

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

**APPLICATION OF LOGOS OPERATING,
LLC, FOR APPROVAL OF A NON-
STANDARD PROJECT AREA
COMPRISED OF ACREAGE SUBJECT TO
A PROPOSED FEDERAL/STATE OF NEW
MEXICO COMMUNITIZATION
AGREEMENT, SAN JUAN COUNTY, NEW
MEXICO.**

APR 26 2018 PM03:38

CASE NO. 16105

HILCORP'S PREHEARING STATEMENT

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

APPEARANCES

APPLICANT

LOGOS Operating, LLC

OPPONENT

Hilcorp Energy Company
1111 Travis St.
Houston, Texas 77002

ATTORNEYS

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STATEMENT OF THE CASE

LOGOS Operating, LLC (“LOGOS”) seeks approval of a 600-acre non-standard project area in the Gallup formation comprised of acreage subject to a proposed Federal and State of New Mexico Communitization Agreement covering the Gallup formation underlying the S/2 of Section 9 and the NW/4, W2/ NE/4 and SE/4 NE/4 of Section 16, Township 23 North, Range 8 West, NMPM, San Juan County, New Mexico.

LOGOS’s application will exclude from the proposed non-standard project area approximately 40 acres comprised of the NE/4 NE/4 of Section 16. HEC owns an interest in that acreage, which will be effectively precluded from being developed in the event LOGOS’s application is approved as submitted. LOGOS’ proposed exclusion of Hilcorp’s acreage has no geologic or engineering basis or rationale. Its exclusion will result in waste, is contrary to the interests of conservation, and will substantially impair Hilcorp’s correlative rights. The Division should deny LOGOS’s application as submitted, or approve it on the condition that the project area include the NE/4 NE/4 of Section 16.

OPPONENT’S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Chuck Creekmore – Landman	Approx. 20	Approx. 4
Eddie Pippin – Geologist	Approx. 20	Approx. 4
James Osborn –Engineer	Approx. 20	Approx. 4

PROCEDURAL MATTERS

The May 3, 2018 examiner hearing docket is full and this contested case will likely require several hours to present the parties’ cases and for cross-examination of all witnesses.

Accordingly, while Hilcorp does not wish to unnecessarily delay these proceedings, it suggests that the Division consider setting this case for hearing on May 4, 2018 or for a special hearing at a later date so that both parties can have the opportunity to adequately present their cases and cross-examine the other parties' witnesses.

Respectfully submitted,

HOLLAND & HART LLP



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CERTIFICATE OF SERVICE

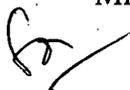
I hereby certify that on April 26, 2018, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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