

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JULY 12, 2018**

CASE No. 16270

MANSFIELD 011

SAN JUAN COUNTY, NEW MEXICO



13

18

17

16

Offset Operators:
Hilcorp Energy Company
BP America Petroleum Company

19

24

20

21

30N 10W

30N 9W

25

SAN JUAN

29

28

30

Mansfield 011N
3004534321

Mansfield 001
3004509093

Mansfield 011
3004520992

36

31

32

33

Legend



Mansfield 011



Mesaverde



Mesaverde Drillblock



Offset Boundary

BEFORE THE OIL CONSERVATION DIVISION

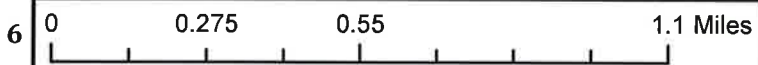
Santa Fe, New Mexico

Exhibit No. 2

Submitted by: Hilcorp Energy Company

Hearing Date: July 12, 2018

Case # 16270



Created: 07/05/2018

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

**AMENDED APPLICATION OF HILCORP ENERGY
COMPANY FOR AN EXCEPTION TO THE WELL
DENSITY REQUIREMENTS OF THE BLANCO-PICTURED
CLIFFS POOL, SAN JUAN COUNTY, NEW MEXICO.**

CASE NO. 16270

AFFIDAVIT


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

Adam 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 Rankin

SUBSCRIBED AND SWORN to before me this 11th day of June, 2018 by Adam Rankin.



Notary Public
My Commission Expires: June 4, 2022





Adam G. Rankin
Associate
Phone (505) 988-4421
Fax (505) 983-6043
agrarkin@hollandhart.com

June 21, 2018

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL WORKING INTEREST OWNERS

Re: Application of Hilcorp Energy Company for an Exception to the Well Density Requirements of the Special Rules and Regulations of the Blanco-Mesaverde Gas Pool, San Juan County, New Mexico.

Ladies & Gentlemen:

This letter is to advise you that Hilcorp Energy Company has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on July 12, 2018. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. 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 by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter please contact Rob Carlson at (832) 839-4596.

Sincerely,

A handwritten signature in blue ink, appearing to read "A.G. Rankin", written over a circular blue ink stamp.

Adam G. Rankin
ATTORNEY FOR HILCORP ENERGY COMPANY

**Adam G. Rankin****Associate****Phone** (505) 988-4421**Fax** (505) 983-6043

agrarkin@hollandhart.com

June 21, 2018

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**TO: OFFSETTING OPERATORS**

Re: Application of Hilcorp Energy Company for an Exception to the Well Density Requirements of the Special Rules and Regulations of the Blanco-Mesaverde Gas Pool, San Juan County, New Mexico.

This letter is to advise you that Hilcorp Energy Company has filed the enclosed application with the New Mexico Oil Conservation Division. As a Division-designated operator in an offsetting tract, you are entitled to notice of this application.

This application has been set for hearing before a Division Examiner at 8:15 AM on July 12, 2018. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. 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 by Division Rule 19.15.4.13.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office, four days in advance of a scheduled hearing, but at least on the Thursday preceding the hearing. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter please contact Rob Carlson at (832) 839-4596.

Sincerely,

Adam G. Rankin

ATTORNEY FOR HILCORP ENERGY COMPANY



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Hilcorp Energy Co - Mansfield 001 Well
CM# 93904.0003 20180621
Notice List

Shipment Date: 06/19/2018

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	2
Total	2

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0008 9576 64



Firm Mailing Book For Accountable Mail

[illegible]



⚠ You are using an old version of e-Certify. [Click here](#) to update to the new version.

Welcome Clary Weitzteon, (Not [Clary Weitzteon?](#))
Company: Holland & Hart LLP

[Home](#) [My Queue](#) [Piece Search](#) [Support](#) [Logout](#)

< History > [Mail Jobs](#) > [Mail Job Details](#)



My Tools

Mail Jobs
Mail Pieces
Manual Mailings
Reports
Setup
Account
Tools

Mail Pieces

Filter:

< No Filter >

Barcode	Recipient	Status	DL	Custom
9214 89019403 83070899 08	HEC 1111 TRAVIS ST HOUSTON TX 77002	Delivered Signature Received	No	
9214 89019403 83070898 92	BP AMERICA PRODUCTION CO - ATTN: SAN JUAN BASIN - LAND 737 N ELDRIDGE PKWY HOUSTON TX 77079	In-Transit	No	

© 2017 Connect-Suite.com.
Release: v4.12
[WIN-9K2OP4JGF6N]

ConnectSuite

powered by ConnectSuite e-Certify

⚠ You
are using
an old
version
of
e-Certify.
[Click
here](#) to
update
to the
new
version.

Welcome Clory Wetzsteon, (Not [Clory Wetzsteon?](#))

Company:

Holland & Hart LLP

[Home](#) [My Queue](#) [Piece Search](#) [Support](#) [Logout](#)[History](#) > [Mail Jobs](#) > [Mail Job Details](#) > [Piece Tracking](#)

My Tools

[Mail Jobs](#)[Mail Pieces](#)[Manual Mailings](#)[Reports](#)[Setup](#)[Account](#)[Tools](#)Mail Piece Tracking Number: **9214 8901 9403 8307 0898 92**

Recipient

BP AMERICA PRODUCTION CO - ATTN: SAN JUAN BASIN - LAND
737 N ELDRIDGE PKWY
HOUSTON TX 77079

Date & Time	Event	Event Location
06/24/2018 08:38	PROCESSED THROUGH USPS FACILITY	NORTH HOUSTON,TX, 77315
06/21/2018 21:08	DEPART USPS FACILITY	ALBUQUERQUE,NM, 87101
06/21/2018 20:54	PROCESSED THROUGH USPS FACILITY	ALBUQUERQUE,NM, 87101
06/21/2018 16:06	DEPART POST OFFICE	SANTA FE,NM, 87501
06/21/2018 15:11	USPS IN POSSESSION OF ITEM	SANTA FE,NM, 87501
06/21/2018 15:01	SHIPMENT RECEIVED ACCEPTANCE PENDING	SANTA FE,NM, 87501
06/19/2018 10:39	PRE-SHIPMENT INFO SENT : USPS AWAITS ITEM	SANTA FE,NM, 87501

© 2017 Connect-Suite.com.
Release: v4.12
[WIN-9K2QP4JQF6N]

AFFIDAVIT OF PUBLICATION

Ad No.
0001252006

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 day(s):

06/23/18


Legal Clerk

Subscribed and sworn before me t
25th of June 2018.


State of WI, County of Brown
NOTARY PUBLIC


My Commission Expires

Ad#:0001252006
P O :
of Affidavits :0.00

TARA MONDLOCH
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 **July 12, 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 **July 2, 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 CO.

Case No. 16270: Application of Hilcorp Energy Company for an Exception to the Well Density Requirements of the Special Rules and Regulations of the Blanco-Mesaverde Gas 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, and three wells within the same quarter section. Hilcorp further seeks approval for the proposed location of the **Mansfield 011** (API No. 30-045-20992) in the Mesaverde formation with a surface location in Unit N of the W/2 of Section 29, Township 30 North, Range 9 West, NMPM, San Juan County, New Mexico, and authorization to simultaneously complete and produce the Mansfield 011 Well from the Blanco-Mesaverde Gas Pool. Said area is located approximately 11 miles northeast of Bloom-

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 4
Submitted by: Hilcorp Energy Company
Hearing Date: July 12, 2018
Case # 16270

field, NM.

Legal No. 1 . '006 published in The Daily Times on June 23, 2018.

Mansfield 11

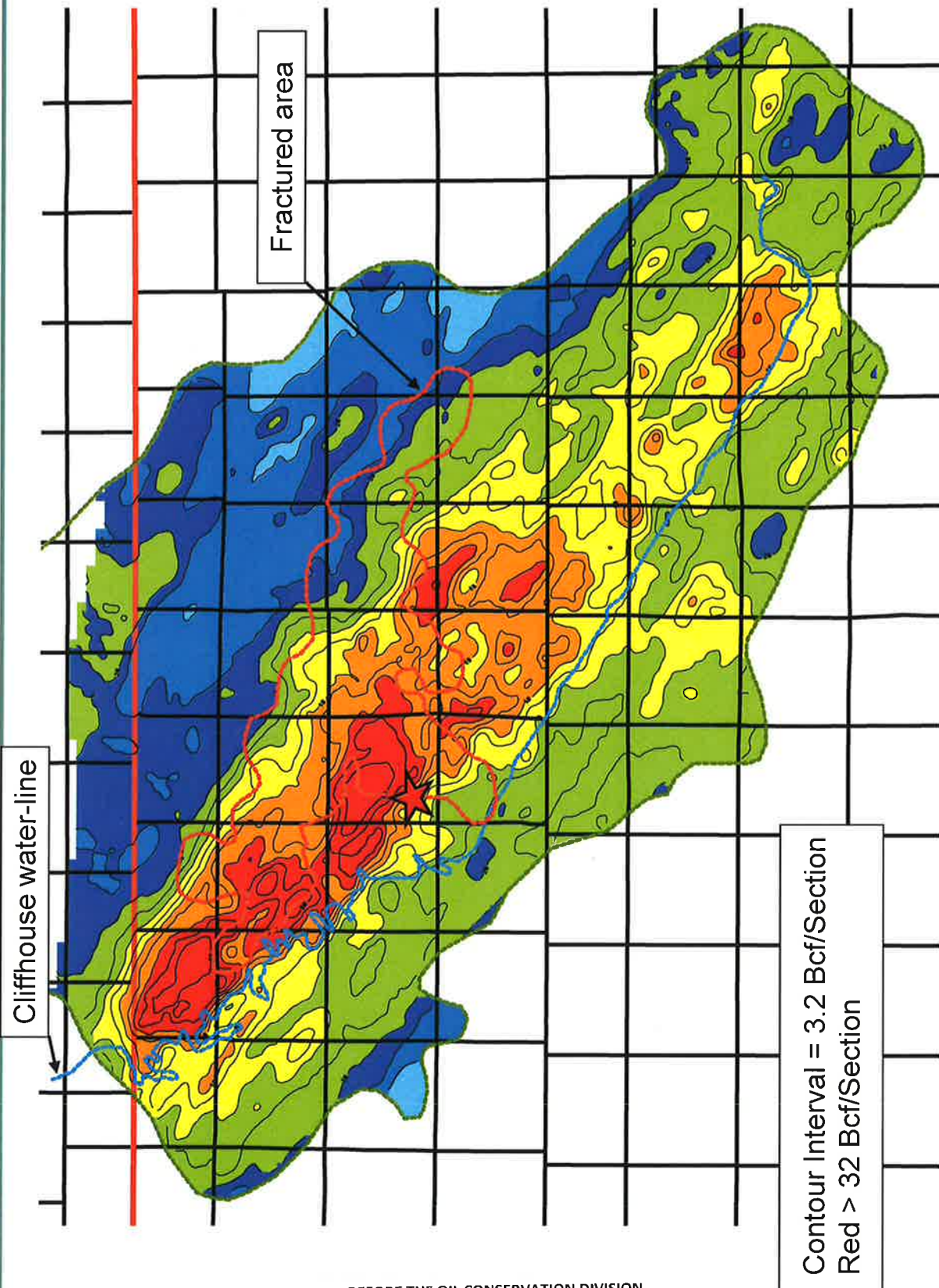


Well Specifics

- SW29 30-9 3004520992 1972 drill
- 3rd MV completion in 1/4 section
- 650' to original parent well
- Help drain area to the East and section center with production gap
- Complete entire MV in 3 stages



MV Original Gas-in-Place



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

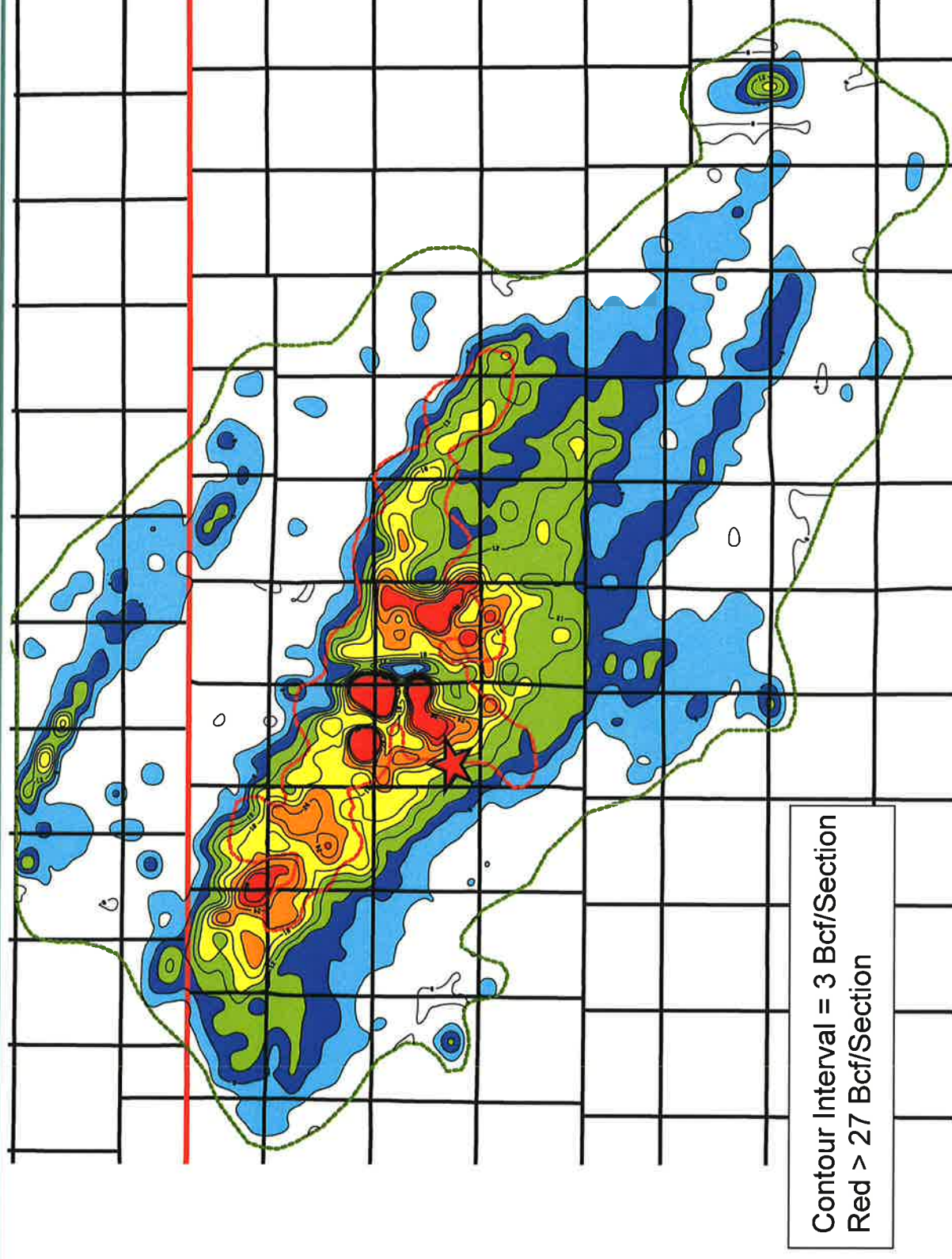
Exhibit No. 6

Submitted by: Hilcorp Energy Company

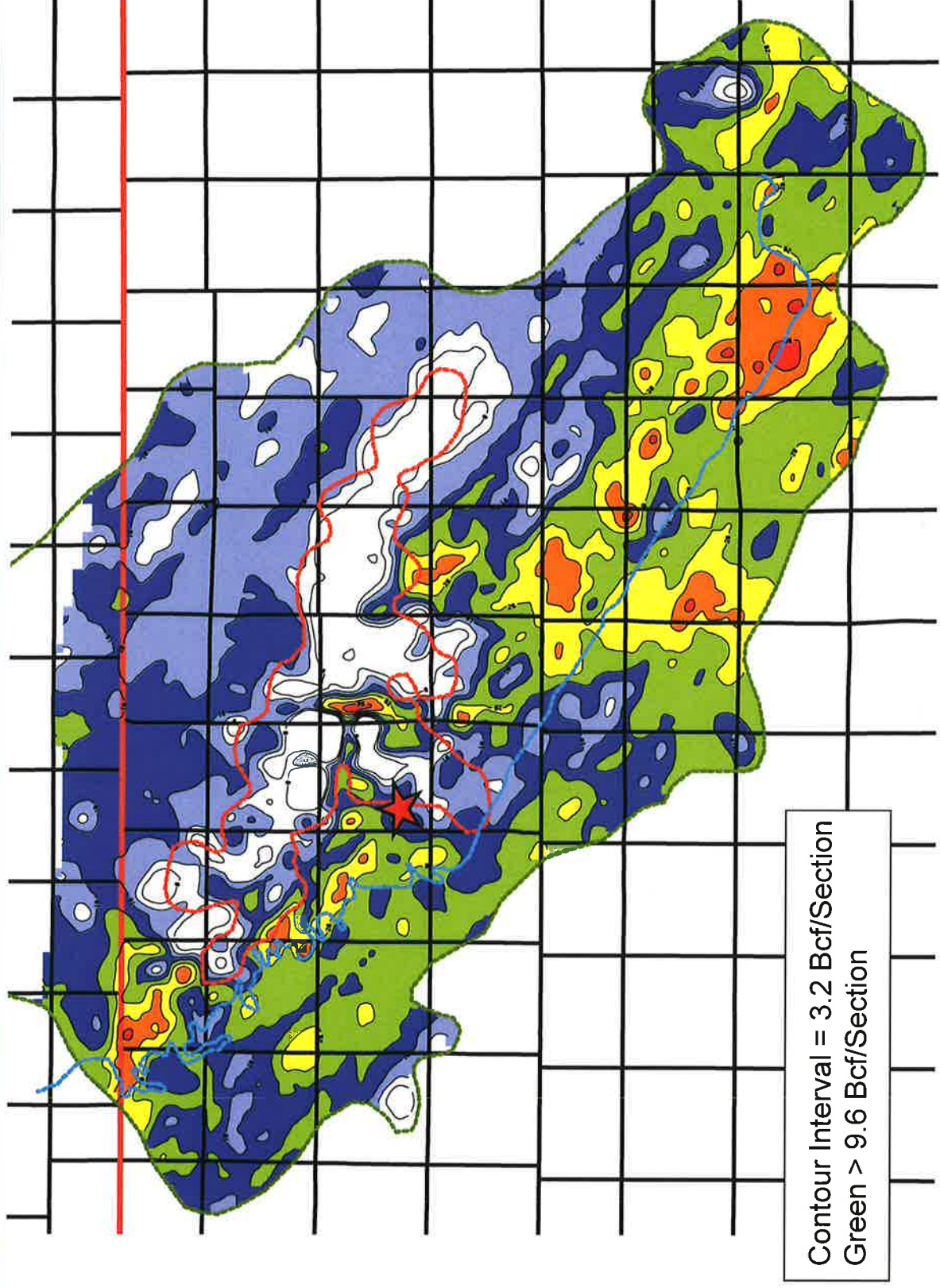
Hearing Date: July 12, 2018

Case # 16270

MV Cumulative Gas Production



MV Remaining Gas



Mansfield 11



Reference Area	Volumetric OGIP	Section Equivalent OGIP	CTD / RF%	Remaining GIP	EUR / RF%
Qtr Section	10.4 Bcf	41.6 Bcf	4.7 Bcf / 45%	5.7 Bcf	5.3 Bcf / 51%
Section	43.6 Bcf	43.6 Bcf	16.7 Bcf / 38%	26.9 Bcf	18.6 Bcf / 43%
9 Section	428 Bcf	47.5 Bcf	171 Bcf / 40%	257 Bcf	192 Bcf / 45%

- Remaining Gas in Place in Quarter Section of 5.7 Bcf
- Cumulative Recovery Factor to Date 45% and 38% in the Quarter Section and Section, respectively
- Considerable gas remaining in area with opportunity to recover additional volumes utilizing existing wellbore