

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

**APPLICATIONS OF HILCORP ENERGY COMPANY FOR  
AN EXCEPTION TO THE WELL DENSITY  
REQUIREMENTS OF THE SPECIAL RULES AND  
REGULATIONS FOR THE BASIN-DAKOTA GAS POOL,  
RIO ARRIBA COUNTY, NEW MEXICO.**

**CASE NO. 25742**

**NOTICE OF REVISED EXHIBIT**

Hilcorp Energy Company ("Hilcorp") gives notice that it is filing the attached revised exhibit for acceptance into the record.

**Revised Hilcorp Exhibit D** is a revised self-affirmed statement of notice to reflect the notice letter that was inadvertently left out of the original exhibit packet.

Respectfully submitted,

HOLLAND & HART LLP

By:  \_\_\_\_\_

Adam G. Rankin  
Paula M. Vance  
A. Raylee Starnes  
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Santa Fe, NM 87504  
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**ATTORNEYS FOR HILCORP ENERGY COMPANY**

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

**CASE No. 25742**

*27-5 SEC 16 E/2 DK WELL DENSITY*

**RIO ARRIBA COUNTY, NEW MEXICO**



**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
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**CASE NO. 25742**

**TABLE OF CONTENTS**

- **Hilcorp Exhibit A:** Application
- **Hilcorp Exhibit B:** Self-Affirmed Statement of Gatewood Brown, Landman
  - Hilcorp Exhibit B-1: Notice Area
  - Hilcorp Exhibit B-2: Affected Parties
- **Hilcorp Exhibit C:** Self-Affirmed Statement of Marcus Hill, Engineer
  - Hilcorp Exhibit C-1: Spacing Unit Overview and Targeted Reserves
  - Hilcorp Exhibit C-2: Original Gas in Place – Basin-Dakota
  - Hilcorp Exhibit C-3: Cumulative Gas Produced – Basin-Dakota
  - Hilcorp Exhibit C-4: Remaining Recoverable Gas – Basin-Dakota
  - Hilcorp Exhibit C-5: Volumetric Analysis
- **Hilcorp Revised Exhibit D:** Self-Affirmed Statement of Notice
- **Hilcorp Exhibit E:** Affidavit of Publication

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
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**APPLICATION OF HILCORP ENERGY COMPANY FOR  
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REQUIREMENTS OF THE SPECIAL RULES AND  
REGULATIONS FOR THE BASIN-DAKOTA GAS POOL,  
RIO ARRIBA COUNTY, NEW MEXICO.**

**CASE NO. 25742**

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**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 Basin-Dakota Gas Pool (71599), Rio Arriba County, New Mexico. Specifically, Hilcorp seeks an exception to the well density requirements of Rule II.B of the Special Rules and Regulations of the Basin-Dakota Gas Pool to permit it to drill and complete an additional Dakota vertical and/or directional gas well, in the NE/4 with a total of three wells in the same 160-acre quarter section, being within a 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 Basin-Dakota Gas Pool comprised of the E/2 of Section 16, Township 27 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, in which the following three vertical and/or directional wells were drilled and completed, and are currently producing:

- a. San Juan 27-5 Unit 090 Well (API No. 30-039-82362), which is vertically drilled with a surface hole location in the SW/4 NE/4 (Unit G) of said Section 16;

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A  
Submitted by: Hilcorp Energy Company  
Hearing Date: December 4, 2025  
Case No. 25742**

- b. San Juan 27-5 Unit 090F Well (API No. 30-039-26535), which is vertically drilled with a surface location in SE/4 NE/4 (Unit H) of said Section 16; and
- c. San Juan 27-5 Unit 090M Well (API No. 30-039-25774), which is vertically drilled with a surface location in SW/4 SE/4 (Unit O) of said Section 16.

2. The Basin-Dakota 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 no more than two wells located within either quarter section. See Order No. R-8170, as amended by Order No. R-10987-B, and superseded by Order No. R-10987-B(1), effective January 29, 2002. These Special Pool Rules and Regulations provide:

**I. ACREAGE AND WELL LOCATION REQUIREMENTS**

**A. Standard GPU (Gas Proration Unit):** *A standard GPU in the Basin-Dakota 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) wells may be drilled on a GPU, as follows:*

- (a) *the FIRST OPTIONAL INFILL WELL drilled on a GPU shall be located in the quarter section not containing the INITIAL Dakota well;*
- (b) *the SECOND OPTIONAL INFILL WELL drilled on a GPU shall be located in a quarter-quarter section not containing a Dakota well and within a quarter section of the GPU not containing more than one (1) Dakota well;*
- (c) *the THIRD OPTIONAL INFILL WELL drilled on a GPU shall be located in a quarter-quarter section of the GPU not containing a Dakota well and within a quarter section of the GPU not containing more than one (1) Dakota well;*

- (d) *at the discretion of the operator, the second or third optional infill well may be drilled prior to the drilling of the first optional infill well;*
- (e) *no more than two wells shall be located within either quarter section in a GPU; and*
- (f) *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 Basin-Dakota Gas Pool, and each well was permitted and drilled with a Dakota 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 27-5 Unit 090P Well** (API No. 30-039-PENDING), to be vertically drilled with a surface hole location in the NE/4 NE/4 (Unit A) of said Section 16.

5. Hilcorp therefore requests that the Division enter an order granting an exception to the well density requirements of Rule II.B of the Special Rules and Regulations of the Basin-Dakota Pool to authorize Hilcorp to simultaneously dedicate and produce the **San Juan 27-5 Unit 090P Well** (API No. 30-039-PENDING) within the E/2 of Section 16, Township 27 North, Range 5 West, permitting three wells to produce within the NE/4 of the spacing unit.

6. Approval of this application will not impair the correlative rights of any other interest owner in the Basin-Dakota 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 II.B of the Special Rules and Regulations of the Basin-Dakota Gas Pool (71599) permitting three wells to produce within the same quarter section, being within a standard 320-acre, more or less, spacing and proration unit; and
- Authorizing Hilcorp to simultaneously complete and produce the **San Juan 27-5 Unit 090P Well** (API No. 30-039-PENDING) from the Basin-Dakota Gas Pool.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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Santa Fe, NM 87504  
505-988-4421  
505-983-6043 Facsimile  
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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 Basin-Dakota 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 II.B of the Special Rules and Regulations for the Basin-Dakota Gas Pool (71599), Rio Arriba County, New Mexico, to permit it to drill and complete an additional Basin-Dakota vertical and/or directional gas well, making a total of four vertical and/or directional gas wells within the same standard 320-acre, more or less, spacing and proration unit comprised of the E/2 of Section 16, Township 27 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, with three wells producing from the same quarter section. Hilcorp further seeks approval for the proposed location of the **San Juan 27-5 Unit 090P Well** (API No. 30-039-PENDING), to be vertically drilled with a surface hole location in the NE/4 NE/4 (Unit A) of said Section 16, and authorization to simultaneously complete and produce the well from the Basin-Dakota Gas Pool. Said area is located approximately 18 miles southeast of Navajo City, New Mexico.



**STATE OF NEW MEXICO  
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REGULATIONS FOR THE BASIN-DAKOTA GAS POOL,  
RIO ARRIBA COUNTY, NEW MEXICO.**

**CASE NO. 25742**

**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 II.B of the Special Rules and Regulations of the Basin-Dakota Gas Pool to permit it to drill and complete an additional Dakota vertical and/or directional gas well, in the NE/4 with a total of three wells in the same 160-acre quarter section, being within a standard 320-acre, more or less, spacing and proration unit.

6. The Basin-Dakota 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,

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B  
Submitted by: Hilcorp Energy Company  
Hearing Date: December 4, 2025  
Case No. 25742**

and no more than two wells located within either quarter section. *See* Order No. R-8170, as amended by Order No. R-10987-B, and superseded by Order No. R-10987-B(1), effective January 29, 2002.

7. Hilcorp is the operator of a standard 320-acre, more or less, spacing and proration unit in the Basin-Dakota Gas Pool comprised of the E/2 of Section 16, Township 27 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, in which the following three vertical and/or directional wells were drilled and completed, and are currently producing:

- a. San Juan 27-5 Unit 090 Well (API No. 30-039-82362), which is vertically drilled with a surface hole location in the SW/4 NE/4 (Unit G) of said Section 16;
- b. San Juan 27-5 Unit 090F Well (API No. 30-039-26535), which is vertically drilled with a surface location in SE/4 NE/4 (Unit H) of said Section 16; and
- c. San Juan 27-5 Unit 090M Well (API No. 30-039-25774), which is vertically drilled with a surface location in SW/4 SE/4 (Unit O) of said Section 16.

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 27-5 Unit 090P Well** (API No. 30-039-PENDING), to be vertically drilled with a surface hole location in the NE/4 NE/4 (Unit A) of said Section 16.

9. Hilcorp therefore requests that the Division enter an order granting an exception to the well density requirements of Rule II.B of the Special Rules and Regulations of the Basin-Dakota Pool to authorize Hilcorp to simultaneously dedicate and produce the **San Juan 27-5 Unit**

**090P Well** (API No. 30-039-PENDING) within the E/2 of Section 16, Township 27 North, Range 5 West, permitting three wells to produce within the NE/4 of the spacing unit.

10. The proposed simultaneous dedication of the proposed well will target development of incremental Basin-Dakota 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 Basin-Dakota Gas Pool spacing unit to which the proposed well will be dedicated.

13. Exhibit B-1 also identifies the locations of the existing Basin-Dakota 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.



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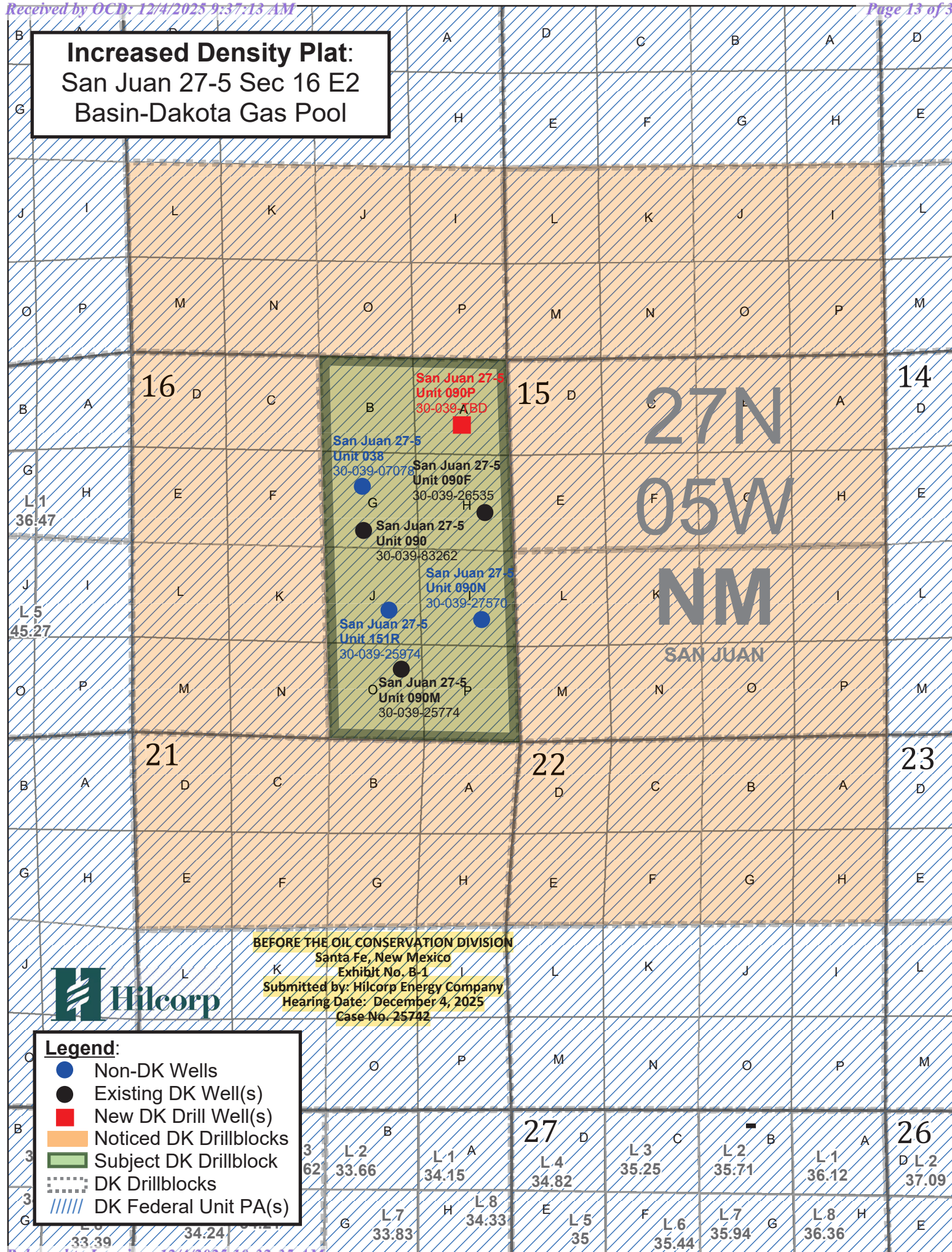
Gatewood Brown

11/21/2025

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Date

**Increased Density Plat:  
San Juan 27-5 Sec 16 E2  
Basin-Dakota Gas Pool**





Name 1	Name 2	Street	City	Postal Code	State
ROY G & OPAL BARTON SR REV TR	ROY G BARTON JR TRUSTEE	1919 NORTH TURNER	HOBBS	88240-2712	NM
PROVIDENCE MINERALS LLC		16400 NORTH DALLAS PKWY STE 400	DALLAS	75248	TX
JABCO LLP	C/O PROSPER ENERGY MANAGEMENT LLC	2600 DALLAS PKWY STE 270	FRISCO	75034-8108	TX
CROSS TIMBERS ENERGY LLC	C/O DRILLINGINFO MAIL	PO BOX 669226	DALLAS	75266-9226	TX
DUGAN PRODUCTION CORP.		PO BOX 420	FARMINGTON	87499	NM
OMIMEX PETROLEUM		PO BOX 80169	FORT WORTH	76244	TX
T H MCELVAIN OIL & GAS LLP		1819 DENVER WEST DRIVE SUITE 260	LAKEWOOD	80401	CO
HARRINGTON SOUTHWEST ENERGY LP	MERRILL LYNCH ATTN: GRANT CLARK	7545 ASHWORTH RD STE 100	WEST DES MOINES	50266	IA
J&M RAYMOND LTD	RAYMOND & SONS I LLC GEN PARTNER	PO BOX 291445	KERRVILLE	78029-1445	TX
RUTH ZIMMERMAN TRUST		1513 HERITAGE PL	MCPHERSON	67460	KS
HARCO LIMITED PARTNERSHIP		PO BOX 50728	MIDLAND	79710	TX
TEMPE LIMITED PARTNERSHIP	C/O BOB HARRINGTON	31 E OAK RIDGE DRIVE	ALGONA	50511	IA
TINMIL A NM LLC		1331 PARK AVE SW UNIT 1403	ALBUQUERQUE	87102	NM
THOMAS P TINNIN		2303 CANDELARIA RD NW	ALBUQUERQUE	87107	NM
MAR OIL & GAS CORPORATION		PO BOX 5155	SANTA FE	87502	NM
NAVATEX ENERGY LP	MARTINDALE CONSULTS INC AGENT	4100 PERIMETER CENTER DR STE 300	OKLAHOMA CITY	73112-2311	OK
LANGDON D HARRISON REVOC TRUST B	JACQUELINE M HARRISON SUC TTEE	4100 PERIMETER CENTER DR STE 300	OKLAHOMA CITY	73112-2311	OK
RIO ARIBAGAS LTD		8150 N CENTRAL EXWY STE 1400	DALLAS	75206	TX
RIO ARRIBA LIMITED PARTNERSHIP		2182 E TONTO PL	CHANDLER	85249	AZ
TIERRA POBRE LLC		PO BOX 1847	CORRALES	87048	NM
SIMCOE, LLC		1199 Main Ave., Suite 101	Durango	81301	CO
CHAPPELL FAMILY TR A U/T/A DATED 6/		PO BOX 71579	PHOENIX	85050-1010	AZ
COMMUNITY MINERALS II LLC		2925 RICHMOND AVE STE 1200	HOUSTON	77098	TX

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. 25742

**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 BASIN-DAKOTA GAS POOL,  
RIO ARRIBA COUNTY, NEW MEXICO.**

**CASE NO. 25742**

**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 Basin-Dakota 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.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C  
Submitted by: Hilcorp Energy Company  
Hearing Date: December 4, 2025  
Case No. 25742

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 27-5 Unit 090P Well** (API No. 30-039-PENDING), to be vertically drilled with a surface hole location in the NE/4 NE/4 (Unit A) of said Section 16.

7. This will be the third Basin-Dakota completion within the same 160-acre quarter section of the spacing and proration 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 Basin-Dakota 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 Basin-Dakota Gas Pool. The yellow 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 yellow 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 4.76 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 Basin-Dakota 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 Basin-Dakota 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.

Wm Hill Jr  
Marcus Hill

11-21-2025  
Date



# **Mesaverde and Dakota Spacing Rule Exceptions**

Scott Matthews / Marcus Hill

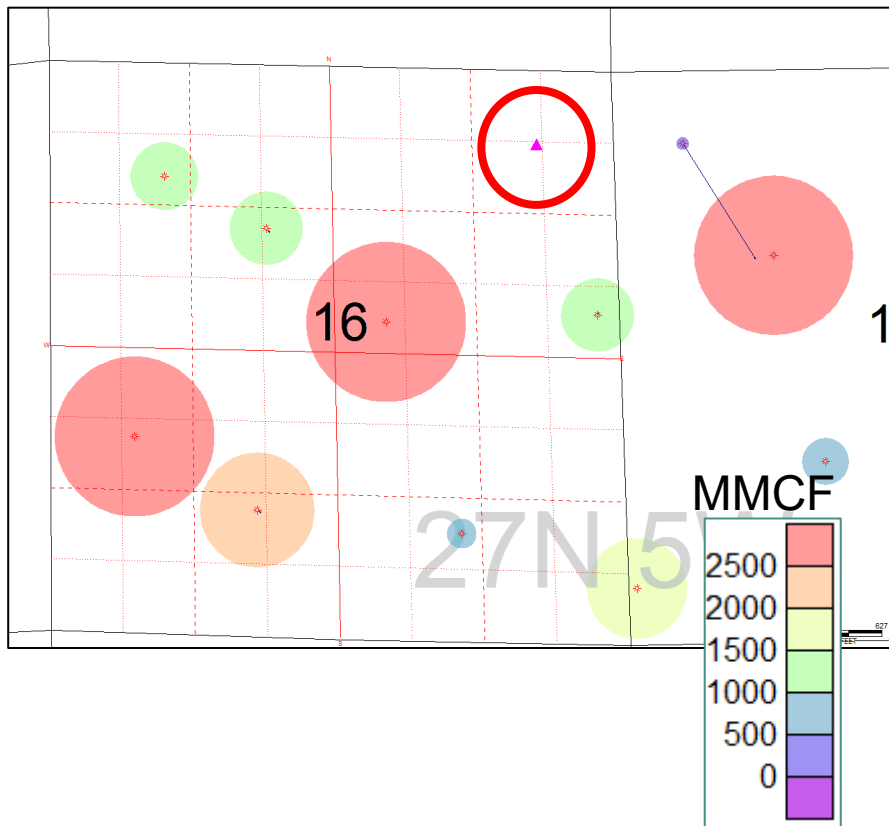
September 16, 2025

# 27-5 16 Dakota

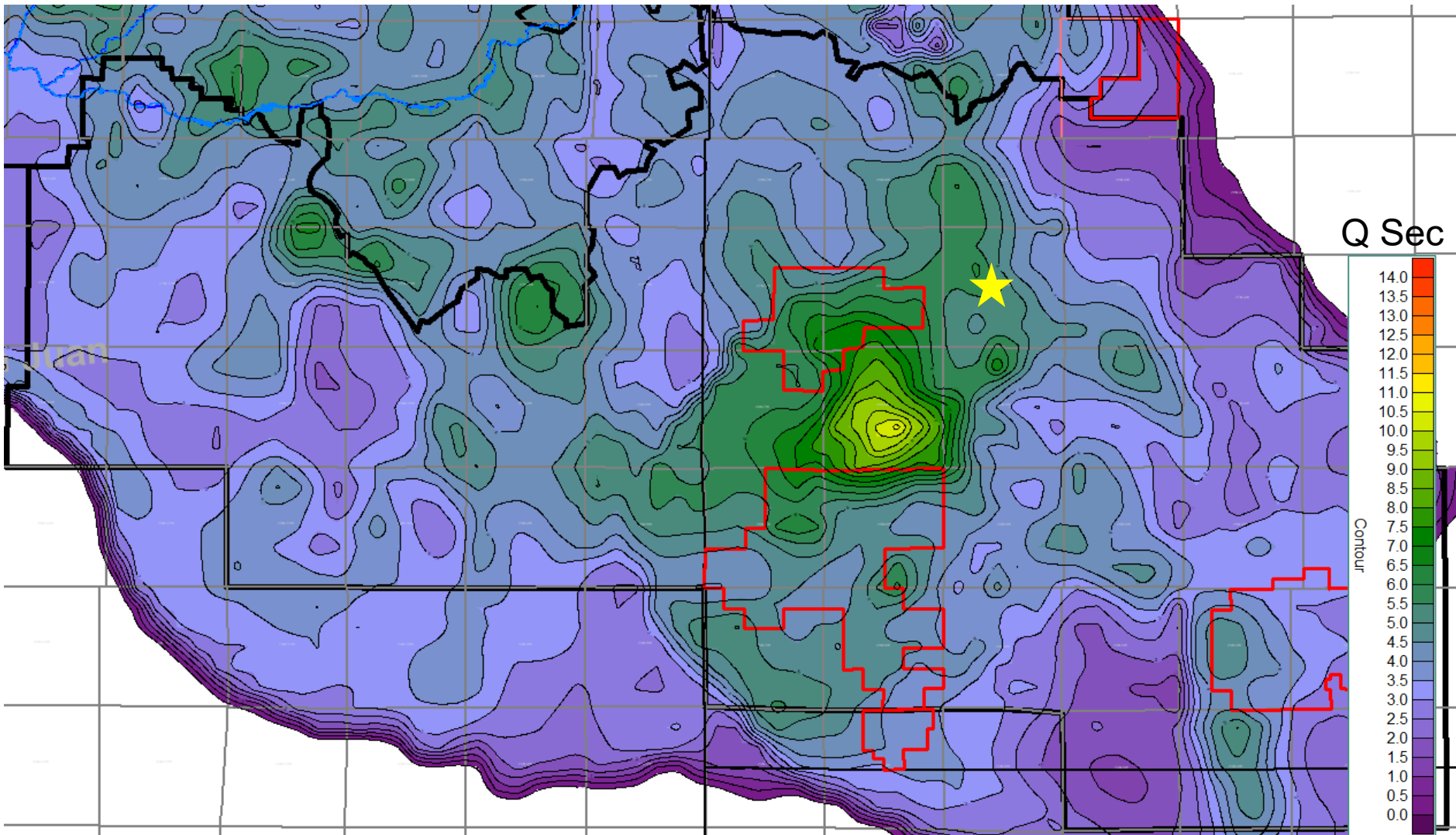


## Overview

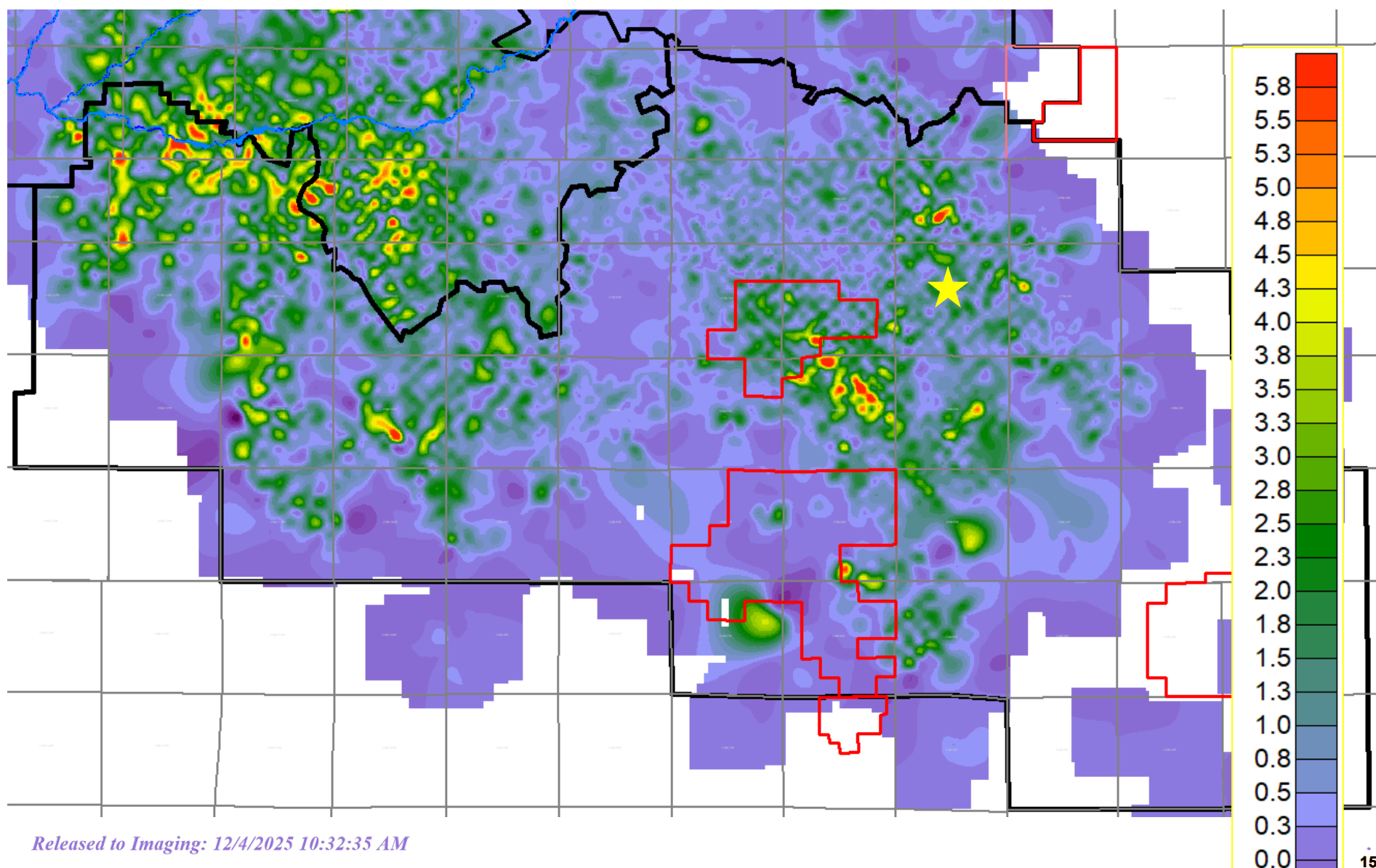
- Dakota developed at 8 wells per section (4 wells per 320 acres, 2 wells per 160 acres)
- Proposing one additional infill well to further deplete the reservoir
- **Drilling from existing disturbances**
- Will commingle Dakota with Mesaverde and Gallup reservoirs



# Dakota OGIP

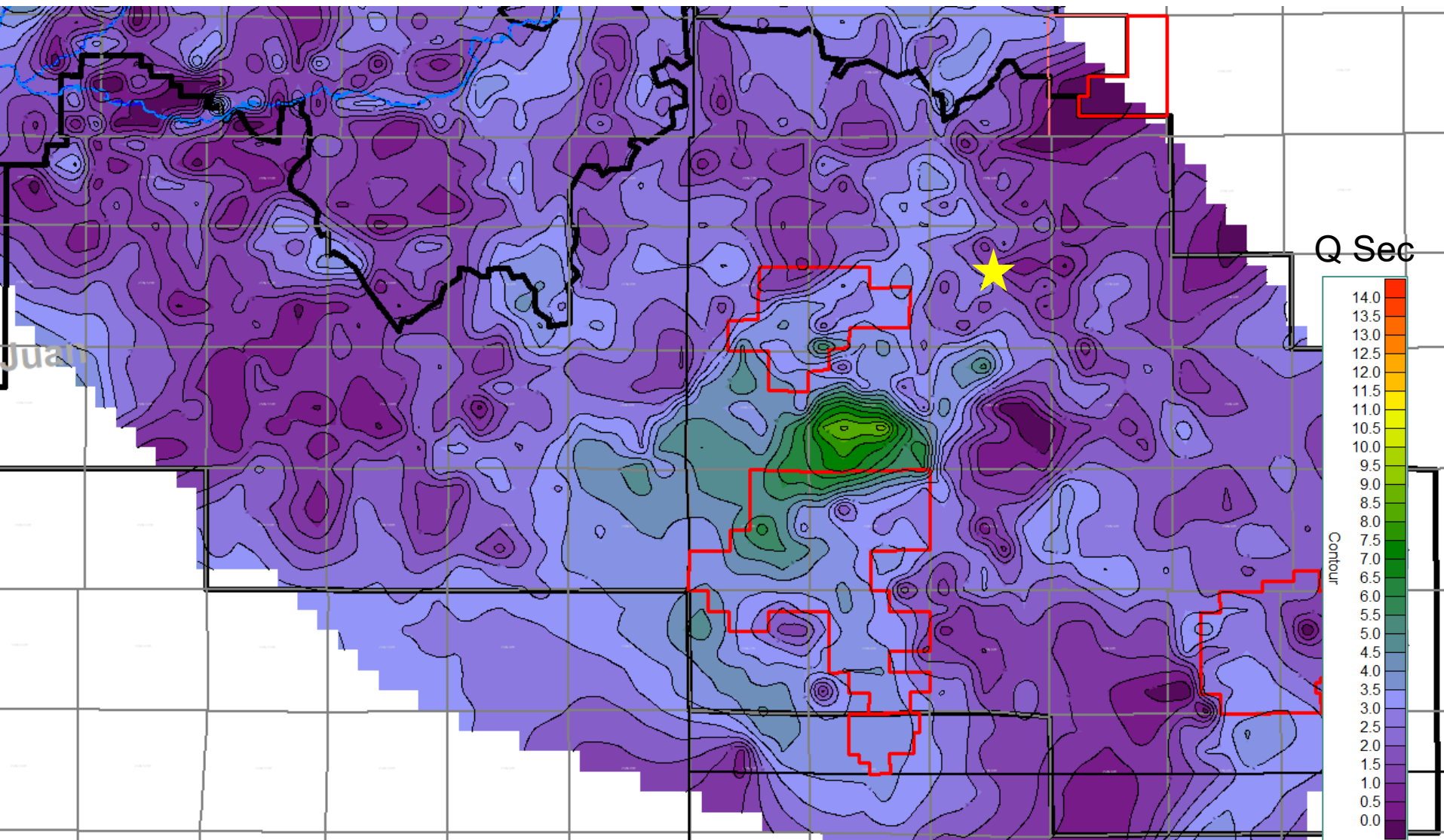


# Dakota Production





# Dakota RGIP





# 27-5 Section 16 Reserve Summary

Formation	Volumetric OGIP	CTD / RF%	EUR / RF%	Recoverable Gas Remaining
Dakota	23.13 BCF	11.63 BCF / 50%	13.75 BCF / 59%	4.76 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  
Santa Fe, New Mexico  
Exhibit No. C-5  
Submitted by: Hilcorp Energy Company  
Hearing Date: December 4, 2025  
Case No. 25742



**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
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REGULATIONS FOR THE BASIN-DAKOTA GAS POOL,  
RIO ARRIBA COUNTY, NEW MEXICO.**

**CASE NO. 25742**

**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  
Revised Exhibit No. D  
Submitted by: Hilcorp Energy Company  
Hearing Date: December 4, 2025  
Case No. 25742**



Paula M. Vance

11/20/25

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 Basin-Dakota Gas Pool, Rio Arriba County, New Mexico: San Juan 27-5 Unit 090P 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 can be monitored through the Division's website at <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](mailto:gabrown@hilcorp.com).

Sincerely,

A handwritten signature in blue ink that reads "Paula M. Vance".

Paula M. Vance  
**ATTORNEY FOR HILCORP ENERGY COMPANY**

T 505.988.4421 F 505.983.6043  
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208  
[www.hollandhart.com](http://www.hollandhart.com)

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

HEC - SJ 27-5 Sec 4 and Sec 16 E/2 DK Well Density - Case nos. 25741-25742  
Postal Delivery Report

9414811898765476089713	Chappell Family Tr A U/T/A Dated 6/	PO Box 71579	Phoenix	AZ	85050-1010	Your item has been delivered and is available at a PO Box at 8:34 am on October 29, 2025 in PHOENIX, AZ 85050.
9414811898765476089751	Community Minerals II LLC	2925 Richmond Ave Ste 1200	Houston	TX	77098-3143	Your item was delivered to an individual at the address at 3:15 pm on October 28, 2025 in HOUSTON, TX 77098.
9414811898765476089768	Cross Timbers Energy LLC	PO Box 669226, C/O Drillinginfo Mail	Dallas	TX	75266-9226	Your item has been delivered and is available at a PO Box at 6:49 pm on October 29, 2025 in DALLAS, TX 75260.
9414811898765476089706	Dugan Production Corp.	PO Box 420	Farmington	NM	87499-0420	Your item was picked up at the post office at 1:03 pm on October 30, 2025 in FARMINGTON, NM 87401.
9414811898765476089799	Harco Limited Partnership	PO Box 50728	Midland	TX	79710-0728	Your item was picked up at the post office at 10:21 am on October 28, 2025 in MIDLAND, TX 79705.
9414811898765476089744	Harrington Southwest Energy Lp Merrill Lynch Attn Grant Clark	7545 Ashworth Rd Ste 100	West Des Moines	IA	50266-5954	Your item was delivered to the front desk, reception area, or mail room at 11:19 am on October 28, 2025 in WEST DES MOINES, IA 50266.
9414811898765476089782	J&M Raymond Ltd, Raymond & Sons I LLC Gen Partner	PO Box 291445	Kerrville	TX	78029-1445	Your item has been delivered and is available at a PO Box at 9:44 am on October 28, 2025 in KERRVILLE, TX 78028.
9414811898765476089737	JABCO Llp, c/o Prosper Energy Management LLC	2600 Dallas Pkwy Ste 270	Frisco	TX	75034-8108	Your item was delivered to the front desk, reception area, or mail room at 1:39 pm on October 29, 2025 in FRISCO, TX 75034.
9414811898765476089775	Langdon D Harrison Revoc Trust B, Jacqueline M Harrison Suc Ttee	4100 Perimeter Center Dr Ste 300	Oklahoma City	OK	73112-2311	Your item was delivered to an individual at the address at 12:48 pm on October 28, 2025 in OKLAHOMA CITY, OK 73112.
9414811898765476089911	Mar Oil & Gas Corporation	PO Box 5155	Santa Fe	NM	87502-5155	Your item was picked up at the post office at 2:24 pm on October 27, 2025 in SANTA FE, NM 87505.

HEC - SJ 27-5 Sec 4 and Sec 16 E/2 DK Well Density - Case nos. 25741-25742  
Postal Delivery Report

9414811898765476089959	Navatex Energy Lp, Martindale Consults Inc Agent	4100 Perimeter Center Dr Ste 300	Oklahoma City	OK	73112-2311	Your item was delivered to an individual at the address at 12:48 pm on October 28, 2025 in OKLAHOMA CITY, OK 73112.
9414811898765476089966	Omimex Petroleum	PO Box 80169	Fort Worth	TX	76244-2902	Your item has been delivered and is available at a PO Box at 10:01 am on October 28, 2025 in KELLER, TX 76248.
9414811898765476089928	Providence Minerals LLC	16400 Dallas Pkwy Ste 400	Dallas	TX	75248-2643	Your item was delivered to the front desk, reception area, or mail room at 12:42 pm on October 30, 2025 in DALLAS, TX 75248.
9414811898765476089904	Rio Aribagas Ltd	8150 N Central Expy Ste 1400	Dallas	TX	75206-1875	Your item was delivered to the front desk, reception area, or mail room at 9:58 am on October 28, 2025 in DALLAS, TX 75206.
9414811898765476089942	Rio Arriba Limited Partnership	2182 E Tonto Pl	Chandler	AZ	85249-2998	Your item was delivered to an individual at the address at 11:23 am on October 28, 2025 in CHANDLER, AZ 85249.
9414811898765476089980	Roy G & Opal Barton Sr Rev Tr, Roy G Barton Jr Trustee	1919 N Turner St	Hobbs	NM	88240-2712	Your item was delivered to an individual at the address at 11:06 am on October 28, 2025 in HOBBS, NM 88240.
9414811898765476089935	Ruth Zimmerman Trust	1513 Heritage Pl	McPherson	KS	67460-2124	Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.
9414811898765476089973	Simcoe, LLC	1199 Main Ave Ste 101	Durango	CO	81301-5170	Your item has been delivered to an agent. The item was picked up at USPS at 12:59 pm on October 27, 2025 in DURANGO, CO 81301.
9414811898765476089614	T H Mcelvain Oil & Gas Llp	1819 Denver West Dr Ste 260	Lakewood	CO	80401-3118	Your item was delivered to an individual at the address at 11:35 am on October 27, 2025 in GOLDEN, CO 80401.

HEC - SJ 27-5 Sec 4 and Sec 16 E/2 DK Well Density - Case nos. 25741-25742  
Postal Delivery Report

9414811898765476089652	Tempe Limited Partnership, c/o Bob Harrington	31 E Oak Ridge Dr	Algona	IA	50511-1039	Your item was delivered to an individual at the address at 1:34 pm on October 28, 2025 in ALGONA, IA 50511.
9414811898765476089621	Thomas P Tinnin	2303 Candelaria Rd NW	Albuquerque	NM	87107-3055	Your item was delivered to an individual at the address at 12:39 pm on October 27, 2025 in ALBUQUERQUE, NM 87107.
9414811898765476089607	Tierra Pobre LLC	PO Box 1847	Corrales	NM	87048-1847	Your item was picked up at the post office at 10:06 am on October 27, 2025 in CORRALES, NM 87048.
9414811898765476089690	Tinmil A Nm LLC	1331 Park Ave SW Unit 1403	Albuquerque	NM	87102-2860	Your item was delivered to the front desk, reception area, or mail room at 9:46 am on October 30, 2025 in ALBUQUERQUE, NM 87102.

# SANTA FE NEW MEXICAN

Founded 1849

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

ACCOUNT: S1200  
AD NUMBER: 106584  
TAG LINE LEGAL #94370  
P.O.#:

1 TIME(S)	\$139.30
AFFIDAVIT	10.00
TAX	12.22
TOTAL	161.52

## 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 94370 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.

/s/

LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 27th day of October, 2025

Notary

Commission Expires: 3/19/29

BEFORE THE OIL CONSERVATION DIVISION

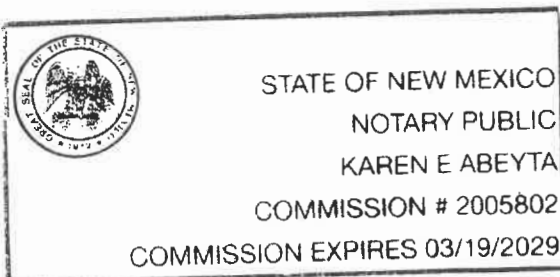
Santa Fe, New Mexico

Exhibit No. E

Submitted by: Hilcorp Energy Company

Hearing Date: December 4, 2025

Case No. 25742



SantaFeNewMexican.com

PO Box 2048, Santa Fe, NM 87504-2048 phone: 505-983-3303 - fax: 505-984-1785

LEGAL #94370

**Case No. 25742: Application of Hilcorp Energy Company for an Exception to the Well Density Requirements of the Special Rules and Regulations of the Basin-Dakota Gas Pool, Rio Arriba County, New Mexico.** Notice to all affected interest owners, including all heirs, devisees and successors of: Chappell Family Trust A/U/T/A Dated 6/; Community Minerals II LLC; Cross Timbers Energy LLC; Dugan Production Corp.; Harco Limited Partnership; Harrington Southwest Energy LP; J&M Raymond Ltd.; Raymond & Sons I LLC Gen Partner; JABCO LLP, c/o Prosper Energy Management LLC; Langdon D Harrison Revoc Trust B, Jacqueline M Harrison Suc Ttee; Mar Oil & Gas Corporation; Navatex Energy LP, Martindale Consults Inc Agent; Omimex Petroleum; Providence Minerals LLC; Rio Arribas Ltd.; Rio Arriba Limited Partnership; Roy G & Opal Barton Sr Rev Tr, Roy G Barton Jr Trustee; Ruth Zimmerman Trust; Simcoe, LLC; T H McElvain Oil & Gas LP; Tempe Limited Partnership, c/o Bob Harrington; Thomas P. Tinnin; Tierra Pobre LLC; and Tinnin A Nm LLC. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearing 8:30 a.m. on November 13, 2025, to consider this application. The hearing will be conducted in a hybrid fashion, both in-person 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/ocd/hearing-info/> or contact Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov. Applicant in the above-styled cause seeks an order for an exception to the well density requirements of Rule II.B of the Special Rules and Regulations for the Basin-Dakota Gas Pool (71599), Rio Arriba

County, New Mexico, to permit it to drill and complete an additional Basin-Dakota vertical and/or directional gas well, making a total of four vertical and/or directional gas wells within the same standard 320-acre, more or less, spacing and proration unit comprised of the E/2 of Section 16, Township 27 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, with three wells producing from the same quarter section. Hilcorp further seeks approval for the proposed location of the San Juan 27-5 Unit 090P Well (API No. 30-039-PENDING), to be vertically drilled with a surface hole location in the NE/4 NE/4 (Unit A) of said Section 16, and authorization to simultaneously complete and produce the well from the Basin-Dakota Gas Pool. Said area is located approximately 18 miles southeast of Navajo City, New Mexico.

PUB.: October 27, 2025