

August 12, 2014

VIA EMAIL AND
FIRST CLASS MAIL

Glenda Davidson
Docket Clerk
Department of Environmental Protection
400 Market Street
Rachel Carson State Office Building
16th Floor
Harrisburg, PA 17101

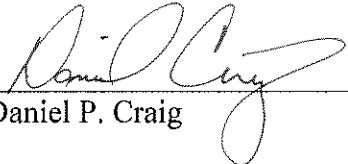
RE: In Re. Hilcorp Energy Company
MMS No. 2013-SLAP-000528
Docket No. 2013-01

Dear Ms. Davidson:

Enclosed for filing in the above-referenced matter is Hilcorp Energy Company's Answer to Property Owners' Motion for Enlargement of Time.

Thank you, and please contact me with any questions.

Sincerely,


Daniel P. Craig

Enclosure

cc: Michael L. Bangs (via email)
Donna Duffy, Esquire (via email)
Michael Braymer, Esquire (via email)
Elizabeth Nolan, Esquire (via email)
Omar K. Abuhejleh, Esquire (via email)
Gerard L. Noguee and Claudia A. Noguee (via First Class Mail)

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS MANAGEMENT**

In Re: The Matter of the Application of)
Hilcorp Energy Company for)
Well Spacing Units) Docket No. 2013-01
)

**ANSWER TO PROPERTY OWNERS'
MOTION FOR ENLARGEMENT OF TIME**

Hilcorp Energy Company (“Hilcorp”), by and through its undersigned counsel, Kevin L. Colosimo and Daniel P. Craig, hereby files this Answer to Property Owners’ Motion for Enlargement of Time in the above-captioned matter, which was filed on August 11, 2014 by Martin Matteo and Suzanne Matteo, Robert Valentine and Carol Valentine, and Steve Emery (collectively the “Property Owners”). Hilcorp hereby opposes the Property Owners’ Motion for Enlargement of Time and, in support of that opposition, avers the following:

1. Hilcorp filed a letter on July 30, 2014, requesting that the date scheduled for the hearing on its Well Spacing Application be rescheduled, as one of its expert witnesses had an unavoidable scheduling conflict. In its letter, Hicorp also requested the cooperation of all parties in determining mutually agreeable alternate dates for the hearing, and suggested the dates of either September 30th and October 1st, or October 7th and October 8th.

2. On August 1, 2014, the Hearing Officer filed a letter addressing all parties to this matter, in which he proposed the dates of September 30th and October 1st for the hearing, and asked the parties to be in a position to confirm dates with him upon his return from vacation on September 11, 2014.

3. Rather than attempt to determine mutually agreeable dates on which to schedule a hearing, the Property Owners filed a Renewed Motion to Stay Proceedings on August 5, 2014.

Despite an additional request for cooperation in identifying an agreeable alternate date for the hearing from Hilcorp to the Department of Environmental Protection (the "Department") on August 6th, the Department did not respond until August 8, 2014, when counsel for the Department emailed Hilcorp to state that its expert was not "generally available" on the proposed dates and that the Department would be filing an Answer in Support of the Property Owners' Renewed Motion for Stay of Proceedings.

4. On August 11, 2014, the Hearing Officer filed a letter stating that he will be rescheduling the hearing to September 30th and October 1st, unless the parties advised him by today that they had all agreed to an alternate date. The parties have failed to reach an agreement as to an alternate date.

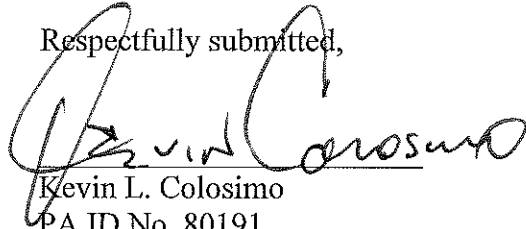
4. Hilcorp has at all times during the course of these proceedings asserted its position that the Department is in error for failing to abide by the 45 day timeframe in which Section 7 of the Oil and Gas Conservation Law, 58 P.S. §§ 401 *et seq.*, requires it to process an Application for Well Spacing Units. More than a year has passed since Hilcorp filed its Application, and the Department now requests that it be permitted additional time to come to a mutually agreeable date, after ignoring Hilcorp and the Hearing Officer's request to do just that nearly two (2) weeks ago.

5. If Hilcorp were to once again consent to additional delay in these proceedings in the face of the Property Owners' and the Department's failure to cooperate in identifying available dates in a timely manner and continued attempts to ensure that this matter does not proceed, a reviewing court may well rule that Hilcorp has waived its objections to the timeliness of these proceedings.

WHEREFORE, Hilcorp respectfully opposes the Property Owners' Motion for Enlargement of Time and respectfully requests that the Hearing Officer enter an Order scheduling a hearing on Hilcorp's Well Spacing Application for September 30, 2014 and October 1, 2014.

DATED: August 12, 2014

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kevin L. Colosimo", written over a horizontal line.

Kevin L. Colosimo

PA ID No. 80191

Daniel P. Craig

PA ID No. 312238

Burleson LLP

1900 Main Street, Suite 201

Canonsburg, PA 15317

724-746-6644

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served this 12th day of August, 2014, via e-mail upon the following:

Michael L. Bangs
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Docket Clerk

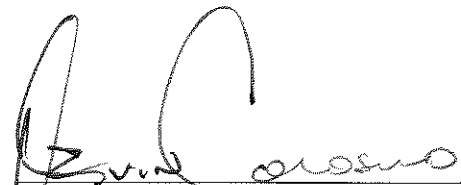
I further certify that a true and correct copy of the foregoing was served via First Class Mail upon the following:

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Kevin L. Colosimo

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS MANAGEMENT**

In Re: The Matter of the Application of)
 Hilcorp Energy Company for)
 Well Spacing Units) Docket No. 2013-01
)

[PROPOSED] ORDER

NOW, this ___ day of _____, 2014, it is hereby ordered and directed as follows:

1. The First Session of the public hearing on Hilcorp’s application for well spacing units will commence at _____ a.m. on September 30, 2014, and at _____ a.m. on October 30, 2014, at the Albert P. Gettings Government Center Annex of the Lawrence County Government Center, Assembly Room, 439 Countyline St, New Castle, Pa. 16101.

2. Pursuant to 58 P.S. §407(2), the Department shall provide notice of the hearing by publication in a newspaper of general circulation in both Lawrence and Mercer Counties for two successive weeks prior to the hearing, beginning, at the latest, on September 15, 2014.

3. At the First Session, any and all “royalty owners” and/or “other operators” as those terms are defined in Section 2 of the Pennsylvania Oil and Gas Conservation Law (Oil and Gas Conservation Law) 58 P.S. §402, that are located within the proposed spacing order shall be given the opportunity to support, oppose, and/or present their own plan of development as provided for in 25 Pa. Code §79.23(b).

4. “Royalty owners” and/or “other operators” wishing to present testimony at the First Session shall contact Glenda Davidson at 717-787-4449, seven (7) days prior to the First Session on September 30, 2014, and provide the following: name, status as a “royalty owner” and/or “other operator”, address, and phone number.

5. The Second Session of the public hearing will commence at _____ p.m. on October 1, 2014, at the Albert P. Gettings Government Center Annex of the Lawrence County Government Center, Assembly Room, 439 Countyline St, New Castle, Pa. 16101.

6. Interested persons wishing to present testimony at the Second Session are requested to contact Glenda Davidson at 717-787-4449, seven (7) days prior to October 30, 2014, to reserve a time for oral testimony, and provide the following: name, address, phone number, and a brief statement of interest. Oral testimony will be limited to five minutes for each party. Witnesses will be requested to submit three written copies of their oral testimony to the Hearing Officer. The purpose of the Second Session is to receive testimony on the Application.

SO ORDERED,

Michael L. Bangs
Hearing Officer