

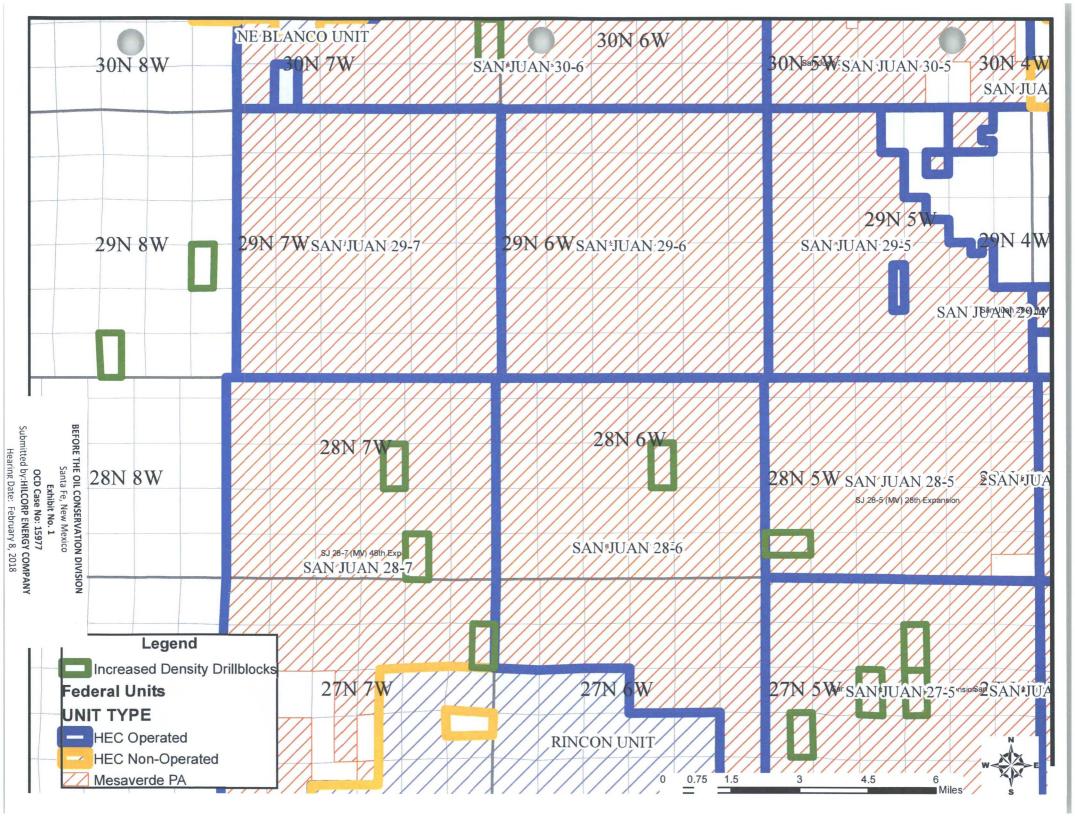
BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING FEBRUARY 8, 2018

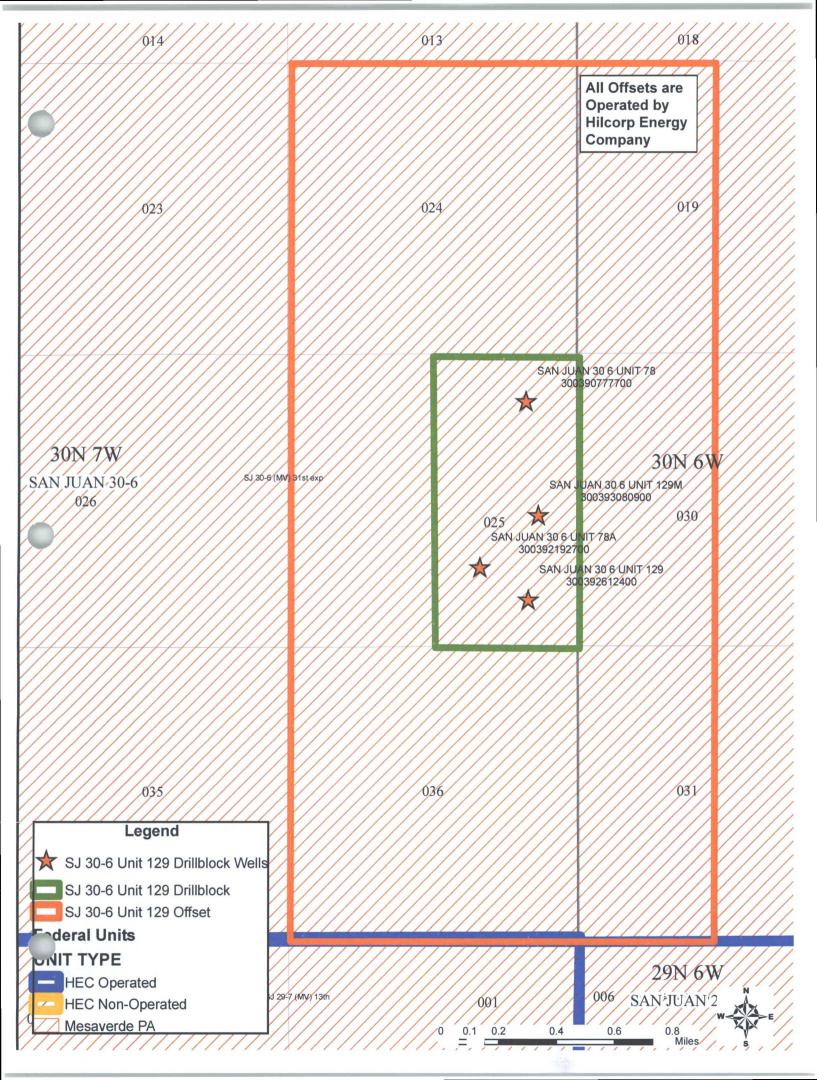
CASE NO. 15977

SAN JUAN 30-6 UNIT 129 WELL

RIO ARRIBA COUNTY, NEW MEXICO









							Date
BA	Name	Address	City	State	Zip Code	Type	Delivered
1139561	1139561 ACTON ENERGY LP	508 W WALL ST #500	MIDLAND	хг	79701	NIO	1/22/2018
1066712	1066712 BP AMERICA PRODUCTION COMPANY	PO BOX 848103	DALLAS	хı	75284-8103	WIO	1/24/2018
1139591	1139591 CHARLES W GAY	PO BOX 291445	KERRVILLE	х	78029-1445	WIO	1/22/2018
1113652	1113652 CROSS TIMBERS ENERGY LLC	400 W 7TH STREET	FT WORTH	ТX	76102	NIO	1/22/2018
1108730	1108730 EMIL MOSBACHER III	PO BOX 201678	HOUSTON	ТХ	77216-1678	NIO	2/1/2018
1139684	1139684 HENRY G ROBELDO	6797 CAMINO ROJO	SANTA FE	WN	87507	NIO	1/22/2018
		RAYMOND & SONS I LLC GEN PARTNER					
1139496	1139496 J&M RAYMOND LTD	PO BOX 291445	KERRVILLE	¥	78029-1445 WIO	WIO	1/22/2018
1097047	1097047 JANE M ESTATE LLC	712 MAIN STREET STE 2200	HOUSTON	хт	77002	NIO	1/22/2018
1139481	1139481 LORRAYN GAY HACKER	PO BOX 291445	KERRVILLE	тх	78029-1445	NIO	1/22/2018
1029242	1029242 MOSBACHER USA	712 MAIN STREET SUITE 2200	HOUSTON	ТХ	77002	NIO	1/22/2018
1138962	1138962 OMIMEX PETROLEUM	7950 JOHN T WHITE ROAD	FORT WORTH	¥	76120	NIO	1/22/2018
		ROBERT L GALL & MARYELLEN TASCH CO-EXEC					
1136258	1136258 ROBERT E GALL ESTATE	100 MELROSE AVE STE 205	GREENWICH	ن	6830	WIO	1/23/2018
1108731	ROBERT MORRISON ESTATE	4091 JAY COX RD	AVON	но	44011	NIO	1/22/2018
		ZIA DATA SEARCH CORP AGENT					
1139494	1139494 ROBERT UMBACH CANCER FOUNDATION	PO BOX 2188	ROSWELL	MN	88202-2188 WIO	WIO	1/22/2018
1139405	1139405 T H MCELVAIN OIL & GAS LILP	1050 17TH ST SUITE 2500	DENVER	9	80265-2080 WIO	WIO	1/25/2018
		JAMES M RAYMOND AFENT & AIF					
1139415	1139415 TAMACAM LLC	PO BOX 291445	KERRVILLE	χt	78029-1445 WIO	WIO	1/22/2018
1139599	1139599 WPC OIL & GAS LP	4040 NORTH CENTRAL EXPWY SUITE 750 LB #6	DALLAS	¥	75204	WIO	1/22/2018

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 2 OCD Case No: 15977 Submitted by:HILCORP ENERGY COMPANY Hearing Date: February 8, 2018 **Retrieve Article History**

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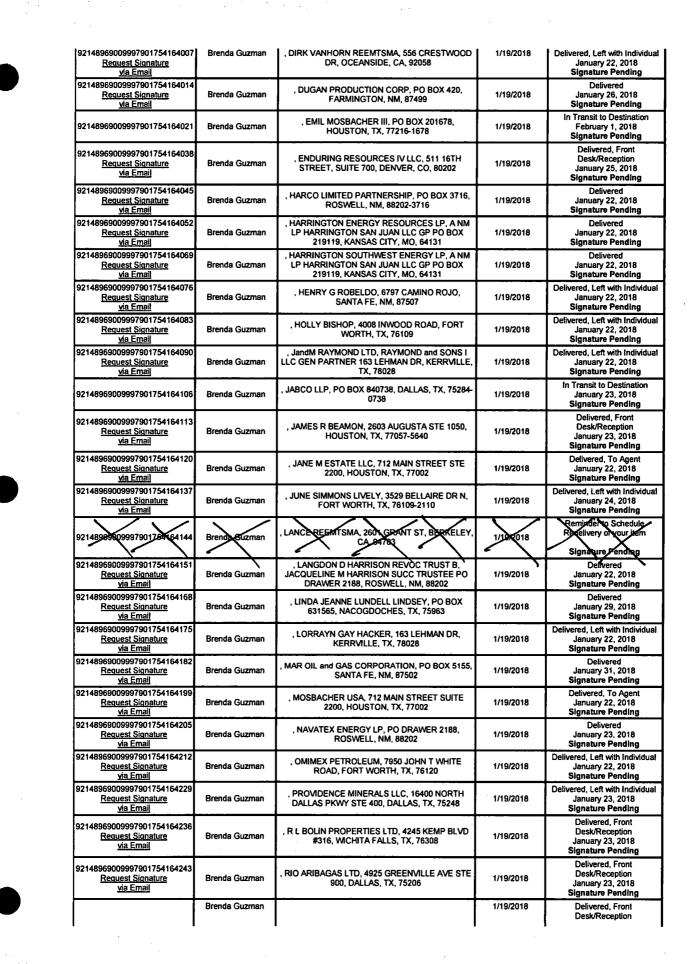
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92148969009997901754163864 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, ACTON ENERGY LP, 508 W WAŁL ST #500, MIDLAND, TX, 79701	1/19/2018	Delivered, Front Desk/Reception January 22, 2018 Signature Pending
92148969009997901754163871	Brenda Guzman	, BOFB LTD, 2104 WINTER SUNDAY WAY, ARLINGTON, TX, 76012	1/19/2018	Reminder to Schedule Redelivery of your item Signature Pending
92148969009997901754163888 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, BOLIN RESOURCES LP, 2525 KELL BLVD SUITE 510, WICHITA FALLS, TX, 76308	1/19/2018	Delivered, Front Desk/Reception January 23, 2018 Signature Pending
92148969009997901754163895	Brenda Guzman	, BP AMERICA PRODUCTION COMPANY ATTN: CRAIG FERGUSON, 737 N ELDRIDGE PARKWAY, HOUSTON, TX, 77079	1/19/2018	In Transit to Destination January 23, 2018 Signature Pending
92148969009997901754163901 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, C W BOLIN PROPERTIES LTD, 4331 GLENWOOD AVE, DALLAS, TX, 75205-4320	1/19/2018	Delivered, Left with Individual January 25, 2018 Signature Pending
92148969009997901754163918 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, CAROLEE SIMMONS SMITH, 6704 ASHBROOK DR, FORT WORTH, TX, 76132-1140	1/19/2018	Delivered, Left with Individual January 24, 2018 Signature Pending
92148969009997901754163925 <u>Request Signature</u> <u>via Emait</u>	Brenda Guzman	, CAROLYN BEAMON TILLEY, 5225 PRESTON HAVEN, DALLAS, TX, 75229	1/19/2018	Delivered, Left with Individual January 22, 2018 Signature Pending
92148969009997901754163932 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, CB LIFELINE PARTNERSHIP ATTN: CAROLYN BEAMON TILLEY, 5225 PRESTON HAVEN DR, DALLAS, TX, 75229	1/19/2018	Delivered, Left with Individual January 22, 2018 Signature Pending
92148969009997901754163949 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, CHAPPELL FAMILY TR UTA JUNE 4 98, BUDDIE G CHAPPELL SURVIVING TTEE PO BOX 71579, PHOENIX, AZ, 85050-1010	1/19/2018	Delivered January 27, 2018 Signature Pending
92148969009997901754163956 <u>Request Signature</u> <u>via Ernail</u>	Brenda Guzman	, CHARLES W GAY, 163 LEHMAN DR, KERRVILLE, TX, 78028	1/19/2018	Delivered, Left with Individual January 22, 2018 Signature Pending
92148969009997901754163963 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, CLAUDIA MARCIA LUNDELL GILMER, 1102 S AUSTIN AVE, GEORGETOWN, TX, 78628	1/19/2018	Delivered, Left with Individual January 29, 2018 Signature Pending
92148969009997901754163970 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, CROSS TIMBERS ENERGY LLC, 400 W 7TH STREET, FT WORTH, TX, 76102	1/19/2018	Delivered, To Mail Room January 22, 2018 Signature Pending
92148969009997901754163987 <u>Request Signature</u> <u>via Ernail</u>	Brenda Guzman	, D J SIMMONS CO LTD PARTNERSHIP, PO BOX 1469, FARMINGTON, NM, 87499	1/19/2018	Delivered January 25, 2018 Signature Pending
92148969009997901754163994 <u>Reauest Sianature</u> <u>via Email</u>	Brenda Guzman	, DAVID PIERCE and MAXINE PIERCE REV TR, DAVID PIERCE and MAXINE PIERCE TTEES PO BOX 4140, FARMINGTON, NM, 87499-4140	1/19/2018	Delivered, Individual Picked Up at Postal Facility January 24, 2018 Signature Pending

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92148969009997901754164250 <u>Request Signature</u> <u>via Email</u>		, RIO ARRIBA LIMITED PARTNERSHIP, 3270 N COLORADO ST SUITE 101, CHANDLER, AZ, 85225- 1165		January 23, 2018 Signature Pending
92148969009997901754164267 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, ROBERT E BEAMON III, 2603 AUGUSTA DR STE 1050, HOUSTON, TX, 77057-5797	1/19/2018	Delivered, Front Desk/Reception January 23, 2018 Signature Pending
92148969009997901754164274 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, ROBERT E GALL ESTATE, ROBERT L GALL and MARYELLEN TASCH CO-EXEC 100 MELROSE AVE STE 205, GREENWICH, CT, 06830	1/19/2018	Delivered, Left with Individual January 23, 2018 Signature Pending
92148969009997901754164281 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	. ROBERT MORRISON ESTATE, 4091 JAY COX RD, AVON, OH, 44011	1/19/2018	Delivered, Left with Individual January 22, 2018 Signature Pending
92148969009997901754164298 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, ROBERT UMBACH CANCER FOUNDATION, ZIA DATA SEARCH CORP AGENT PO BOX 2188, ROSWELL, NM, 88202-2188	1/19/2018	Delivered January 22, 2018 Signature Pending
92148969009997901754164304 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, ROBERT WALTER LUNDELL, 2450 FONDREN STE 304, HOUSTON, TX, 77063-2318	1/19/2018	Delivered, To Mail Room January 22, 2018 Signature Pending
92148969009997901754164311 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, ROY G and OPAL BARTON SR REV TR, ROY G BARTON JR TRUSTEE 1919 NORTH TURNER, HOBBS, NM, 88240-2712	1/19/2018	Delivered, Left with Individual January 22, 2018 Signature Pending
92148969009997901754164328 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, RUTH ZIMMERMAN TRUST, XAN WILLIAMS TRUSTEE 1513 HERITAGE PL, MCPHERSON, KS, 67460	1/19/2018	Delivered, Left with Individual January 24, 2018 Signature Pending
92148969009997901754164335	Brenda Guzman	, SHARON BEAMON BURNS, 122 ESTRADA REDONDA, SANTA FE, NM, 87506-7933	1/19/2018	In Transit to Destination January 24, 2018 Signature Pending
92148969009997901754164342 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, SUSAN BEAMON PORTER, 319 KNIPP FOREST, HOUSTON, TX, 77024-5030	1/19/2018	Delivered, Left with Individual January 23, 2018 Signature Pending
92148969009997901754164359 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, T H MCELVAIN OIL and GAS LLLP, 1050 17TH ST SUITE 2500, DENVER, CO, 80265-2080	1/19/2018	Delivered, Left with Individual January 25, 2018 Signature Pending
92148969009997901754164366 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, TAMACAM LLC, JAMES M RAYMOND AFENT and AIF 163 LEHMAN DR, KERRVILLE, TX, 78208	1/19/2018	Delivered, Left with Individual January 22, 2018 Signature Pending
92148969009997901754164373 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, TEMPE LIMITED PARTNERSHIP, 101 EAST WESTFIELD BLVD, INDIANAPOLIS, IN, 46220	1/19/2018	Delivered, Left with Individual January 22, 2018 Signature Pending
92148969009997901754164380 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, THOMAS P TINNIN, 2303 CANDELARIA RD NW, ALBUQUERQUE, NM, 87107	1/19/2018	Delivered January 26, 2018 Signature Pending
92148969009997901754164397	Brenda Guzman	, TIERRA POBRE LLC, PO BOX 1847, CORRALES, NM, 87048	1/19/2018	Reminder to Schedule Redelivery of your item
92148969009997901754164403 Request Signature <u>yia Email</u>	Brenda Guzman	, TINMIL A NM LLC, 1331 PARK AVE. SW UNIT 1403, ALBUQUERQUE, NM, 87102	1/19/2018	Signature Pending Delivered, Left with Individual January 25, 2018 Signature Pending
92148969009997901754164410 <u>Request Signature</u> <u>via Email</u>	Brenda Guzman	, W G PEAVY OIL COMPANY, 221 WOODCREST DR, RICHARDSON, TX, 75080-2038	1/19/2018	Delivered, Left with Individual January 22, 2018 Signature Pending
92148969009997901754164427 <u>Request Signature</u> <u>via Ernail</u>	Brenda Guzman	, WPC OIL and GAS LP, 4040 NORTH CENTRAL EXPWY SUITE 750 LB #6, DALLAS, TX, 75204	1/19/2018	Delivered, To Mail Room January 22, 2018 Signature Pending



February 2,2018

Dear Customer:

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Recipient: EMIL MOSBACHER III 100 MELROSE AVE SUITE 205 GREENWICH, CT 06830 US Reference Shipper:

Brenda Guzman Hilcorp Energy Company 1111 Travis Houston, TX 77002 US 020818 NMOCD Hearing

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January 19, 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.

Ladies & Gentlemen:

This letter is to advise you that Hilcorp Energy Company has filed the enclosed application(s) with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on February 8, 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 or Brad Pearson at (713) 289-2793, by email at bpearson@hilcorp.com.

Sincerely,

Wyn McCublin

Wyn McCubbin, CPL Senior Landman – San Juan Basin Asset Team

> PO Box 61229, Houston, TX 77208-1229 1111 Travis Street Houston, TX 77002 Phone: 713/209-2400 Fax 713/209-2420 hilcorp.com

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. 15977

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 complete and simultaneously produce three wells in the same quarter section. 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 E/2 of Section 25, Township 30 North, Range 6 West, Rio Arriba County, New Mexico, in which the following four wells are currently completed and producing:

- a. San Juan 30-6 Unit 78A Well (API No. 30-039-21927), Sec. 25, T30N, R6W (Unit J);
- b. San Juan 30-6 Unit 129M Well (API No. 30-039-30809), Sec. 25, T30N, R6W (Unit I); and

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT **OIL CONSERVATION** DIVISION SANTA FE **NEW MEXICO** The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on February 8, 2018, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to atlii \$\$96.00 tend or participate in the hearing, please contact: Florene Davidson at 505line 476-3458 or through the at New Mexico Relay Network, 1-800-659-1779 by January 29, 2018. Public documents, including the \$5.00 agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is \$101.40 needed. STATE OF NEW MEXICO TO: All named parties and persons having any **T** Q 08 right, title, interest or claim in the following cases and notice to the public. (NOTE: All land descrip-\$110.48 tions herein refer to the New Mexico Principal Meridian whether or not so stated.) TO: ALL OFFSET OWN-ERS AND POOLED PARTIES, INCLUDING: ACTON ENERGY LP; BP AMERICA PRODUC-COMPANY TION t rece nde SUN CHARLES W. GAY, HIS HEIRS AND DEVISEES; **CROSS TIMBERS EN-**ERGY LLC; EMIL MOS-BACHER, III, HIS HEIRS an AND DEVISEES; HENRY G. ROBELDO, HIS HEIRS AND DEVISEES; J&M RAYMOND LTD; JANE M. ESTATE LLC LORRAYN GAY HACK-ER, HER HEIRS AND **DEVISEES: MOSBACH-**ER USA; OMIMEX PET-ROLEUM; ROBERT E. GALL ESTATE, HIS HEIRS AND DEVISEES; ROBERT MORRISON ESTATE, HIS HEIRS AND DEVISEES ROBERT UMBACH CANCER FOUNDATION; T H MCELVAIN OIL & GAS LLLP; TAMACAM LLC; WPC OIL & GAS LP. Case No. 15977: Application of Hilcorp Energy Company for an Exception to the Well Density **Requirements** of the Special Rules and Regulations of the Blanco-

Affidavit of Publication

State of New Mexico County of Rio Arriba

I, Robert Trapp, being first duly sworn, declare and say I am the publisher of the Rio Grande SUN, a weekly newspaper published in the English language and having a general circulation in the County of Rio Arriba, State of New Mexico, and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 of the Session Laws of 1937. The publication, a copy of which is hereto attached, was published in said paper once each week for

t'happy Publisher

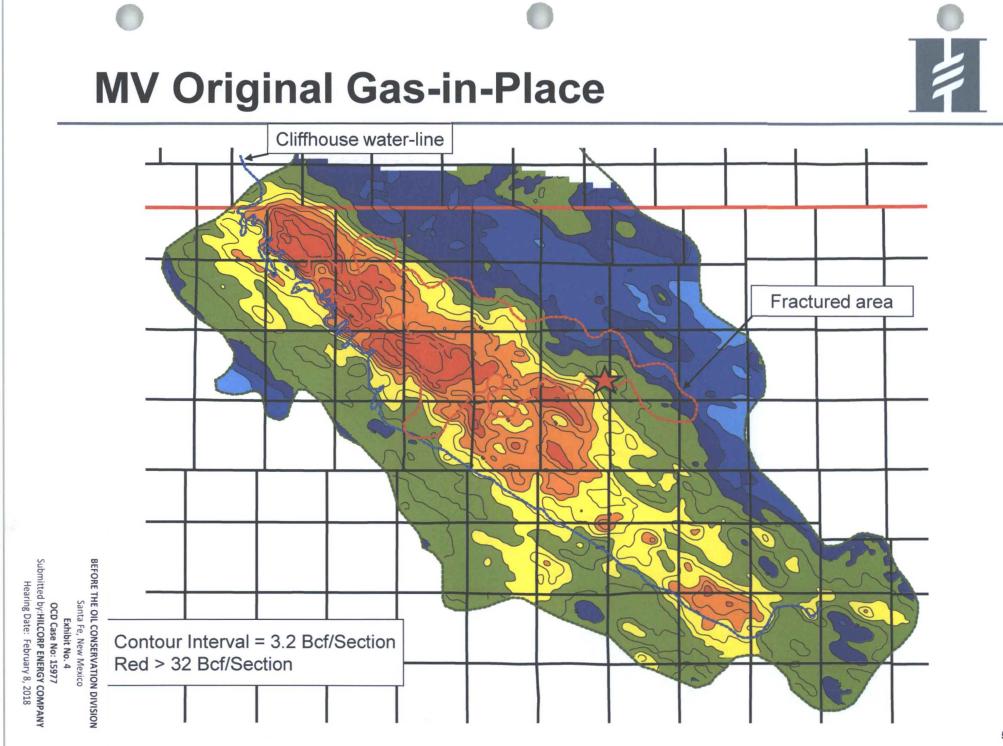
Subscribed and sworn to before me this <u>25</u> day of <u>Jon</u> A.D. <u>2018</u>

Maria V. Lopez-Garcia/Notary Public My commission expires 13 July 2021

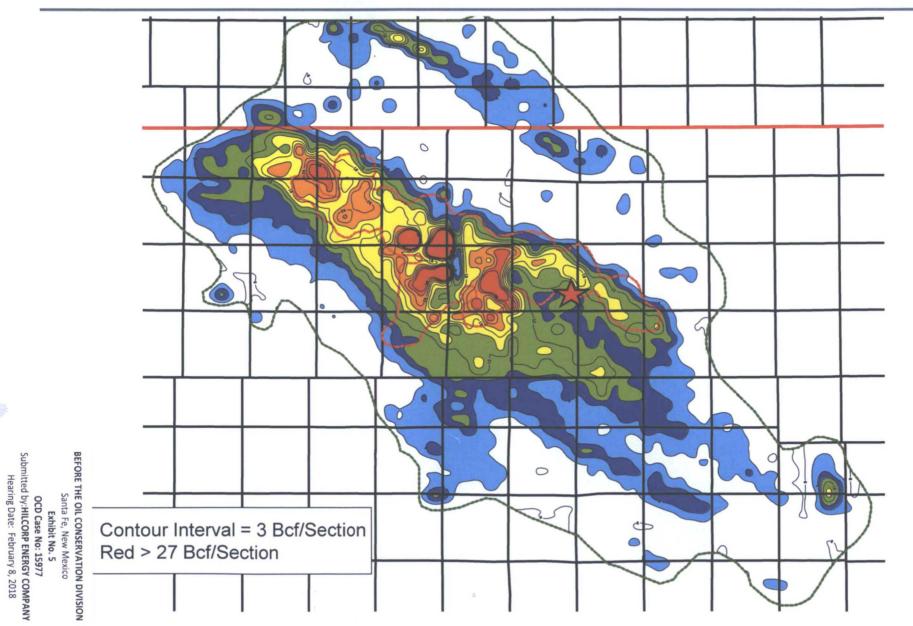


lo Arriba County, I Mexico. Applicant in the above-styled cause seeks an order for an exception to the well density requirements of Rule I.B of the Special Rules and **Regulations for the** Bianco-Mesaverde Gas Pool (72319), Rio Arriba County, New Mexico, to permit it to complete and simultaneously produce three Mesaverde gas wells within the same quarter section. Hilcorp further seeks approval for the proposed location of the San Juan 30-6 Unit 129 Well (API No. 30-039-26124), in the Mesaverde formation with a surface location within the E/2 of Section 25, Township 30 North, Range 7 West, NMPM, **Rio Arriba County, New** Mexico, and authorization to simultaneously complete and produce the San Juan 30-6 Unit 129 Well from the Blanco-Mesaverde Gas Pool. Said area is located approximately 25 miles east of Bloomfield, NM. (Published January 25, 2018)

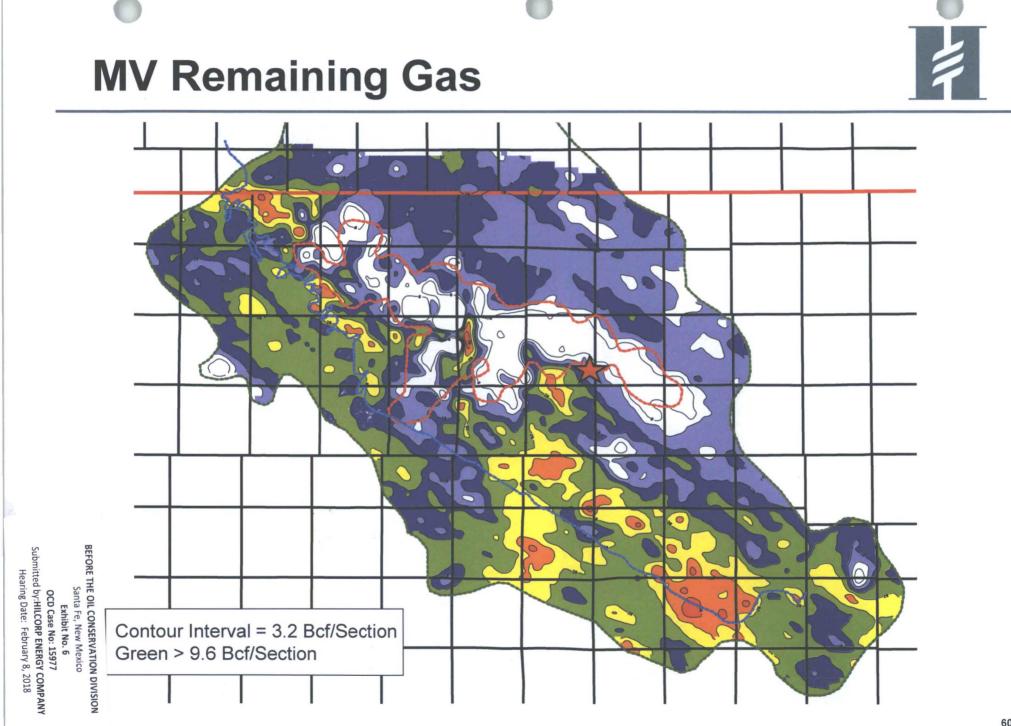
Mesaverde Gas Pool,



MV Cumulative Gas Production

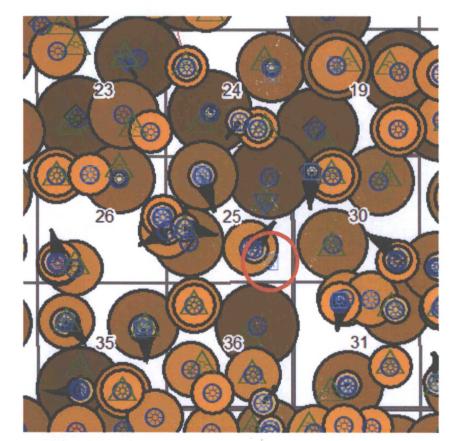


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San Juan 30-6 Unit 129





A FRUITLAND COAL

@ CHACRA

MESAVERDE

* MANCOS

DAKOTA

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 7 OCD Case No: 15977 Submitted by:HILCORP ENERGY COMPANY Hearing Date: February 8, 2018

Well Specifics

- SE25 30-7 3003926124 1999 drill
- 3rd MV completion in ¹/₄ section
- 800' from nearest offset
- Help drain from southeast
- Complete entire MV in 2-3 stages
- Interior to 30-6 Unit boundaries

San Juan 30-6 Unit 129



Reference Area	Volumetric OGIP	Section Equivalent OGIP	CTD / RF%	Remaining GIP	EUR / RF%
Qtr Section	8.4 Bcf	33.6 Bcf	3.1 Bcf / 37%	5.3 Bcf	4.3 Bcf / 51%
Section	33.1 Bcf	33.1 Bcf	16.3 Bcf / 49%	16.8 Bcf	21.2 Bcf / 64%
9 Section	295.5 Bcf	32.8 Bcf	138.9 Bcf / 47%	156.6 Bcf	172.9 Bcf / 59%

- Remaining Gas in Place in Quarter Section of 5.3 Bcf
- Cumulative Recovery Factor to Date 37% and 49% in the Quarter Section and Section, respectively
- Considerable gas remaining in area with opportunity to recover additional volumes utilizing existing wellbore

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 8 OCD Case No: 15977 Submitted by:HILCORP ENERGY COMPANY Hearing Date: February 8, 2018