# BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING DECEMBER 4, 2025

**CASE No. 25740** 

SJ 29-7 SEC 26 W/2 MV WELL DENSITY

### 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 BLANCO-MESAVERDE GAS POOL, RIO ARRIBA COUNTY, NEW MEXICO.

**CASE NO. 25740** 

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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 BLANCO-MESAVERDE GAS POOL, RIO ARRIBA COUNTY, NEW MEXICO.

**CASE NO.** 25740

### **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 Blanco-Mesaverde Gas Pool (72319), Rio Arriba County, New Mexico. Specifically, Hilcorp seeks an exception to the well density requirements of Rule I.B of the Special Rules and Regulations of the Blanco-Mesaverde Gas Pool to permit it to drill and complete one additional Mesaverde vertical and/or directional gas well, 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 Blanco-Mesaverde Gas Pool comprised of the W/2 of Section 26, Township 29 North, Range 7 West, NMPM, Rio Arriba County, New Mexico, in which the following four vertical and/or directional wells were drilled and completed, and are currently producing:
  - a. San Juan 29-7 Unit 058 Well (API No. 30-039-07556), which is vertically drilled with a surface hole location in the SW/4 SW/4 (Unit M) of said Section 26;

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A
Submitted by: Hilcorp Energy Company
Hearing Date: December 4, 2025
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- b. San Juan 29-7 Unit 058A Well (API No. 30-039-25617), which is vertically drilled with a surface hole location in the NW/4 NW/4 (Unit D) of said Section 26;
- c. San Juan 29-7 Unit 058N Well (API No. 30-039-30314), which is vertically drilled with a surface hole location in the SE/4 NW/4 (Unit F) of said Section 26; and
- d. San Juan 29-7 Unit 058M Well (API No. 30-039-26618), which is vertically drilled with a surface hole location in the SE/4 SW/4 (Unit N) of said Section 26.
- 2. The Blanco-Mesaverde 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 and four wells may be recompleted. *See* Order No. R-8170, as superseded by Order No. R-10987-A, and amended by Order No. R-10987-A(6), effective Sept. 25, 2019. These Special Pool Rules and Regulations provide:

### I. ACREAGE AND WELL LOCATION REQUIREMENTS

A. Standard GPU (Gas Proration Unit): A standard GPU in the Blanco-Mesaverde 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) vertical or directional wells may be drilled and completed in the Blanco-Mesaverde Pool underlying a standard GPU;
- (2) In addition to the four (4) wells authorized to be drilled and completed under B(1), an operator may conduct operations to recomplete up to four (4) vertical or directional wells in the Blanco-Mesaverde Pool within a standard GPU;

- (3) No more than four (4) wells producing from the Blanco-Mesaverde Pool shall be located within either quarter section in a GPU; and
- (4) 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 Blanco-Mesaverde Gas Pool, and each well was permitted and drilled with a Mesaverde completion.
- 4. Hilcorp now proposes to simultaneously dedicate and produce the following additional well within the same standard spacing and proration unit, at the following location:
  - a. San Juan 29-7 Unit 058P Well (API No. 30-039-PENDING), to be vertically drilled with a surface hole location in the NE/4 NW/4 (Unit C) of said Section 26.
- 5. Hilcorp therefore requests that the Division enter an order granting an exception to the well density requirements of Rule I.B of the Special Rules and Regulations of the Blanco-Mesaverde Pool to authorize Hilcorp to simultaneously dedicate and produce the **San Juan 29-7 Unit 058P Well** (API No. 30-039-PENDING), within the W/2 of Section 26, 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 Blanco-Mesaverde 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 November 13, 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 I.B of the Special Rules and Regulations of the Blanco-Mesaverde Gas Pool (72319) 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 058P Well (API No. 30-039-PENDING) from the Blanco-Mesaverde Gas
   Pool.

Respectfully submitted,

**HOLLAND & HART LLP** 

By:

Adam G. Rankin

Paula M. Vance

Post Office Box 2208

Santa Fe, NM 87504

505-988-4421

505-983-6043 Facsimile

agrankin@hollandhart.com

pmvance@hollandhart.com

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 Blanco-Mesaverde 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 I.B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool (72319), Rio Arriba County, New Mexico, to permit it to drill and complete one additional Mesaverde vertical and/or directional gas well, 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 W/2 of Section 26, Township 29 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. Hilcorp further seeks approval for the proposed location of the San Juan 29-7 Unit 058P Well (API No. 30-039-PENDING), to be vertically drilled with a surface hole location in the NE/4 NW/4 (Unit C) of said Section 26, and authorization to simultaneously complete and produce the well from the Blanco-Mesaverde Gas Pool. Said area is located approximately 17 miles southeast of Navajo City, New Mexico.

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. 25740** 

### 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 and my credentials have been accepted as 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 I.B of the Special Rules and Regulations of the Blanco-Mesaverde Gas Pool to permit it to drill and complete one additional Mesaverde vertical and/or directional gas well, making a total of five vertical and/or directional gas wells within the same standard 320-acre, more or less, spacing and proration unit.
- 6. The Blanco-Mesaverde 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 and four wells may be recompleted. *See* Order No. R-8170, as superseded by Order No. R-

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Hearing Date: December 4, 2025

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10987-A, and amended by Order No. R-10987-A(6), effective Sept. 25, 2019. 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 unit in the Blanco-Mesaverde Gas Pool comprised of the W/2 of Section 26, Township 29 North, Range 7 West, NMPM, Rio Arriba County, New Mexico, in which the following four vertical and/or directional wells were drilled and completed, and are currently producing:
  - a. San Juan 29-7 Unit 058 Well (API No. 30-039-07556), which is vertically drilled with a surface hole location in the SW/4 SW/4 (Unit M) of said Section 26;
  - b. San Juan 29-7 Unit 058A Well (API No. 30-039-25617), which is vertically drilled with a surface hole location in the NW/4 NW/4 (Unit D) of said Section 26;
  - c. San Juan 29-7 Unit 058N Well (API No. 30-039-30314), which is vertically drilled with a surface hole location in the SE/4 NW/4 (Unit F) of said Section 26; and
  - d. San Juan 29-7 Unit 058M Well (API No. 30-039-26618), which is vertically drilled with a surface hole location in the SE/4 SW/4 (Unit N) of said Section 26.
- 8. Hilcorp now proposes to simultaneously dedicate and produce the following additional well within the same standard spacing and proration unit, at the following location:
  - a. **San Juan 29-7 Unit 058P Well** (API No. 30-039-PENDING), to be directionally drilled with a surface hole location in the NW/4 NW/4 (Unit

- D) and a bottom hole location in the NE/4 NW/4 (Unit C) of said Section 26.
- 9. Hilcorp therefore requests that the Division enter an order granting an exception to the well density requirements of Rule I.B of the Special Rules and Regulations of the Blanco-Mesaverde Pool to authorize Hilcorp to simultaneously dedicate and produce the **San Juan 29-7 Unit 058P Well** (API No. 30-039-PENDING), within the W/2 of Section 26, 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 well will target development of incremental Blanco-Mesaverde 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 Blanco-Mesaverde Gas Pool spacing unit to which the proposed well will be dedicated.
- 13. Exhibit B-1 also identifies the locations of the existing Blanco-Mesaverde wells as black circles. Also depicted is the proposed well as a red square.
- 14. Exhibit B-1 also depicts the notice area, which is the area within the tan 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
 11/21/2025

Date

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| <b>y</b>                            | L   | к              | J       | 1         | L  | K   | J   | 1        |         |
| 0 1                                 | M   | N              | 0       | Р         | M  | N   | 0   | P        | M       |
| ВА                                  | 27 🏻  | C              | В       | A         | 26<br>San Juan 28-<br>Unit 058A          | San Juan 28-7<br>Unit 058P<br>30-039 TBD        | В   | A        | 25      |
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| 1                                   | SAN.  | IUAN<br>K      | J       |           | L  | K<br>San Juan 28-7<br>Unit 058M<br>30-039-26618 | J   | 1        | L       |
| O P                                 | M   | N              | 0       | P         | San JMan 28-<br>Unit 058<br>30-039-07556 | San Juan 28-7<br>NP 565<br>30-039-24813         | 0   | P        | M       |
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| G Submitted by: Hi<br>Hearing Date: | ONSERVATION DIV<br>5, New Mexico<br>bit No. B-1<br>ilcorp Energy Comp<br>December 4, 202<br>No. 25740 | nany F         | G       | Н         | Ē  | F   | G   | н        | E       |
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| Name 1                              | Name 2   | Street                           | City          | Postal Code | State |
|-------------------------------------|----------|----------------------------------|---------------|-------------|-------|
| R L BOLIN PROPERTIES LTD            |          | 4245 KEMP BLVD #316              | WICHITA FALLS | 76308       | TX    |
| WILDCARD FAMILY LIMITED PARTNERSHIP |          | 1700 PACIFIC AVE STE 1200        | DALLAS        | 75201       | TX    |
| CROSS TIMBERS ENERGY LLC            | C/O DRIL | LPO BOX 669226                   | DALLAS        | 75266-9226  | TX    |
| T H MCELVAIN OIL & GAS LLP          |          | 1819 DENVER WEST DRIVE SUITE 260 | LAKEWOOD      | 80401       | CO    |
| J&M RAYMOND LTD                     | RAYMON   | [PO BOX 291445                   | KERRVILLE     | 78029-1445  | TX    |
| BOLIN RESOURCES LP                  |          | 2525 KELL BLVD SUITE 510         | WICHITA FALLS | 76308       | TX    |
| LANCE REEMTSMA                      |          | 2601 GRANT ST                    | BERKELEY      | 94703       | CA    |
| DIRK VANHORN REEMTSMA               |          | 556 CRESTWOOD DR                 | OCEANSIDE     | 92058       | CA    |
| DAVID PIERCE & MAXINE PIERCE REV TR | DAVID PI | EPO BOX 4140                     | FARMINGTON    | 87499-4140  | NM    |
| ENDURING RESOURCES IV, LLC          |          | 6300 S SYRACUSE WAY STE 525      | CENTENNIAL    | 80111       | CO    |
| SIMCOE, LLC                         |          | 1199 Main Ave., Suite 101        | Durango       | 81301       | CO    |

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B-2
Submitted by: Hilcorp Energy Company

Hearing Date: December 4, 2025 Case No. 25740 STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

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**CASE NO. 25740** 

### SELF-AFFIRMED STATEMENT OF MARCUS HILL

1. My name is Marcus Hill. I work for Hilcorp Energy Company ("Hilcorp") as a reservoir engineer.

2. I have previously testified before the New Mexico Oil Conservation Division ("Division") as an expert witness in reservoir engineering matters and my credentials have been accepted as 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 Blanco-Mesaverde 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 additional well bores or well completions are necessary to adequately drain remaining gas reserves.

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Hearing Date: December 4, 2025
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- 6. **Hilcorp Exhibit C-1** contains information relating to the subject spacing unit and the general location of the additional well proposed to be drilled and simultaneously dedicated within the subject spacing unit:
  - a. San Juan 29-7 Unit 058P Well (API No. 30-039-PENDING), to be directionally drilled with a surface hole location in the NW/4 NW/4 (Unit D) and a bottom hole location in the NE/4 NW/4 (Unit C) of said Section 26
- 7. This will be the fifth Blanco-Mesaverde completion within the spacing unit. I anticipate that it will help drain the northern portion of the spacing unit.
- 8. **Hilcorp Exhibit C-2** is a basin-wide map reflecting Hilcorp's calculations for original gas in place across the Blanco-Mesaverde 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 white star indicates the location of the subject well, which is in an area where Hilcorp calculated moderately high volumes of original gas in place.
- 9. **Hilcorp Exhibit C-3** is a map depicting the calculated cumulative gas production from the Blanco-Mesaverde Gas Pool. The red star identifies the location of the subject well where there is relatively low cumulative gas production.
- 10. **Hilcorp Exhibit C-4** 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 red star identifies the location of the subject well, which is in an area where Hilcorp calculated that there is remaining recoverable gas and relatively low cumulative production under the existing well density.

- 11. **Hilcorp Exhibit C-5** 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 15.78 Bcf.
- 12. I would expect recovery factors of approximately 80% or greater in a gas pool of this type. The relatively low recovery factors in Hilcorp Exhibit C-5 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 Blanco-Mesaverde 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 Blanco-Mesaverde 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-5** 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.

Marcus Hill

//- 2/- 2025 Date



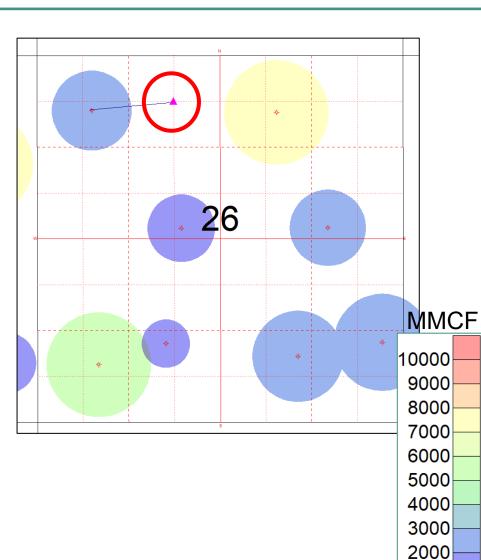
# Mesaverde and Dakota Spacing Rule Exceptions

Scott Matthews / Marcus Hill

September 16, 2025

### 29-7 26 Mesaverde





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### **Overview**

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

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Submitted by: Hilcorp Energy Company
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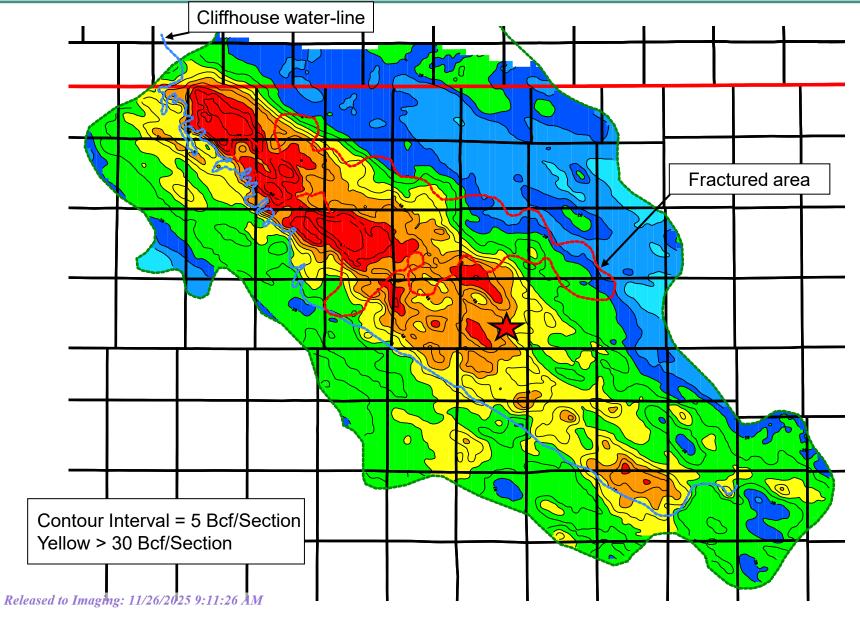
### BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Exhibit No. C-2

Submitted by: Hilcorp Energy Company
Hearing Date: December 4, 2025
Case No. 25740



# **MV** Original Gas-in-Place

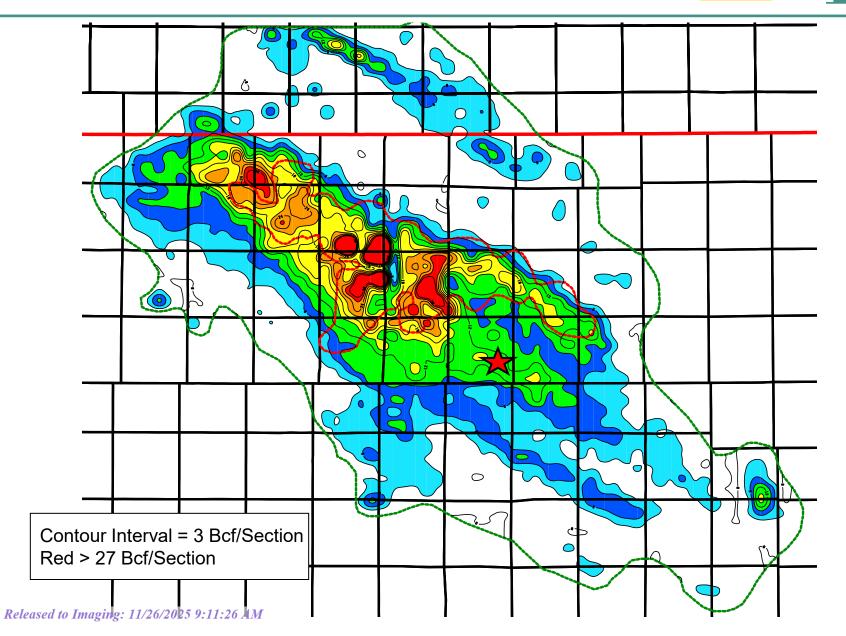


BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. C-3



# MV Cumulative Gas Production Submitted by: Hilcorp Energy Company Hearing Date: December 4, 2025 Case No. 25740



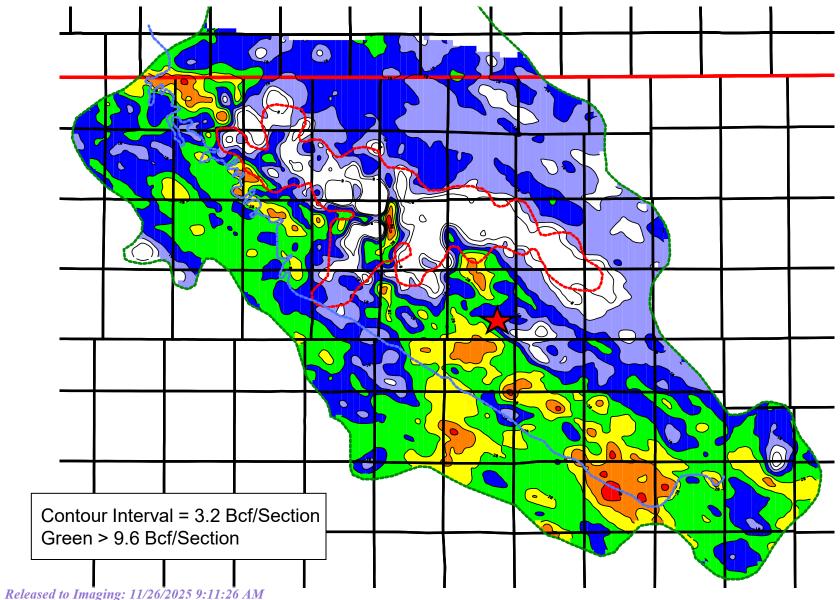
### **BEFORE THE OIL CONSERVATION DIVISION**

Santa Fe, New Mexico Exhibit No. C-4

Submitted by: Hilcorp Energy Company Hearing Date: December 4, 2025 Case No. 25740



# **MV** Remaining Gas



### 29-7 Section 26 Reserve Summary



|           | Volumetric<br>OGIP | CTD / RF%      | EUR / RF%      | Recoverable<br>Gas<br>Remaining |  |
|-----------|--------------------|----------------|----------------|---------------------------------|--|
| Mesaverde | 52.58 BCF          | 21.4 BCF / 41% | 26.3 BCF / 50% | 15.78 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

BEFORE THE OIL CONSERVATION DIVISION
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Exhibit No. C-5
Submitted by: Hilcorp Energy Company
Hearing Date: December 4, 2025

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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 BLANCO-MESAVERDE GAS POOL, RIO ARRIBA COUNTY, NEW MEXICO.

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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 November 20, 2025.
- 5. I caused a notice to be published to all parties subject to these proceedings. 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.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Hilcorp Energy Company
Hearing Date: December 4, 2025

Case No. 25740

Released to Imaging: 11/26/2025 9:11:26 AM

| Pakhir         | 11/20/25 |
|----------------|----------|
| Paula M. Vance | Date     |



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

October 24, 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 Blanco-Mesaverde

Gas Pool, Rio Arriba County, New Mexico: San Juan 29-7 Unit 058P Well

#### 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 November 13, 2025, and the status of the hearing monitored through the Division's website can be 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, Patrick

Paula M. Vance

ATTORNEY FOR HILCORP ENERGY COMPANY

### HEC - SJ 29-7 Sec 26 W/2 Well Density - Case no. 25740 Postal Delivery Report

|                        |                                      |                             |               |    |            | Your item was delivered to the  |
|------------------------|--------------------------------------|-----------------------------|---------------|----|------------|---------------------------------|
|                        |                                      |                             |               |    |            | front desk, reception area, or  |
|                        |                                      |                             |               |    |            | mail room at 12:38 pm on        |
|                        |                                      |                             |               |    |            | October 28, 2025 in WICHITA     |
| 9414811898765476061184 | Bolin Resources Lp                   | 2525 Kell Blvd Ste 510      | Wichita Falls | TX | 76308-1061 | FALLS, TX 76308.                |
|                        |                                      |                             |               |    |            | Your item has been delivered    |
|                        |                                      |                             |               |    |            | and is available at a PO Box at |
|                        |                                      | PO Box 669226, C/O          |               |    |            | 7:38 am on October 30, 2025     |
| 9414811898765476061139 | Cross Timbers Energy LLC             | Drillinginfo Mail           | Dallas        | TX | 75266-9226 | in DALLAS, TX 75260.            |
|                        |                                      |                             |               |    |            | Your item was picked up at the  |
|                        |                                      |                             |               |    |            | post office at 7:06 am on       |
|                        | David Pierce & Maxine Pierce Rev Tr, |                             |               |    |            | October 29, 2025 in             |
| 9414811898765476061177 | David Pierce & Maxine Pierce Ttees   | PO Box 4140                 | Farmington    | NM | 87499-4140 | FARMINGTON, NM 87401.           |
|                        |                                      |                             |               |    |            | Your item was delivered to an   |
|                        |                                      |                             |               |    |            | individual at the address at    |
|                        |                                      |                             |               |    |            | 3:37 pm on October 28, 2025     |
| 9414811898765476061313 | Dirk Vanhorn Reemtsma                | 556 Crestwood Dr            | Oceanside     | CA | 92058-7484 | in OCEANSIDE, CA 92058.         |
|                        |                                      |                             |               |    |            | Your item was delivered to the  |
|                        |                                      |                             |               |    |            | front desk, reception area, or  |
|                        |                                      |                             |               |    |            | mail room at 1:23 pm on         |
|                        |                                      |                             |               |    |            | October 27, 2025 in             |
| 9414811898765476061351 | Enduring Resources Iv, LLC           | 6300 S Syracuse Way Ste 525 | Centennial    | CO | 80111-6743 | ENGLEWOOD, CO 80111.            |
|                        |                                      |                             |               |    |            | Your item has been delivered    |
|                        |                                      |                             |               |    |            | and is available at a PO Box at |
|                        | J&M Raymond Ltd, Raymond & Sons      |                             |               |    |            | 9:44 am on October 28, 2025     |
| 9414811898765476061368 | I LLC Gen Partner                    | PO Box 291445               | Kerrville     | TX | 78029-1445 | in KERRVILLE, TX 78028.         |
|                        |                                      |                             |               |    |            | This is a reminder to arrange   |
|                        |                                      |                             |               |    |            | for redelivery of your item or  |
|                        |                                      |                             |               |    |            | your item will be returned to   |
| 9414811898765476061320 | Lance Reemtsma                       | 2601 Grant St               | Berkeley      | CA | 94703-1915 |                                 |
|                        |                                      |                             |               |    |            | Your item was delivered to an   |
|                        |                                      |                             |               |    |            | individual at the address at    |
|                        |                                      |                             |               |    |            | 9:41 am on October 28, 2025     |
| 9414811898765476061306 | R L Bolin Properties Ltd             | 4245 Kemp Blvd Ste 316      | Wichita Falls | TX | 76308-2829 | in WICHITA FALLS, TX 76308.     |

Received by OCD: 11/25/2025 5:25:53 PM

### HEC - SJ 29-7 Sec 26 W/2 Well Density - Case no. 25740 Postal Delivery Report

| 9414811898765476061344                 | Simcoe, LLC                         | 1199 Main Ave Ste 101       | Durango    | СО | 81301-5170 | Your item has been delivered to an agent. The item was picked up at USPS at 11:01 am on October 29, 2025 in DURANGO, CO 81301. |
|--|-------------------------------------|-----------------------------|------------|----|------------|--|
| 3 12 10 2 2 3 3 6 7 6 3 17 6 3 2 3 1 7 | S                                   |                             | 2 dirainge |    | 02002 0270 | Your item was delivered to an  |
|  |                                     |                             |            |    |            | individual at the address at 11:35 am on October 27, 2025  |
| 9414811898765476061382                 | T H Mcelvain Oil & Gas Llp          | 1819 Denver West Dr Ste 260 | Lakewood   | CO | 80401-3118 | in GOLDEN, CO 80401.   |
|  |                                     |                             |            |    |            | Your item was delivered to the   |
|  |                                     |                             |            |    |            | front desk, reception area, or   |
|  |                                     |                             |            |    |            | mail room at 11:31 am on   |
|  |                                     |                             |            |    |            | October 28, 2025 in DALLAS,  |
| 9414811898765476061337                 | Wildcard Family Limited Partnership | 1700 Pacific Ave Ste 1200   | Dallas     | TX | 75201-4662 | TX 75201.  |



#### Founded 1849

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

ACCOUNT: AD NUMBER: S1200 106642

TAG LINE P.O.#: **LEGAL #94373** 

1 TIME(S) \$118.30 AFFIDAVIT 10.00 TAX 10.50

TOTAL 138.80

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 94373 a copy of which is hereto attached was published in said newspaper 1 day(s) between 10/27/2025 and 10/27/2025 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 27th day of October, 2025 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

ISI

LEGAL ADVERTISEMENT RESPRESENTATIVE

training was soon assessed a service of self-

Subscribed and sworn to before me on this 294h day of October, 2025

**BEFORE THE OIL CONSERVATION DIVISION** 

Santa Fe, New Mexico Exhibit No. E

Submitted by: Hilcorp Energy Company Hearing Date: December 4, 2025

Case No. 25740

Notary

oury

**Commission Expires:** 

3/14/29



STATE OF NEW MEXICO NOTARY PUBLIC KAREN E ABEYTA COMMISSION # 2005802

COMMISSION EXPIRES 03/19/2029

#### **LEGAL #94373**

Case No. 25740: Applicase No. 25/40: Application of Hilcorp Energy Company for an Exception to the Well Density Requirements of the Special Rules and Regulations of the Bianco-Mesaverde Gas Prob. Arriba Pool, Rio Arriba County, New Mexico. Notice to all affected interest owners, in-cluding all heirs, decluding all neirs, de-visees and successors of: Bolin Resources LP; Cross Timbers Energy LLC; David Pierce & Maxine Pierce Rev Tr, David Pierce & Maxine Pierce Ttees; Dirk Van-bern Berntens En-Pierce Ttees; Dirk Vanhorn Reemtsma; Enduring Resources IV, LLC; J&M Raymond Ltd, Raymond & Sons I LC Gen Partner; Lance Reemtsma; R L Bolin Properties Ltd; Simcoe, LLC; T H Mcelvain Oil & Gas LLP; and Wildcard Family Limited Partnership. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conserpartment, Oil Conser-vation Division ("Division") hereby gives notice that the Division will hold pub-lic hearing 8:30 a.m. on November 13, 2025, to November 13, 2025, to consider this application. The hearing will be conducted in a hybrid fashion, both inperson at the Energy, Minerals, Natural Resources Department, 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 hearings electronically, see the instructions posted on the docket for the hearing date: https://www.emnrd.nm.gov www.emnrd.nm.gov /ocd/hearing-info/ or contact Freya Tschantz, at Freya. Tschantz@emnrd.nm. gov. Applicant in the gov. 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 tions for the Blanco-Mesaverde Gas Pool (72319), Rio Arriba County, New Mexico, to permit it to drill and complete one additional Mesaverde vertical and/or directional assuell making assuell making as gas well, making a total of five vertical and/or directional gas and/or directional gas wells within the same standard 320-acre, more or less, spacing and proration unit comprised of W/2 of Section 26, Township 29 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. Hilcorp further seeks approval for the

proposed location of the San Juan 29-7 Unit 058P Well (API No. 30-039-PENDING), to be vertically drilled with a surface hole location in the NE/4 NW/4 (Unit C) of said Section 26, and authorization to simultaneously complete and produce the well from the Blanco-Mesaverde Gas Pool. Said area is located approximately 17 miles southeast of Navajo City, New Mexico.

PUB.: October 27, 2025