

From: [Tammy Jones](#)
To: [McClure, Dean, EMNRD](#)
Cc: [Michelle Sivadon](#); [Sasha Khalaf](#)
Subject: [EXT] Surface commingle application C107B - API# 3003930438 and 3003930475
Date: Friday, February 7, 2020 11:12:27 AM

Hi Dean,

Hilcorp Energy requests to withdraw the C-107B application for San Juan 27-4 Unit 139N and 59N oil surface commingle.
Reference number: PHIC7-191209-C-107B

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: Tuesday, February 4, 2020 11:35 AM
To: Tammy Jones <tajones@hilcorp.com>
Cc: Michelle Sivadon <msivadon@hilcorp.com>; Sasha Khalaf <skhalaf@hilcorp.com>
Subject: RE: [EXTERNAL] Surface commingle application for San Juan 27-4 Unit

Hello Tammy,

I have been putting out the fires in order of priority since being back in the office and have a chance to address this now.

We can touch base on this again if Hilcorp wants to, but the OCD has reached a decision on this application.

An order will be issued authorizing Hilcorp to surface commingle using the subtraction method to allocate with the option at Hilcorp's discretion to submit the data gathered after 6 months of production and request another method of allocation based upon that data. This will entail installing a meter on the oil leg of one of the separators at the battery and maintaining it until another method of allocation is approved.

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: Tuesday, February 4, 2020 9:54 AM
To: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>

Cc: Michelle Sivadon <msivadon@hilcorp.com>; Sasha Khalaf <skhalaf@hilcorp.com>
Subject: [EXT] RE: [EXTERNAL] Surface commingle application for San Juan 27-4 Unit
Importance: High

Hi Dean,

Wanted to see what time your available this week to touch base on this?
I left you a voicemail yesterday too, for conference call discussion with engineering.

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 23, 2020 3:43 PM
To: Tammy Jones <tajones@hilcorp.com>
Subject: [EXTERNAL] Surface commingle application for San Juan 27-4 Unit

Hello Tammy,

I reviewed Admin Order PLC-326. Within it, an allocation method of establishing a GOR for each well was established and from that allocation was determined. In terms of allocation methods, that is a better method than a fixed percent of oil production.

Is Hilcorp proposing that as an alternative method of allocation to what is currently being proposed?

I am going to be out of the office next week, but when I get back, I will touch base further with you to determine an acceptable test method and period to determine allocation whether percent or GOR.

Dean McClure
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