

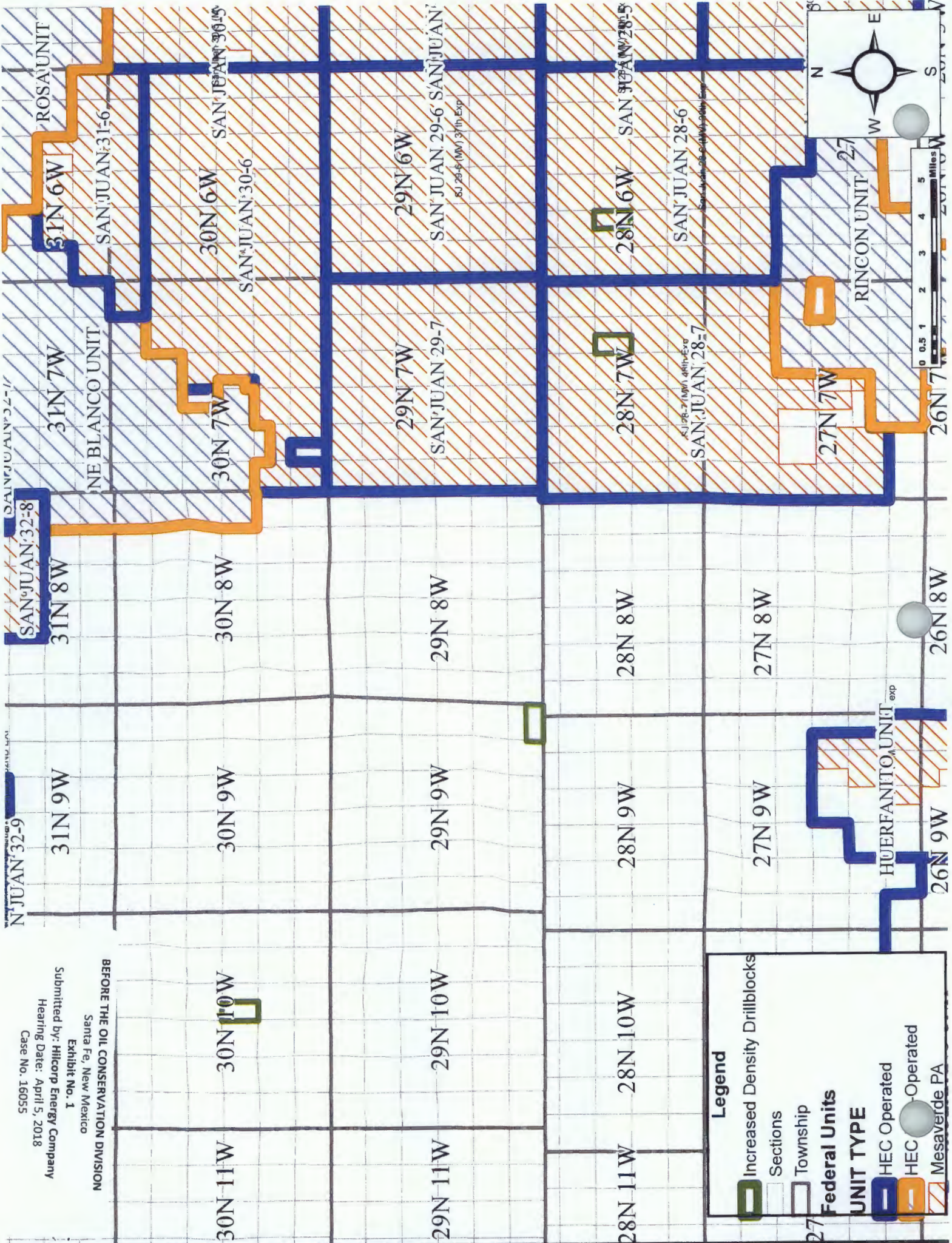
**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING APRIL 5, 2018**

CASE No. 16055

SAN JUAN 28-6 UNIT 127

SAN JUAN COUNTY, NEW MEXICO





BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. 1
 Submitted by: Hilcorp Energy Company
 Hearing Date: April 5, 2018
 Case No. 16055

Legend

- Increased Density Drillblocks
- Sections
- Township
- Federal Units

UNIT TYPE

- HEC Operated
- HEC -Operated
- Mesaverde PA

007

008

009

All Offsets are
Operated by
Hilcorp Energy
Company

018

017

016

019

San Juan 28-6 (MV) 30th Exp

SAN JUAN 28-6 UNIT 44
300390739200

SAN JUAN 28-6 UNIT 127
300392006900

SAN JUAN 28-6 UNIT 127N
300393077400

SAN JUAN 28-6 UNIT 127M
300392781500

020
SAN JUAN 28-6 UNIT 44A
300392187400

SAN JUAN 28-6
28N 6W

021

030

029

028

San Juan 28-6 Unit 127
API #30-039-20069

Legend

Drillblock Wells



Dakota



Mesaverde



Drillblock



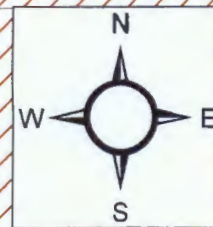
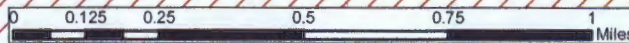
Offset



Mesaverde PA

032

033



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 2

Submitted by: Hilcorp Energy Company

Hearing Date: April 5, 2018

Case No. 16055

16055 SJ 28-6 U 127

Name	Address	City	State	Zip Code	Remarks
BP AMERICA PRODUCTION COMPANY	PO BOX 848103	DALLAS	TX	75284-8103	WIO
CAROLYN BEAMON TILLEY	5225 PRESTON HAVEN	DALLAS	TX	75229	WIO
CB LIFELINE PARTNERSHIP	5225 PRESTON HAVEN DR	DALLAS	TX	75229	WIO
CHARLES W GAY	PO BOX 291445	KERRVILLE	TX	78029-1445	WIO
CLAUDIA MARCIA LUNDELL GILMER	1102 S AUSTIN AVE	GEORGETOWN	TX	78628	WIO
CROSS TIMBERS ENERGY LLC	400 W 7TH STREET	FT WORTH	TX	76102	WIO
ENDURING RESOURCES IV LLC	511 16TH STREET, SUITE 700	DENVER	CO	80202	WIO
HARRINGTON ENERGY RESOURCES LP	A NM LP HARRINGTON SAN JUAN LLC GP	KANSAS CITY	MO	64131	WIO
HARRINGTON SOUTHWEST ENERGY LP	A NM LP HARRINGTON SAN JUAN LLC GP	KANSAS CITY	MO	64131	WIO
J&M RAYMOND LTD	RAYMOND & SONS I LLC GEN PARTNER	KERRVILLE	TX	78029-1445	WIO
JAMES R BEAMON	2603 AUGUSTA STE 1050	HOUSTON	TX	77057-5640	WIO
LINDA JEANNE LUNDELL LINDSEY	PO BOX 631565	NACOGDOCHES	TX	75963	WIO
LORRAYN GAY HACKER	PO BOX 291445	KERRVILLE	TX	78029-1445	WIO
OMIMEX PETROLEUM	7950 JOHN T WHITE ROAD	FORT WORTH	TX	76120	WIO
ROBERT E BEAMON III	2603 AUGUSTA DR STE 1050	HOUSTON	TX	77057-5797	WIO
ROBERT WALTER LUNDELL	2450 FONDREN STE 304	HOUSTON	TX	77063-2318	WIO
SHARON BEAMON BURNS	122 ESTRADA REDONDA	SANTA FE	NM	87506-7933	WIO
SUSAN BEAMON PORTER	319 KNIPP FOREST	HOUSTON	TX	77024-5030	WIO
T H MCELVAIN OIL & GAS LLLP	1050 17TH ST SUITE 2500	DENVER	CO	80265-2080	WIO
TAMACAM LLC	JAMES M RAYMOND AFENT & AIF	KERRVILLE	TX	78029-1445	WIO



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From Date:	3/16/18	To Date:	3/16/18
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Address:		Address 2:	
City:		State:	
Zip:		AddresseeCode:	
AddresseeCode2:		FileNumber:	
Certified Number:		Sender Contact:	Brenda Guzman <input type="text"/>
Delivery Result:	All Records - Mailed <input checked="" type="checkbox"/>	Sender Contact(Text):	
View Archives		Retrieve Certified Mail Article History	

Certified Number	Sender	Recipient	Date Mailed	Delivery Status
92148969009997901756613626 Request Signature via Email	Brenda Guzman	, ALADDIN PETROLEUM CORP, 123 S MARKET ST, WICHITA, KS, 67202-3801 Code: WIO	3/16/2018	Delivered, PO Box March 26, 2018 Signature Pending
92148969009997901756613633	Brenda Guzman	, BOFB LTD ATTN: MARY JEANNE BANKS, 2104 WINTER SUNDAY WAY, ARLINGTON, TX, 76012 Code: WIO	3/16/2018	Reminder to Schedule Redelivery of your item Signature Pending
92148969009997901756613640	Brenda Guzman	, BP AMERICA PRODUCTION COMPANY ATTN: CRAIG FERGUSON, 737 N ELDRIDGE PARKWAY, HOUSTON, TX, 77079 Code: WIOandOO	3/16/2018	In Transit to Next Facility March 20, 2018 Signature Pending
92148969009997901756613657 Request Signature via Email	Brenda Guzman	, CAROLEE SIMMONS SMITH, 6704 ASHBROOK DR, FORT WORTH, TX, 76132-1140 Code: WIO	3/16/2018	Delivered, Left with Individual March 19, 2018 Signature Pending
92148969009997901756613664 Request Signature via Email	Brenda Guzman	, CAROLYN BEAMON TILLEY, 5225 PRESTON HAVEN, DALLAS, TX, 75229 Code: WIO	3/16/2018	Delivered, Left with Individual March 19, 2018 Signature Pending
92148969009997901756613671 Request Signature via Email	Brenda Guzman	, CB LIFELINE PARTNERSHIP, 5225 PRESTON HAVEN DR, DALLAS, TX, 75229 Code: WIO	3/16/2018	Delivered, Left with Individual March 19, 2018 Signature Pending
92148969009997901756613688 Request Signature via Email	Brenda Guzman	, CHARLES W GAY, PO BOX 291445, KERRVILLE, TX, 78029-1445 Code: WIO	3/16/2018	Delivered March 27, 2018 Signature Pending
92148969009997901756613695 Request Signature via Email	Brenda Guzman	, CLAUDIA MARCIA LUNDELL GILMER, 1102 S AUSTIN AVE, GEORGETOWN, TX, 78626 Code: WIO	3/16/2018	Delivered, Left with Individual March 19, 2018 Signature Pending
92148969009997901756613701 Request Signature via Email	Brenda Guzman	, CROSS TIMBERS ENERGY LLC, 400 W 7TH STREET, FT WORTH, TX, 76102 Code: WIO	3/16/2018	Delivered, To Mail Room March 20, 2018 Signature Pending
92148969009997901756613718 Request Signature via Email	Brenda Guzman	, D J SIMMONS CO LTD PARTNERSHIP, PO BOX 1469, FARMINGTON, NM, 87499 Code: WIO	3/16/2018	Delivered March 26, 2018 Signature Pending
92148969009997901756613725 Request Signature via Email	Brenda Guzman	, DUGAN PRODUCTION CORP, PO BOX 420, FARMINGTON, NM, 87499 Code: WIO	3/16/2018	Delivered, Individual Picked Up at Post Office March 28, 2018 Signature Pending
92148969009997901756613732 Request Signature via Email	Brenda Guzman	, ELIZABETH TURNER CALLOWAY, ROBERT WILBURN GUARDIAN PO BOX 191767, DALLAS, TX, 75219-8506 Code: WIO	3/16/2018	Delivered March 26, 2018 Signature Pending
92148969009997901756613749 Request Signature via Email	Brenda Guzman	, ENDURING RESOURCES IV LLC ATTN: TRAVIS WHITHAM, 511 16TH STREET, SUITE 700, DENVER, CO, 80202 Code: WIO	3/16/2018	Delivered, Left with Individual March 19, 2018 Signature Pending
	Brenda Guzman		3/16/2018	Delivered, Neighbor as Requested

92148969009997901756613756 Request Signature via Email		, FREDERICK EUGENE TURNER, 4925 GREENVILLE AVE #852, DALLAS, TX, 75206 Code: WIO		March 19, 2018 Signature Pending
92148969009997901756613763 Request Signature via Email	Brenda Guzman	, HARRINGTON ENERGY RESOURCES LP, A NM LP HARRINGTON SAN JUAN LLC GP PO BOX 219119, KANSAS CITY, MO, 64121 Code: WIO	3/16/2018	Delivered, PO Box March 21, 2018 Signature Pending
92148969009997901756613770 Request Signature via Email	Brenda Guzman	, HARRINGTON SOUTHWEST ENERGY LP, A NM LP HARRINGTON SAN JUAN LLC GP PO BOX 219119, KANSAS CITY, MO, 64121 Code: WIO	3/16/2018	Delivered, PO Box March 21, 2018 Signature Pending
92148969009997901756613787 Request Signature via Email	Brenda Guzman	, HOLLY BISHOP, 4008 INWOOD ROAD, FORT WORTH, TX, 76109 Code: WIO	3/16/2018	Delivered, Left with Individual March 19, 2018 Signature Pending
92148969009997901756613794 Request Signature via Email	Brenda Guzman	, J GLENN TURNER JR, 4809 COLE AVE SUITE 212, DALLAS, TX, 75205 Code: WIO	3/16/2018	Delivered, Left with Individual March 23, 2018 Signature Pending
92148969009997901756613800 Request Signature via Email	Brenda Guzman	, JandM RAYMOND LTD, RAYMOND and SONS I LLC GEN PARTNER PO BOX 291445, KERRVILLE, TX, 78029-1445 Code: WIO	3/16/2018	Delivered March 27, 2018 Signature Pending
92148969009997901756613817 Request Signature via Email	Brenda Guzman	, JAMES R BEAMON, 2603 AUGUSTA STE 1050, HOUSTON, TX, 77057-5640 Code: WIO	3/16/2018	Delivered, Left with Individual March 21, 2018 Signature Pending
92148969009997901756613824 Request Signature via Email	Brenda Guzman	, JOHN LEE TURNER, 525 GILMER ST #108, SULPHUR SPRINGS, TX, 75482 Code: WIO	3/16/2018	Delivered, Left with Individual March 19, 2018 Signature Pending
92148969009997901756613831 Request Signature via Email	Brenda Guzman	, JUNE SIMMONS LIVELY, 3529 BELLAIRE DR N, FORT WORTH, TX, 76109-2110 Code: WIO	3/16/2018	Delivered, Left with Individual March 20, 2018 Signature Pending
92148969009997901756613848 Request Signature via Email	Brenda Guzman	, LINDA JEANNE LUNDELL LINDSEY, PO BOX 631565, NACOGDOCHES, TX, 75963 Code: WIO	3/16/2018	Delivered March 22, 2018 Signature Pending
92148969009997901756613855 Request Signature via Email	Brenda Guzman	, LORRAYN GAY HACKER, PO BOX 291445, KERRVILLE, TX, 78029-1445 Code: WIO	3/16/2018	Delivered March 27, 2018 Signature Pending
92148969009997901756613862 Request Signature via Email	Brenda Guzman	, OMIMEX PETROLEUM, 7950 JOHN T WHITE ROAD, FORT WORTH, TX, 76120 Code: WIO	3/16/2018	Delivered, Left with Individual March 19, 2018 Signature Pending
92148969009997901756613879 Request Signature via Email	Brenda Guzman	, ROBERT E BEAMON III, 2603 AUGUSTA DR STE 1050, HOUSTON, TX, 77057-5797 Code: WIO	3/16/2018	Delivered, Left with Individual March 21, 2018 Signature Pending
92148969009997901756613886 Request Signature via Email	Brenda Guzman	, ROBERT WALTER LUNDELL, 2450 FONDREN STE 304, HOUSTON, TX, 77063-2318 Code: WIO	3/16/2018	Delivered, Left with Individual March 20, 2018 Signature Pending
92148969009997901756613893 Request Signature via Email	Brenda Guzman	, SDF LLC, 6719 EMORY OAKS PL NE, ALBUQUERQUE, NM, 87111 Code: WIO	3/16/2018	Delivered, Left with Individual March 22, 2018 Signature Pending
92148969009997901756613909 Request Signature via Email	Brenda Guzman	, SHARKTOOTH RESOURCES LTD, 505 N BIG SPRING SUITE 303, MIDLAND, TX, 79701 Code: WIO	3/16/2018	Delivered, Left with Individual March 23, 2018 Signature Pending
92148969009997901756613916 Request Signature via Email	Brenda Guzman	, SHARON BEAMON BURNS, 122 ESTRADA REDONDA, SANTA FE, NM, 87506-7933 Code: WIO	3/16/2018	Delivered March 23, 2018 Signature Pending
92148969009997901756613923 Request Signature via Email	Brenda Guzman	, SUSAN BEAMON PORTER, 319 KNIPP FOREST, HOUSTON, TX, 77024-5030 Code: WIO	3/16/2018	Delivered March 20, 2018 Signature Pending
92148969009997901756613930 Request Signature via Email	Brenda Guzman	, T H MCELVAIN OIL and GAS LLLP, 1050 17TH ST SUITE 2500, DENVER, CO, 80265-2080 Code: WIO	3/16/2018	Delivered, Left with Individual March 19, 2018 Signature Pending
92148969009997901756613947 Request Signature via Email	Brenda Guzman	, TAMACAM LLC, JAMES M RAYMOND AFENT and AIF PO BOX 291445, KERRVILLE, TX, 78029 Code: WIO	3/16/2018	Delivered March 27, 2018 Signature Pending
92148969009997901756613954 Request Signature via Email	Brenda Guzman	, W G PEAVY OIL COMPANY, 221 WOODCREST DR, RICHARDSON, TX, 75080-2038 Code: WIO	3/16/2018	Delivered, Left with Individual March 19, 2018 Signature Pending
92148969009997901756613961 Request Signature via Email	Brenda Guzman	, WEST LARGO CORPORATION, 8801 S YALE AVE, STE 240, TULSA, OK, 74137 Code: OO	3/16/2018	Delivered, Front Desk/Reception March 20, 2018 Signature Pending



March 16, 2018

VIA CERTIFIED MAIL - CERTIFIED RECEIPT REQUESTED

TO: ALL WORKING INTEREST OWNERS

Re: Applications 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.

This letter is to advise you that Hilcorp Energy Company has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on April 5, 2018. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. 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 by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter please contact Wyn McCubbin by phone at (713) 757-7125, by email at wmccubbin@hilcorp.com Chuck Creekmore at (832) 389-4601, by email at ccreekmore@hilcorp.com.

Sincerely,

A handwritten signature in cursive script that reads 'Wyn McCubbin'.

Wyn McCubbin, CPL
Senior Landman – San Juan Basin

A handwritten signature in cursive script that reads 'Charles E. Creekmore'.

Chuck Creekmore
Division Landman – San Juan Basin

From: Ferguson, Craig [mailto:Craig.Ferguson@bp.com]
Sent: Wednesday, April 4, 2018 2:19 PM
To: Brenda Guzman <bguzman@hilcorp.com>
Cc: Wyn McCubbin <wmccubbin@hilcorp.com>; Chuck Creekmore <ccreekmore@hilcorp.com>; Rob Carlson <rcarlson@hilcorp.com>
Subject: RE: HEC NMOCD Hearing 4/5/18

No objections.

Craig T. Ferguson
Sr. Land Negotiator
San Juan Basin – New Mexico
281.892.5743

Lower 48 Onshore
BP America Production Company
737 N. Eldridge Parkway, E3-12.173B
Houston, TX 77079

Nothing contained in this communication, or in any other written or oral communications with BP America Production Company or its affiliates (collectively "BP") concerning the matters addressed above, shall create an obligation on BP to conclude a transaction covering such matters. Unless and until a written agreement covering the matters addressed above is executed by BP's authorized representative having express authority to bind BP to a transaction of such size and nature, BP has no obligation (legal or otherwise) concerning such matters. YOU SHOULD NOT RELY ON THIS COMMUNICATION OR ANY OTHER WRITTEN OR ORAL COMMUNICATIONS WITH BP AS THE BASIS FOR TAKING ANY ACTION, FOREGOING ANY OPPORTUNITY OR INCURRING ANY COSTS, IN ANTICIPATION OF CONCLUDING A TRANSACTION WITH BP.

This email and any attachments are intended only for the addressee(s) listed above and may contain confidential, proprietary, and/or privileged information. If you are not an intended recipient, please immediately advise the sender by return email, delete this email and any attachments, and destroy any copies of same. Any unauthorized review, use, copying disclosure or distribution of this email and any attachments is prohibited.

From: Brenda Guzman [mailto:bguzman@hilcorp.com]
Sent: Monday, April 02, 2018 11:43 AM
To: Ferguson, Craig
Cc: Wyn McCubbin; Chuck Creekmore; Rob Carlson
Subject: RE: HEC NMOCD Hearing 4/5/18

Craig,

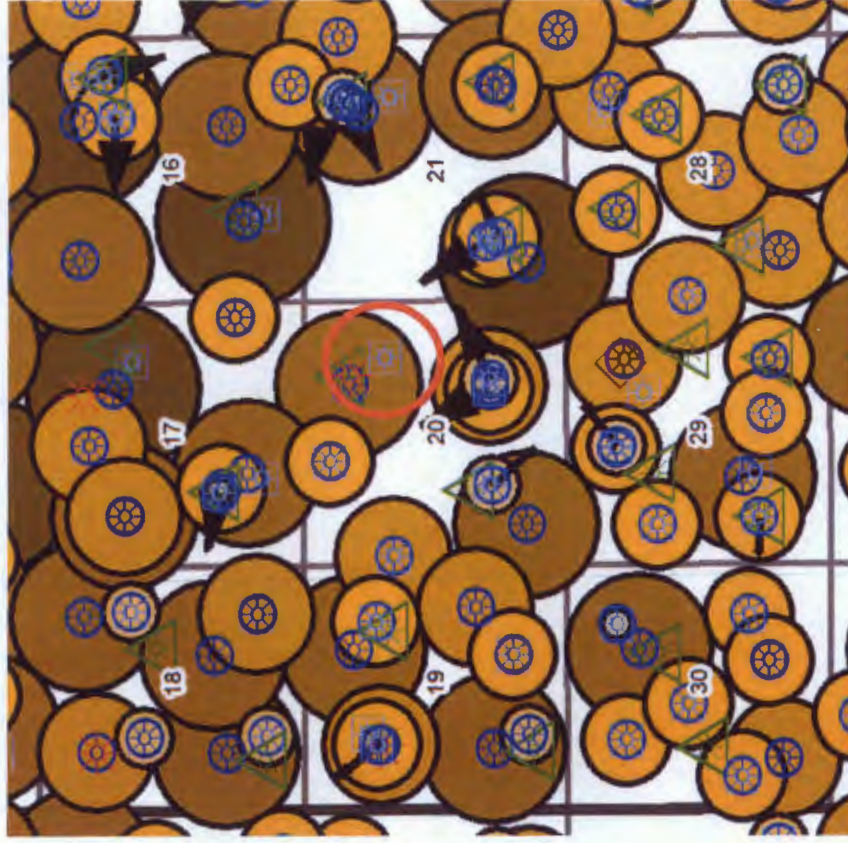
Did BP have a chance to review the NMOCD cases listed below? As a Working Interest Owner and Offsetting Operator, we would like BP's confirmation of receipt and blessing to show the NMOCD at hearing this Thursday, April 5th. Additionally, please advise us of any objections that BP may have.

Case No.	BP Notice Type
16053	Offset Operator
16054	Working Interest Owner & Offset Operator
16055	Working Interest Owner

Regards,

Brenda Guzman
Land Tech – San Juan South
Hilcorp Energy Company
832-839-4574

San Juan 28-6 Unit 127

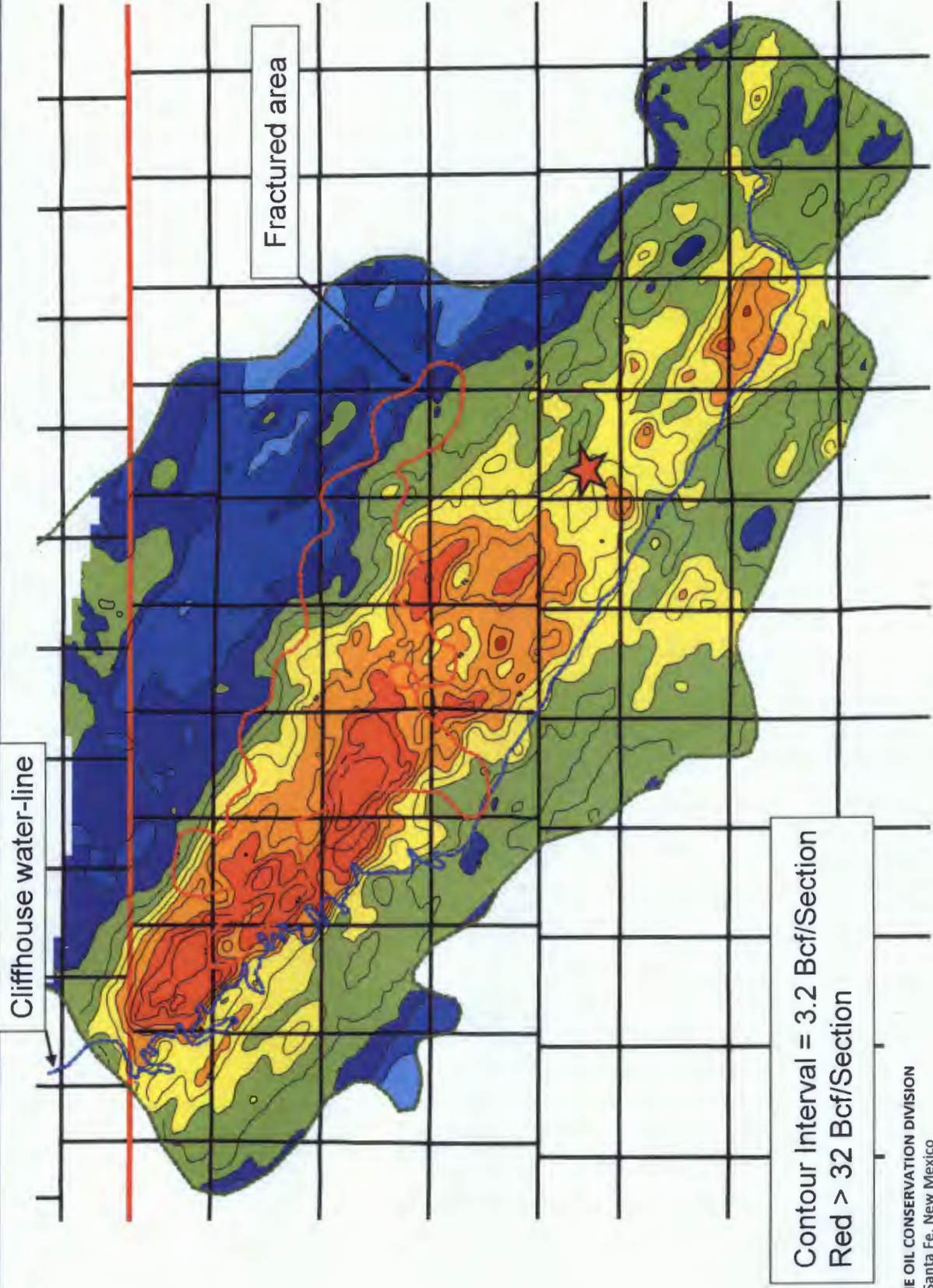


Well Specifics

- NE20 28-6 3003920069 1967 drill
- 3rd MV completion in $\frac{1}{4}$ section
 - San Juan 28-6 127N BHL is in Unit G
- ~900' from nearest offset
- Help drain area to east
- Complete entire MV in 2-3 stages
- Interior to 28-6 Unit boundaries



MV Original Gas-in-Place



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 5

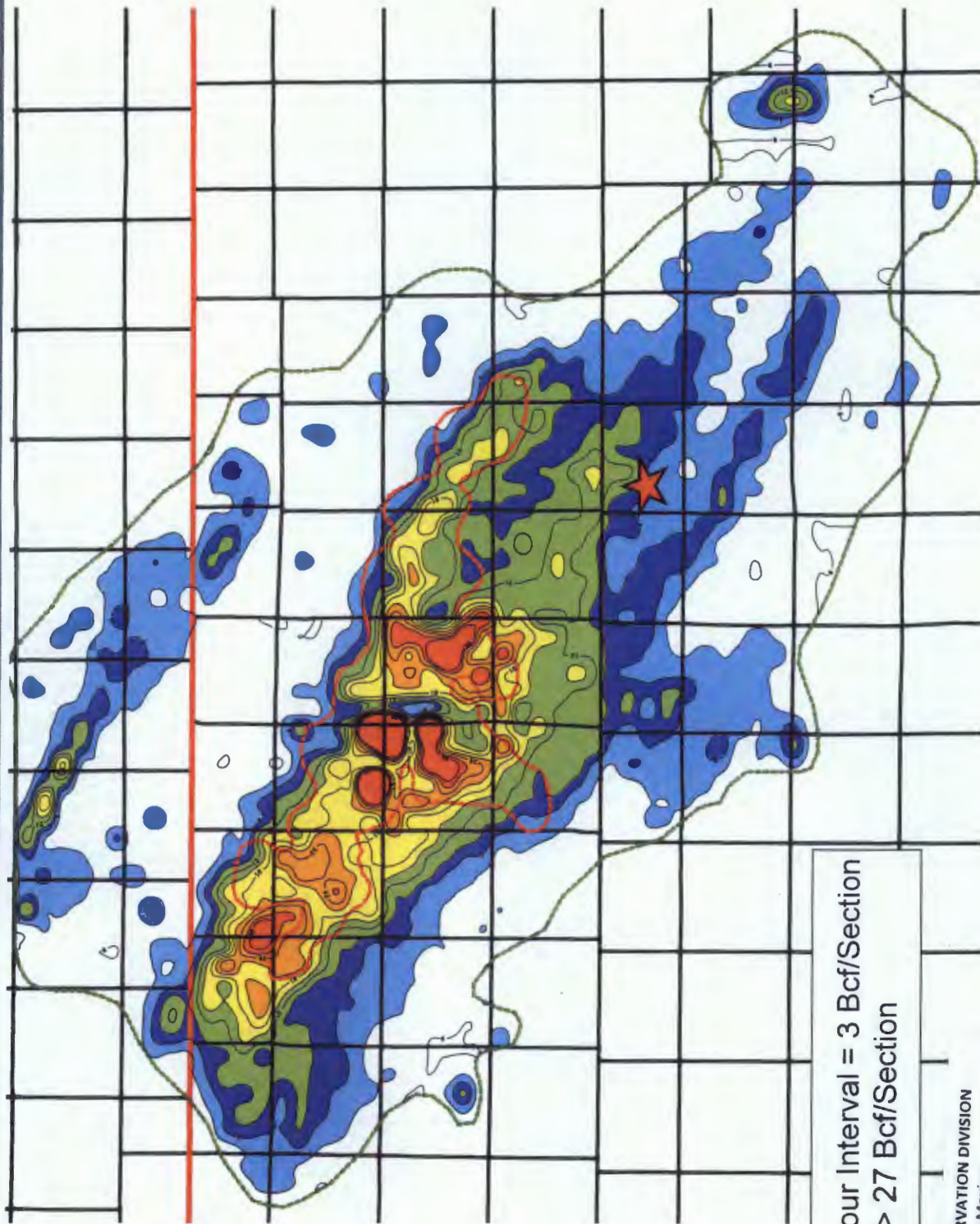
Submitted by: Hilcorp Energy Company

Hearing Date: April 5, 2018

Case No. 16054



MV Cumulative Gas Production



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

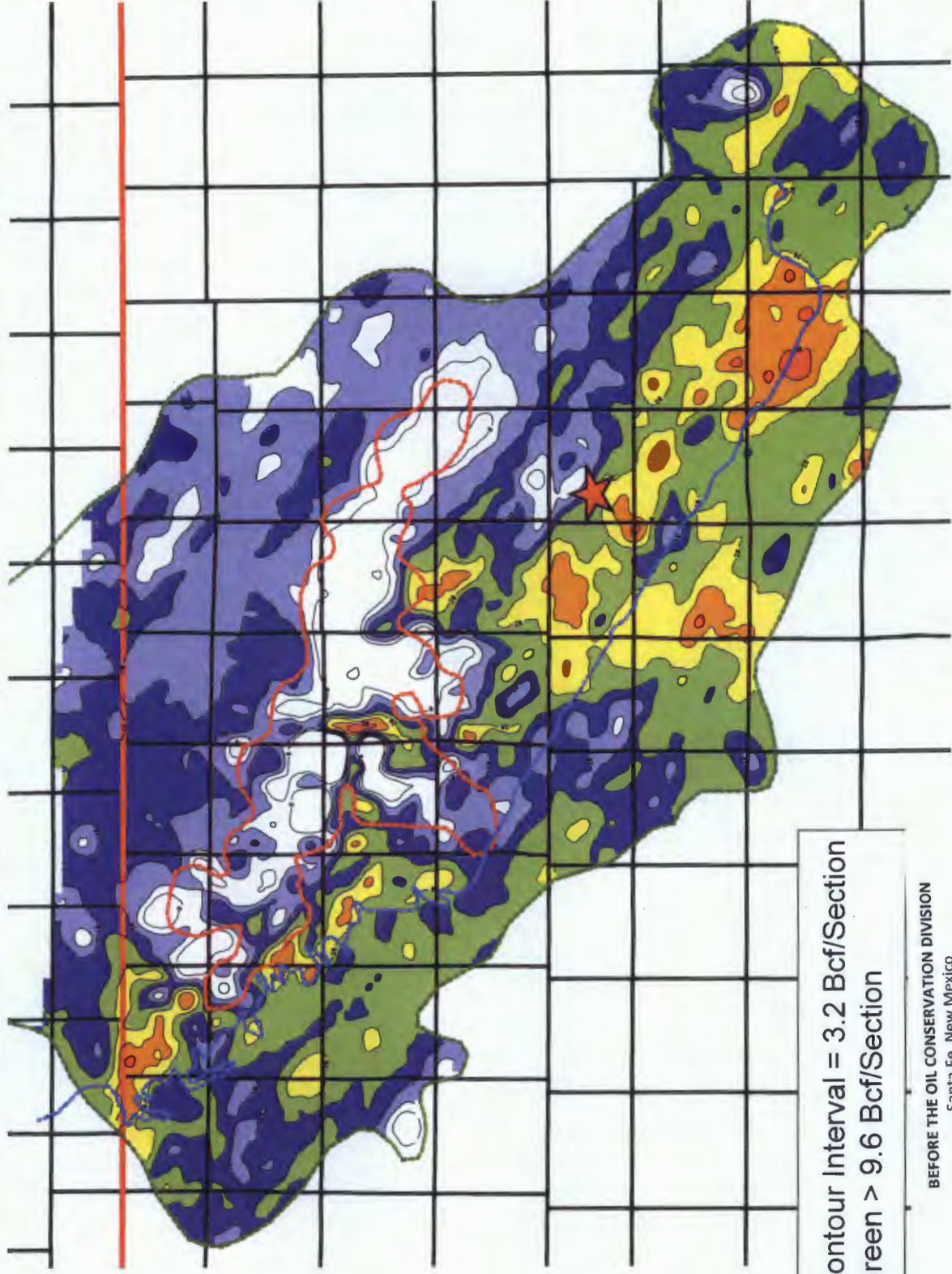
Exhibit No. 6

Submitted by: Hilcorp Energy Company

Hearing Date: April 5, 2018

Case No. 16054

MV Remaining Gas



Contour Interval = 3.2 Bcf/Section
Green > 9.6 Bcf/Section

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. 7

Submitted by: Hilcorp Energy Company

Hearing Date: April 5, 2018

Case No. 16054

San Juan 28-6 Unit 127



Reference Area	Volumetric OGIP	Section Equivalent OGIP	CTD / RF%	CTD Remaining GIP	EUR / RF% (Historical Data)
Qtr Section	9.4 Bcf	37.6 Bcf	5.1 Bcf / 54%	4.3 Bcf	6.7 Bcf / 72%
Section	36.7 Bcf	36.7 Bcf	13.2 Bcf / 36%	23.5 Bcf	18.6 Bcf / 51%
2.1 Mi. Radius	643 Bcf	35.7 Bcf	204 Bcf / 32%	439 Bcf	271 Bcf / 42%

- Remaining Gas in Place in Quarter Section of 4.3 Bcf
- Cumulative Recovery Factor to Date 54% and 36% in the Quarter Section and Section, respectively
- Considerable gas remaining in area with opportunity to recover additional volumes utilizing existing wellbore