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March 1, 2018

R-11919

Bureau of Land Management
Farmington Resource Area
6251 College Blvd., Suite A
Farmington, NM 87402

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, NM 87501-1148

Oil Conservation Division
State of New Mexico
1220 S. Saint Francis Drive
Santa Fe, NM 87505

**2018 PLAN OF DEVELOPMENT
FOR THE LINDRITH "B" UNIT
NO. 713
RIO ARRIBA COUNTY, NEW MEXICO**

Prior to August 1, 2017, ConocoPhillips operated the Lindrith "B" Unit and submitted a 2017 Plan of Development and Operations ("2017 POD"). Hilcorp Energy Company ("Hilcorp") assumed the role of sub-Unit Operator on August 1, 2017. Southland Royalty Co. LLC is the Lindrith Unit Operator.

Pursuant to Section 10 of the San Juan Lindrith Unit Agreement, Hilcorp, as sub-Unit Operator for the Gallup (Mancos) and Dakota Formations, hereby submits the proposed 2018 Plan of Development and Operations ("2018 POD").

I. PERIOD

This plan will be effective from April 1, 2018 through March 31, 2019. The 2019 Plan will be submitted on or before March 1, 2019.

II. 2017 PLAN REVIEW OF OPERATIONS

A summary of key activities undertaken after August 1, 2017 include:

- A. Production History:** During 2017, cumulative production from the Lindrith 'B' Unit was 0.52 BCF gas; 17.91 MBO oil; and 14 MBW produced water. Refer to the attached Exhibit A for the wells in the Lindrith 'B' Unit.

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B. Participating Areas: The Participating Areas currently established in the Lindrith Unit are as follows:

FORMATION	EXPANSION	EFFECTIVE DATE
GALLUP	000	01-JAN-86
DAKOTA	004	01-NOV-84

C. Drilling Program: The 2017 POD filed by ConocoPhillips provided for no drilling activity. No additional drilling projects were undertaken by Hilcorp during the 2017 period.

D. Workovers/Recompletion Program: The 2017 POD filed by ConocoPhillips did not anticipate any activity. No additional projects were undertaken by Hilcorp in 2017.

E. Facility Program: The 2017 POD filed by ConocoPhillips provided for no activity.

F. Plugging & Abandonment Program: The 2017 POD filed by ConocoPhillips provided for no activity.

III. 2018 PLAN OF DEVELOPMENT AND OPERATIONS

A summary of key activities planned for 2018 includes:

A. Drilling Program: Hilcorp does not anticipate drilling any new wells in the San Juan LINDRITH Unit during 2018. However, new drill opportunities will be evaluated and executed as they arise.

B. Workovers/Recompletion Program: Hilcorp is evaluating opportunities throughout the unit to maintain and increase production. At this time, no specific projects have been identified. However, new projects will be executed as they arise.

C. Facility Program: Throughout 2018, Hilcorp will conduct routine repairs and replacement of facilities required to maintain and increase field production, including construction of additional gas lift lines and/or gas flow lines, expansion of production facilities(including electrical and piping upgrades), and construction of additional water disposal, injection or processing equipment.

D. Plugging & Abandonment Program: Hilcorp does not anticipate plugging/abandoning any wells in Lindrith Unit at this time. Hilcorp will evaluate and implement additional P&A projects as they arise.

In accordance to Section 10 of the Unit Agreement, please provide your approvals by executing and returning a copy of this letter to the undersigned.

Please contact me at (832) 839-4573 if there are any questions regarding this letter.

Lindrith Unit
2018 Plan of Development

Sincerely,
HILCORP ENERGY COMPANY

A handwritten signature in blue ink, appearing to read 'D. Duffy', with a stylized flourish at the end.

David W. Duffy,
L48W Land Manager

cc: Working Interest Owners

HILCORP SAN JUAN, LP

*cc: Lindrith Unit Operator:
Southland Royalty Company
400 W 7th Street
Fort Worth, TX 76102*

**LINDRITH UNIT
2018 PLAN OF DEVELOPMENT APPROVALS**

Bureau of Land Management

Date

New Mexico Oil Conservation Division

Date

New Mexico Commissioner of Public Lands

Date



Lindrith "B" Unit Exhibit "A"

API#	WELL NAME	POOL/FORMATION	STATUS	ST	COUNTY	SEC	TWP	RGE	QTR	OPERATOR
3003905202	Lindrith B Unit 55	Blanco S. Pictured Cliffs	Perm Abandoned	NM	Rio Arriba	32	024N	06W		Hilcorp Energy Company
3003905217	Lindrith B Unit 54	Basin Fruitland Coal	Perm Abandoned	NM	Rio Arriba	31	024N	06W		Hilcorp Energy Company
3003905217	Lindrith B Unit 54	Blanco S. Pictured Cliffs	Perm Abandoned	NM	Rio Arriba	31	024N	06W		Hilcorp Energy Company
3003905449	Lindrith B Unit 15	Blanco S. Pictured Cliffs	Perm Abandoned	NM	Rio Arriba	16	024N	06W		Hilcorp Energy Company
3003905485	Lindrith B Unit 52	Blanco S. Pictured Cliffs	Perm Abandoned	NM	Rio Arriba	14	024N	06W		Hilcorp Energy Company
3003905550	Lindrith B Unit 13	Blanco S. Pictured Cliffs	Perm Abandoned	NM	Rio Arriba	9	024N	06W	NESE	Hilcorp Energy Company
3003905597	Lindrith B Unit 24	Basin Fruitland Coal	Perm Abandoned	NM	Rio Arriba	11	024N	06W		Hilcorp Energy Company
3003905597	Lindrith B Unit 24	Blanco S. Pictured Cliffs	Perm Abandoned	NM	Rio Arriba	11	024N	06W		Hilcorp Energy Company
3003920015	Lindrith B Unit 65	Blanco S. Pictured Cliffs	Perm Abandoned	NM	Rio Arriba	30	024N	06W		Hilcorp Energy Company
3003920911	Lindrith B Unit 79	Blanco S. Pictured Cliffs	Perm Abandoned	NM	Rio Arriba	18	024N	06W		Hilcorp Energy Company
3003920918	Lindrith B Unit 78	Blanco S. Pictured Cliffs	Perm Abandoned	NM	Rio Arriba	11	024N	06W		Hilcorp Energy Company
3003922069	Lindrith B Unit 99	Blanco S. Pictured Cliffs	Perm Abandoned	NM	Rio Arriba	36	024N	06W		Hilcorp Energy Company
3003922137	Lindrith B Unit 001	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	28	024N	03W	NWNW	Hilcorp Energy Company
3003922138	Lindrith B Unit 2	Lindrith Gallup-Dakota, West	Perm Abandoned	NM	Rio Arriba	28	024N	06W	NWSW	Hilcorp Energy Company
3003922278	Lindrith B Unit 3	Lindrith Gallup-Dakota, West	Perm Abandoned	NM	Rio Arriba	21	024N	06W		Hilcorp Energy Company
3003922384	Lindrith B Unit 005	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	21	024N	03W	SWNW	Hilcorp Energy Company
3003922402	Lindrith B Unit 010	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	34	024N	03W	NWSE	Hilcorp Energy Company
3003922422	Lindrith B Unit 008	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	27	024N	03W	SWSW	Hilcorp Energy Company
3003922423	Lindrith B Unit 009	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	27	024N	03W	SWSE	Hilcorp Energy Company
3003922424	Lindrith B Unit 006	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	28	024N	03W	SWSE	Hilcorp Energy Company
3003922450	Lindrith B Unit 007	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	28	024N	03W	SWNE	Hilcorp Energy Company
3003922535	Lindrith B Unit 011	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	16	024N	03W	SWSW	Hilcorp Energy Company
3003922535	Lindrith B Unit 011	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	16	024N	03W	SWSW	Hilcorp Energy Company
3003922549	Lindrith B Unit 016	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	21	024N	03W	NENE	Hilcorp Energy Company
3003922550	Lindrith B Unit 012	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	22	024N	03W	SWSW	Hilcorp Energy Company
3003922551	Lindrith B Unit 013	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	27	024N	03W	SWNW	Hilcorp Energy Company
3003922554	Lindrith B Unit 014	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	16	024N	03W	SWNW	Hilcorp Energy Company
3003922555	Lindrith B Unit 015	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	21	024N	03W	SWSE	Hilcorp Energy Company
3003922711	Lindrith B Unit 021	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	15	024N	03W	SWSW	Hilcorp Energy Company
3003922712	Lindrith B Unit 017	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	16	024N	03W	SWSE	Hilcorp Energy Company
3003922713	Lindrith B Unit 018	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	22	024N	03W	SWNW	Hilcorp Energy Company
3003922714	Lindrith B Unit 020	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	26	024N	03W	SWNW	Hilcorp Energy Company
3003922715	Lindrith B Unit 019	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	27	024N	03W	SWNE	Hilcorp Energy Company
3003923036	Lindrith B Unit 022	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	15	024N	03W	SWNW	Hilcorp Energy Company
3003923037	Lindrith B Unit 023	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	16	024N	03W	SWNE	Hilcorp Energy Company
3003923241	Lindrith B Unit 24	Lindrith Gallup-Dakota, West	Perm Abandoned	NM	Rio Arriba	9	024N	06W		Hilcorp Energy Company
3003923247	Lindrith B Unit 25	Lindrith Gallup-Dakota, West	Perm Abandoned	NM	Rio Arriba	9	024N	06W		Hilcorp Energy Company
3003923465	Lindrith B Unit 026	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	9	024N	03W	NWNW	Hilcorp Energy Company
3003923609	Lindrith B Unit 027	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	10	024N	03W	SWSW	Hilcorp Energy Company
3003923738	Lindrith B Unit 034	Gavilan Mancos	Flowing	NM	Rio Arriba	32	025N	02W	SWNE	Hilcorp Energy Company
3003923755	Lindrith B Unit 35	Lindrith Gallup-Dakota, West	Perm Abandoned	NM	Rio Arriba	9	024N	06W	SWNE	Hilcorp Energy Company
3003923778	Lindrith B Unit 042	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	15	024N	03W	NESW	Hilcorp Energy Company
3003923797	Lindrith B Unit 040	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	15	024N	03W	NENW	Hilcorp Energy Company
3003923798	Lindrith B Unit 33	Lindrith Gallup-Dakota, West	Perm Abandoned	NM	Rio Arriba	21	024N	06W		Hilcorp Energy Company
3003923818	Lindrith B Unit 28	Lindrith Gallup-Dakota, West	Perm Abandoned	NM	Rio Arriba	16	024N	06W		Hilcorp Energy Company
3003923840	Lindrith B Unit 041	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	16	024N	03W	NENE	Hilcorp Energy Company
3003923859	Lindrith B Unit 30	Lindrith Gallup-Dakota, West	Temp Abandoned	NM	Rio Arriba	16	024N	06W	NESE	Hilcorp Energy Company
3003923860	Lindrith B Unit 044	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	21	024N	03W	NESW	Hilcorp Energy Company
3003923861	Lindrith B Unit 046	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	28	024N	03W	NENE	Hilcorp Energy Company
3003923868	Lindrith B Unit 029	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	16	024N	03W	NESW	Hilcorp Energy Company
3003923872	Lindrith B Unit 38	Gavilan Mancos	Perm Abandoned	NM	Rio Arriba	4	024N	06W		Hilcorp Energy Company
3003923873	Lindrith B Unit 045	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	28	024N	03W	NENW	Hilcorp Energy Company
3003923924	Lindrith B Unit 032	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	21	024N	03W	SWNE	Hilcorp Energy Company
3003923968	Lindrith B Unit 031	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	21	024N	03W	NENW	Hilcorp Energy Company
3003924089	Lindrith B Unit 073	Gavilan Mancos	Flowing	NM	Rio Arriba	6	024N	02W	NENE	Hilcorp Energy Company
3003924090	Lindrith B Unit 72	Gavilan Mancos	Perm Abandoned	NM	Rio Arriba	8	024N	06W		Hilcorp Energy Company

3003925066	Lindrith B Unit 078	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	6	024N	02W	NWSW	Hilcorp Energy Company
3003925105	Lindrith B Unit 079	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	7	024N	02W	NWNE	Hilcorp Energy Company
3003925154	Lindrith B Unit 082	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	8	024N	02W	SWSW	Hilcorp Energy Company
3003925178	Lindrith B Unit 84	Lindrith Gallup-Dakota, West	Perm Abandoned	NM	Rio Arriba	16	024N	06W		Hilcorp Energy Company
3003925722	Lindrith B Unit 103	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	18	024N	02W	NWNW	Hilcorp Energy Company
3003926766	Lindrith B Unit 113	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	10	024N	03W	SWSE	Hilcorp Energy Company
3003926791	Lindrith B Unit 108	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	15	024N	03W	SWNE	Hilcorp Energy Company
3003926820	Lindrith B Unit 110	Lindrith Gallup-Dakota, West	Flowing	NM	Rio Arriba	15	024N	03W	SWSE	Hilcorp Energy Company
3003960023	Lindrith B Unit 18	Blanco S. Pictured Cliffs	Perm Abandoned	NM	Rio Arriba	27	024N	06W		Hilcorp Energy Company