

From: [Tammy Jones](#)
To: [McClure, Dean, EMNRD](#)
Cc: [Sasha Khalaf](#); [Michelle Sivadon](#)
Subject: [EXT] RE: [EXTERNAL] RE: C107B - API# 3003930438 and 3003930475
Date: Wednesday, January 8, 2020 7:03:50 AM

Good Morning Dean,

Wanted to see what time you have available to schedule a conference call. We tried reaching you yesterday and left a voicemail for you.

Please let me know & I can send out a meeting invite.

Thanks,
Tammy Jones | **HILCORP ENERGY** | San Juan East Regulatory | 505.324.5185 |
tajones@hilcorp.com

From: McClure, Dean, EMNRD [mailto:Dean.McClure@state.nm.us]
Sent: Thursday, January 2, 2020 2:29 PM
To: Tammy Jones <tajones@hilcorp.com>
Cc: Sasha Khalaf <skhalaf@hilcorp.com>; Michelle Sivadon <msivadon@hilcorp.com>
Subject: [EXTERNAL] RE: C107B - API# 3003930438 and 3003930475

Hello Tammy,

Mine wasn't bad, hopefully your Christmas was good as well.

Historical production data is referenced, but I did not see it attached. If your engineers feel it is compelling then please submit it. The method of allocation to be requested is of course in Hilcorp's discretion and I will review anything submitted; however, I must forewarn you that unless the historical production data is truly compelling, I will recommend to the Director that the OCD deny this application with the current requested allocation method.

Noting that I have not personally seen the battery, I recommend that Hilcorp consider installing a meter on one of the separator's oil dump valves and use the subtraction method to determine allocation.

Dean McClure
Petroleum Specialist
New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
(505) 476-3471

From: Tammy Jones <tajones@hilcorp.com>

Sent: Monday, December 30, 2019 2:08 PM

To: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>

Cc: Sasha Khalaf <skhalaf@hilcorp.com>; Michelle Sivadon <msivadon@hilcorp.com>

Subject: [EXT] C107B - API# 3003930438 and 3003930475

Hi Dean,

Hope you had a Merry Christmas. I am following-up from the conversation we had prior to Christmas week.

You called asking for additional information on the C-107B application for San Juan 27-4 Unit 139N and 59N oil surface commingle.

Below and attached is the requested data for inclusion to the application: PHIC7-191209-C-107B

The initial submission for the 6-month water and condensate production used recent average information from the wells' operator. However, what we would like to submit for consideration are volumes from our production data base, as well as from oil/water hauling tickets to get more accurate numbers for these wells' production rates. Also attached is a document explaining the allocation calculations in more detail.

Thanks,

Tammy Jones | **HILCORP ENERGY** | San Juan East Regulatory | 505.324.5185 | tajones@hilcorp.com

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