/2018	ENDURING RESOURCES IV LLC		511 16TH STREET, SUITE 700	DENVER	CO	80202
22	9414810898765011214344	05/11/2018	Enduring Resources		511 16th Street, Suite 700	Denver	CO	80202

	N	R	U	X	Y
1	MailDate	ERR_SigDate	USPS_Status	Last_Modified	Conti nue_P rocess ing
19	05/11/2018	05/15/2018	Your item was delivered to an individual at the address at 1:12 pm on May 14, 2018 in DALLAS, TX 75229.	2018-05-16 06:04:18	NO
20	05/11/2018	05/20/2018	Your item was delivered to an individual at the address at 6:13 pm on May 19, 2018 in HOUSTON, TX 77057.	2018-05-21 03:09:45	NO
21	05/11/2018	05/15/2018	Your item was delivered to the front desk or reception area at 1:41 pm on May 14, 2018 in DENVER, CO 80202.	2018-05-16 06:04:19	NO
22	05/11/2018	05/16/2018	Your item was delivered to the front desk or reception area at 1:41 pm on May 14, 2018 in DENVER, CO 80202.	2018-05-16 06:20:10	NO

AFFIDAVIT OF PUBLICATION

Ad No.
0001247054

HOLLAND AND HART
PO BOX 2208

SANTA FE NM 87504

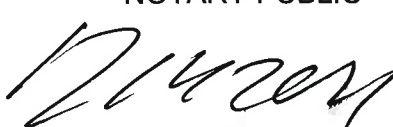
I, being duly sworn say: THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newspaper duly qualified for the purpose within the State of New Mexico for publication and appeared in the internet at The Daily Times web site on the following days(s):

05/15/18


Legal Clerk

Subscribed and sworn before me this
15th of May 2018.


State of WI, County of Brown
NOTARY PUBLIC


My Commission Expires

Ad#:0001247054
P O : San Juan Unit 205E
of Affidavits :0.00

BERGEN GORNOWICH
Notary Public
State of Wisconsin

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on **May 31, 2018**, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by **May 21, 2018**. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following cases
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

TO: ALL WORKING INTEREST OWNERS IN THE SUBJECT SPACING UNIT AND OFFSETTING OPERATORS OR LEASED MINERAL INTEREST OWNERS, INCLUDING: BP AMERICA PRODUCTION COMPANY; CROSS TIMBERS ENERGY LLC; JAMES R. BEAMON, HIS HEIRS AND DEVISEES; ROBERT WALTER LUNDELL, HIS HEIRS AND DEVISEES; SHARON BEAMON BURNS, HER HEIRS AND DEVISEES; SUSAN BEAMON PORTER, HER HEIRS AND DEVISEES; OMIMEX PETROLEUM; T H MCELVAIN OIL & GAS LLLP; HARRINGTON ENERGY RESOURCE LP; HARRINGTON SOUTHWEST ENERGY LP; LINDA JEANNEL LUNDELL LINDSEY, HER HEIRS AND DEVISEES; TAMACAM LLC; LORRAYN GAY HACKER, HER HEIRS AND DEVISEES; J&M RAYMOND LTD; CLAUDIA MARCIA LUNDELL GILMER, HER HEIRS AND DEVISEES; CHARLES W. GAY, HIS HEIRS AND DEVISEES; CAROLYN BEAMON TILLEY, HER HEIRS AND DEVISEES; CB LIFELINE PARTNERSHIP; ROBERT E. BEAMON, III, HIS HEIRS AND DEVISEES; ENDURING RESOURCES IV LLC.; ENDURING RESOURCES.

Case No. 16201: Application of Hilcorp Energy Company for an Exception to the Well Density Requirements of the Special Rules and Regulations of the Blanco-Mesaverde Gas

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 5

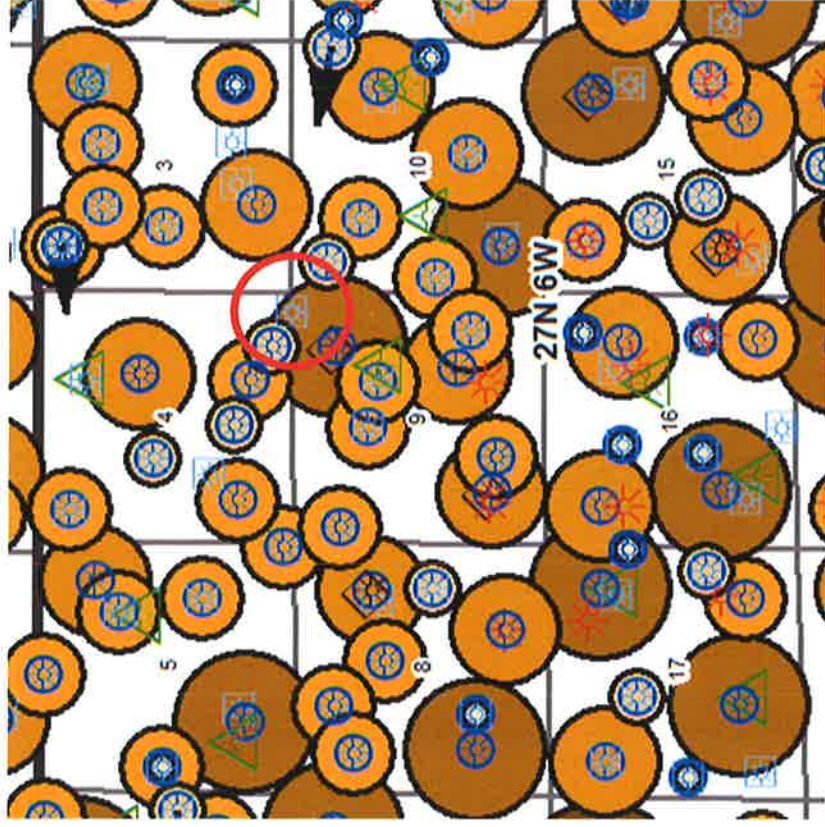
Submitted by: Hilcorp Energy Co

Hearing Date: May 31, 2018

Pool, San Juan County, New Mexico. Applicant in the above-styled cause seeks an order for an exception to the well density requirements of Rule I.B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool (72319), San Juan County, New Mexico, to permit it to complete and simultaneously produce five Mesaverde gas wells in the same standard 320-acre, more or less, spacing and proration unit, three wells within the same quarter section, and two wells within the same quarter-quarter section. Hilcorp further seeks approval for the proposed location of the **San Juan 28-6 Unit 205E** (API No. 30-039-30120) in the Mesaverde formation with a surface location in Unit A of the E/2 of Section 9, Township 27 North, Range 6 West, NMPM, San Juan County, New Mexico, and authorization to simultaneously complete and produce the San Juan 28-6 Unit 205E Well from the Blanco-Mesaverde Gas Pool. Said area is located approximately 35 miles east of Bloomfield, NM.

Legal No. 1247054 published in The Daily Times on May 15, 2018

San Juan 28-6 Unit 205E



Well Specifics

- NE9 27-6 3003930120 2007 drill
- 3rd MV completion in 1/4 section
- 860' from nearest offset
- Help drain northeast corner
- Complete entire MV in 2 stages
- Topography has driven locations
(Carrizo & Munoz canyon/wash)

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

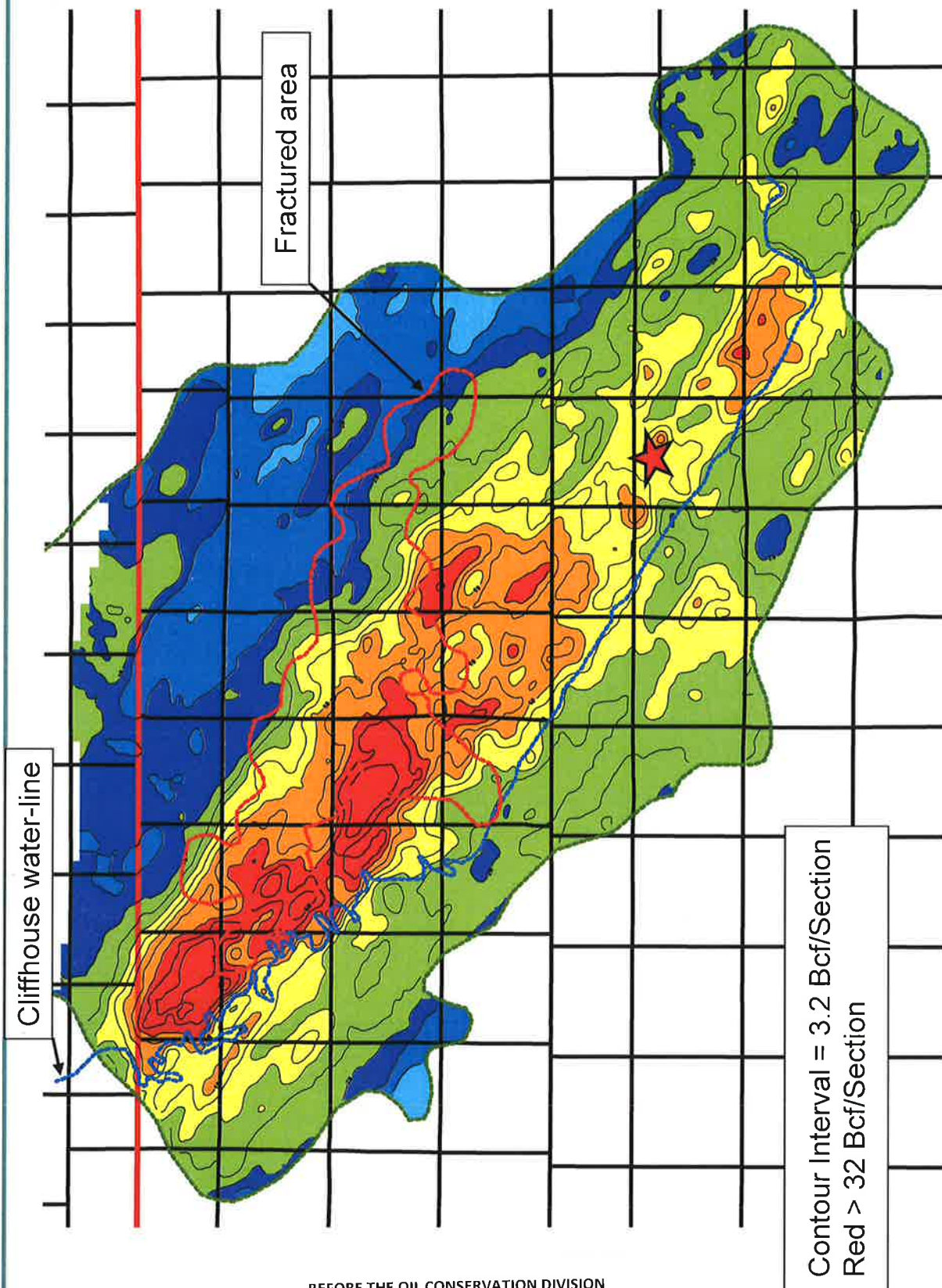
Exhibit No. 6

Submitted by: Hilcorp Energy Co

Hearing Date: May 31, 2018

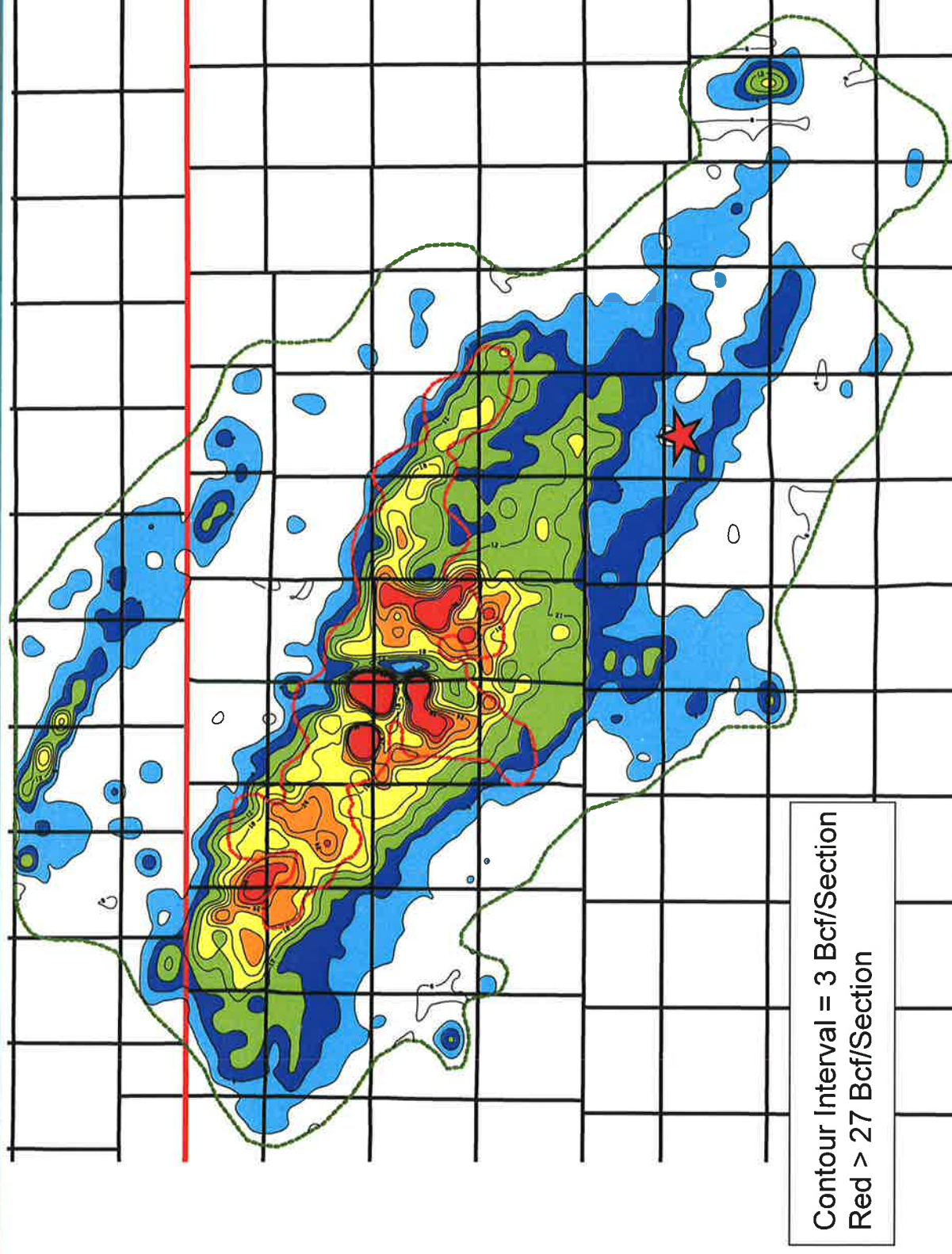


MV Original Gas-in-Place

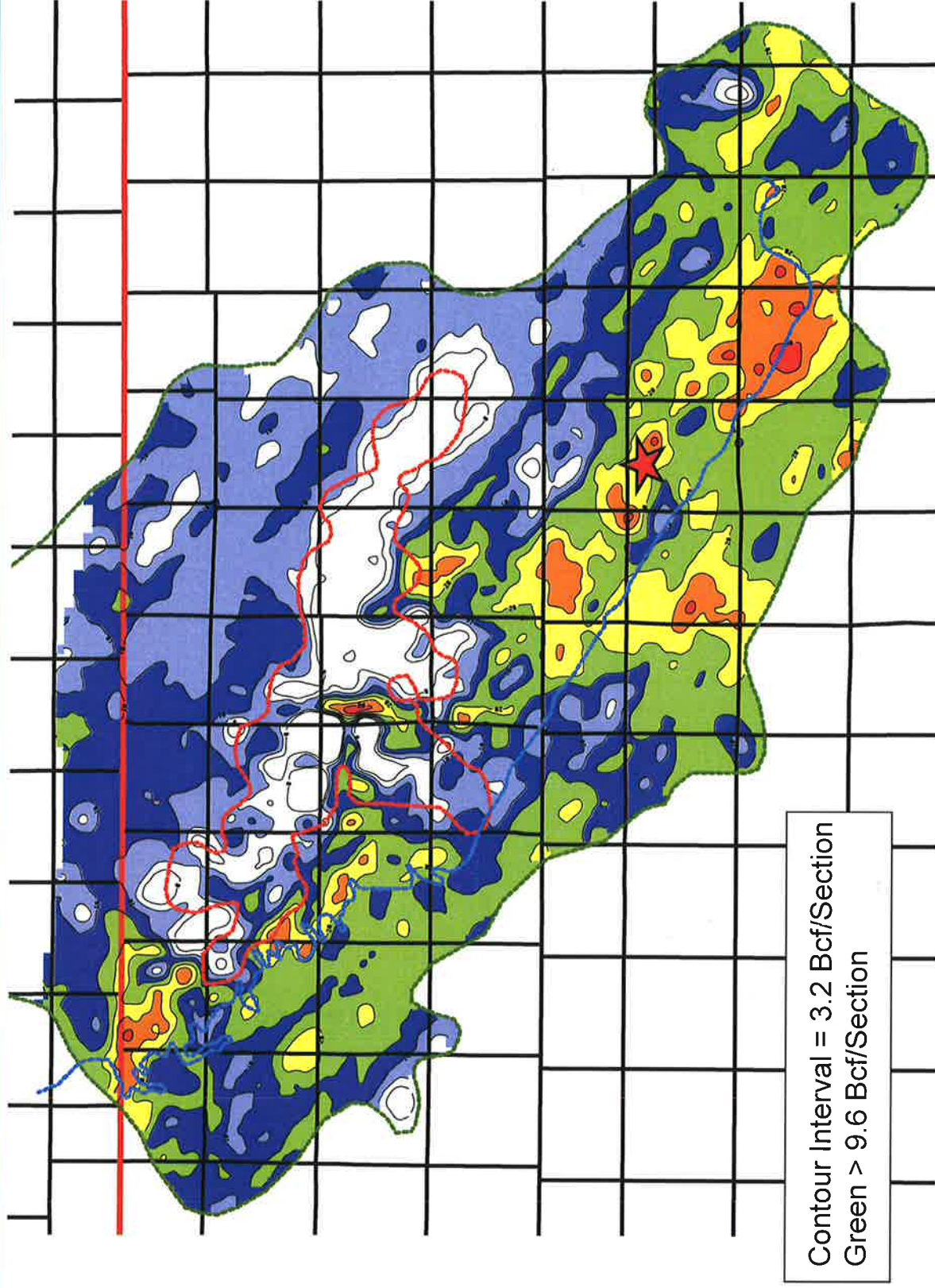


BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 7
Submitted by: Hilcorp Energy Co
Hearing Date: May 31, 2018

MV Cumulative Gas Production



MV Remaining Gas



San Juan 28-6 Unit 205E



Reference Area	Volumetric OGIP	Section Equivalent OGIP	CTD / RF%	Remaining GIP	EUR / RF%
Qtr Section	9.4 Bcf	37.6 Bcf	2.9 Bcf / 31%	6.5 Bcf	3.9 Bcf / 41%
Section	42.9 Bcf	42.9 Bcf	8.5 Bcf / 20%	34.4 Bcf	11.6 Bcf / 27%
9 Section	336 Bcf	37.3 Bcf	67 Bcf / 20%	269 Bcf	100 Bcf / 30%

- Remaining Gas in Place in Quarter Section of 6.5 Bcf
- Cumulative Recovery Factor to Date 31% and 20% in the Quarter Section and Section, respectively
- Considerable gas remaining in area with opportunity to recover additional volumes utilizing existing wellbore