

February 11, 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

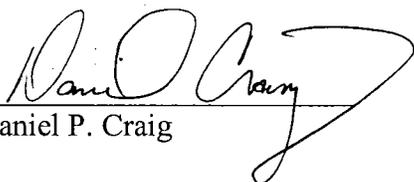
RE: In Re. Hilcorp Energy Company
MMS No. 2013-SLAP-000528
Docket No. 2013-01

Dear Ms. Davidson:

Enclosed for filing in the above-referenced matter is the original of Hilcorp Energy Company's Joint Motion for a Protective Order, to which the Department of Environmental Protection concurs.

Thank you, and please contact me with any questions.

Sincerely,


Daniel P. Craig

Enclosure

cc: Michael L. Bangs (via email and regular mail)
Donna Duffy, Esquire (via email and regular mail)
Michael Braymer, Esquire (via email and regular mail)
Elizabeth Nolan, Esquire (via email and regular 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
)

JOINT MOTION FOR A PROTECTIVE ORDER

Pursuant to Pennsylvania Rule of Civil Procedure 4012(9), Hilcorp Energy Company (“Hilcorp”) and the Department of Environmental Protection (the “Department”) hereby respectfully submit this Joint Motion for a Protective Order. As grounds for this motion, Hilcorp and the Department state as follows:

1. Pursuant to the Oil and Gas Conservation Law of 1961, 58 P.S. § 407, and the implementing regulations set forth at 25 Pa. Code Chapter 79, Hilcorp submitted an Application for Well Spacing Units (the “Application”) to the Department, which the Department received on December 2, 2013.

2. In a letter to Hilcorp, dated January 22, 2014, the Department requested further documents and materials for the Application.

3. Hilcorp contends that some of the documents and materials that the Department has requested, including, but not limited to, well log data, core data, reservoir quality analysis, production data, seismic data, microseismic data, wireline well log data, aeromagnetic data, and stimulation designs, contain “confidential proprietary information” and/or “trade secrets” within the meaning of those terms under Section 102 of the Pennsylvania Right to Know Law (“RTK Law”), 65 P.S. § 67.102, and/or “a trade secret or other confidential research, development or commercial information” within the meaning of those terms under Pennsylvania Rule of Civil Procedure 4012(9).

4. The proposed Protective Order attached hereto as Exhibit A identifies the process that Hilcorp may use for designating documents and materials “confidential,” and the requirements for protecting such designated documents and materials. Such requirements include, among other things, restricting the disclosure of “confidential” documents and materials to the individuals listed in paragraph 3 of the proposed Protective Order attached hereto, subject to a successful challenge to such designation as outlined in paragraph 13 of the attached proposed Protective Order, or as otherwise ordered by the Pennsylvania Office of Open Records, or a Pennsylvania Court.

WHEREFORE, Hilcorp and the Department respectfully request that the Hearing Officer enter the proposed Protective Order attached hereto as Exhibit A.

Respectfully submitted,



Daniel P. Craig
PA ID No. 312238
Kevin L. Colosimo
PA ID No. 80191
Burlison LLP
501 Corporate Drive, Suite 105
Canonsburg, PA 15317
724-746-6644

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served this 11th day of February, 2014 via first class, U.S. Mail, postage prepaid upon the following:

Michael L. Bangs
Bangs Law Office, LLC
429 South 18th Street
Camp Hill, PA 17011
Hearing Officer

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

Donna Duffy, Esquire
Michael Braymer, Esquire
Department of Environmental Protection
230 Chestnut Street
Meadville, PA 16335
Counsel for the Department of Environmental Protection

Elizabeth Nolan, Esquire
Department of Environmental Protection
400 Market Street, 9th Floor
Harrisburg, PA 17105
Counsel for the Department of Environmental Protection

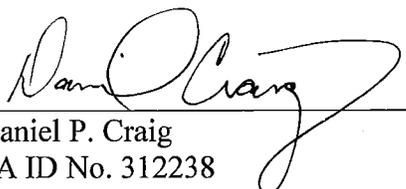

Daniel P. Craig
PA ID No. 312238

Exhibit A

**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
)

PROTECTIVE ORDER

NOW, this ___ day of February, 2014, upon consideration of the Joint Motion for a Protective Order, the Motion is GRANTED. Pursuant to Pennsylvania Rule of Civil Procedure 4012(9), it is hereby **ORDERED** as follows:

1. For purposes of this protective order, the words “document” and “documents” or “material” and “materials” shall mean the original and any copy of any writing or record of any type or description, including, but not limited to, the original and a copy of any well log data, core data, reservoir quality analysis, production data, seismic data, microseismic data, wireline well log data, aeromagnetic data, and stimulation designs disclosed, produced, transcribed or filed by Hilcorp in this matter.

2. (a) Hilcorp may designate as “confidential” any document or material or any portion thereof, which is disclosed, produced, transcribed, or filed by Hilcorp in this matter and which contains “confidential proprietary information” and/or a “trade secret” within the meaning of those terms under Section 102 of the Pennsylvania Right to Know Law (“RTK Law”), 65 P.S. § 67.102, and/or “a trade secret or other confidential research, development or commercial information” within the meaning of those terms under Pennsylvania Rule of Civil Procedure 4012(9).

(b) Hilcorp shall make such designations by clearly typing or stamping on the face of a document or material the word “confidential.” In accordance with Section 707(b) of the

RTK Law, 65 P.S. §67.707(b), and Pennsylvania Rule of Civil Procedure 4012(9), Hilcorp shall also provide a written statement signed by a representative of Hilcorp stating: (1) that the designated document or material contains “confidential proprietary information” and/or a “trade secret” within the meaning of those terms under Section 102 of the Pennsylvania Right to Know Law (“RTK Law”), 65 P.S. § 67.102, and/or “a trade secret or other confidential research, development or commercial information” within the meaning of those terms under Pennsylvania Rule of Civil Procedure 4012(9); and (2) that “good cause” within the meaning of Rule 4012(9), exists for issuing an order to protect the document or material from disclosure to the public.

3. Except with the prior written consent of Hilcorp, pursuant to an order of the Hearing Officer after notice is provided in accordance with paragraph 13 below, or pursuant to an order of the Pennsylvania Office of Open Records or a Pennsylvania Court, all designated “confidential” documents or materials, and any information contained therein, shall not be disclosed by the party to which the documents or materials are produced or made known to any person other than the following:

- (a) The Pennsylvania Department of Environmental Protection (“Department”) and its employees involved in this matter;
- (b) counsel involved in this matter, and employees of counsel involved in this matter;
- (c) independent experts and consultants, and employees and clerical assistants of such experts and consultants, consulted by the Department, and its employees and counsel, to assist in the processing of Hilcorp’s Application for Well Spacing Units.

(d) the Hearing Officer, the docket clerk, and their respective assistants and clerical employees, but to be submitted to such persons only under seal;

(e) court reporters and their assistants and clerical employees retained by any party to record and/or transcribe testimony given in connection with this matter, but only to the extent disclosure is necessary to enable such reporters to perform their recording and/or transcribing functions; and

(f) witnesses.

4. Before any person listed in paragraph 3, above, is shown or made aware of any documents or materials designated as “confidential,” that person must be given a copy of this protective order by counsel proposing to show that person the “confidential” document or material. No person reviewing or receiving any such “confidential” document or material shall disclose it or its contents to any person other than those identified in paragraph 3, above, and then only in accordance with the terms of this protective order.

5. Any documents or material designated as “confidential” that are disclosed or produced by Hilcorp in this matter, or in any motions, pleadings, affidavits, briefs, or other documents submitted to the Hearing Officer in this matter, shall be submitted under seal and shall be subject to this protective order. The docket clerk shall maintain under seal any such documents or material as “confidential,” and shall submit them to the Hearing Officer to be available only to the Hearing Officer and to other persons identified in paragraph 3, above, until further order of the Hearing Officer.

6. Except as otherwise ordered by the Pennsylvania Office of Open Records or a Pennsylvania Court, any “confidential” documents or materials that are disclosed or produced by Hilcorp in this matter, or disclosed or produced by any other person in accordance with

paragraph 3, above, shall be used by the receiving party or person for this matter only, and shall not be used or disclosed by the receiving party or other person for any other purpose, including any commercial or business purpose, or in any other litigation, except for that distribution of documents and material permitted in paragraph 3, above, and in accordance with the terms of this protective order. Before any person identified in paragraph 3, above, is given access to any designated documents or materials that are covered by the protective order, counsel for the parties shall advise the person of the requirements of this protective order.

7. Issues relating to the use of “confidential” documents or material at the hearing on this matter will be resolved among the parties, or by the Hearing Officer, if necessary, before the start of the hearing.

8. Neither the provisions of this protective order, nor any designation or failure to designate any particular document or material as “confidential” thereunder, shall, at any time, constitute a waiver of Hilcorp’s assertion that the document or material contains “confidential proprietary information” and/or a “trade secret” within the meaning of those terms under Section 102 of the Pennsylvania Right to Know Law (“RTK Law”), 65 P.S. § 67.102, and/or “a trade secret or other confidential research, development or commercial information” within the meaning of those terms under Pennsylvania Rule of Civil Procedure 4012(9). If Hilcorp initially produces any document or material without a “confidential” designation, it may thereafter within a reasonable time notify the receiving party that the document or material is to be considered “confidential” and subject to this protective order.

9. Except for any requests submitted to the Department that are governed by the requirements under Section 707(b) of the RTK Law, 65 P.S. §67.707(b), if any party or person who has received “confidential” documents or material in this matter receives from any person a

request for discovery, production, or review of a Department file of “confidential” documents or material, such person shall immediately notify counsel for Hilcorp of such request.

10. Insofar as the provisions of this protective order restrict communication and use of the documents and materials designated “confidential” and produced hereunder, it shall continue to be binding after the conclusion of these proceedings. Except as otherwise ordered by the Pennsylvania Office of open Records or a Pennsylvania Court, the Department will retain the designated documents and material in a “confidential” file for the above-captioned matter and will retain them in such “confidential” file in accordance with applicable Department document retention schedules.

11. Notwithstanding the foregoing, counsel for each of the parties may retain in their litigation files all documents or materials containing information derived from any “confidential” documents or materials. However, counsel shall not, without written permission of Hilcorp or order of the Hearing Officer, disclose to any person other than those persons identified in paragraph 3, above, any “confidential” documents or materials that have not been returned to Hilcorp or any documents or materials in counsel’s files containing information derived from “confidential” documents or material.

12. Nothing in this protective order shall restrict Hilcorp from disclosing the “confidential” documents or materials to any person. However, if Hilcorp discloses “confidential” documents or materials to any person and does not require such person to keep such documents or materials confidential, then such documents or materials shall no longer be covered by this protective order.

13. Should any party or other interested person in this matter object to the designation of any documents or materials as “confidential,” or should any party desire to disclose such

documents or materials to a person not provided for in paragraph 3, above, and Hilcorp does not agree to disclosure to a person not provided for in paragraph 3, above, the party or other interested person in this matter seeking disclosure may apply to the Hearing Officer for a ruling that such documents or material shall not be treated as designated, or that such disclosure be permitted, after providing Hilcorp ten (10) days prior written notice of such application. Until the Hearing Officer enters an order, if any, changing the designation of the document or material, it shall be accorded the “confidential” treatment assigned and provided for in this protective order.

14. The parties acknowledge that a request submitted to the Department under the RTK Law for any “confidential” document or material that is subject to this protective order is also subject to the requirements of Section 707(b) of the RTK Law, 65 P.S. §67.707(b). These requirements include that the Department shall notify Hilcorp of the request within five (5) business days of the Department’s receipt of the request, and Hilcorp shall have five (5) business days from the receipt of notice from the Department to provide input on the release of the record.

15. In any dispute before the Hearing Officer, the Pennsylvania Office of Open Records, and/or a Pennsylvania Court regarding access to documents or materials designated by Hilcorp as “confidential” in this matter, the Department has no obligation to defend such designation. In any such dispute, Hilcorp shall have the sole obligation to defend such designation, and shall have the sole burden of proving to the Hearing Officer, the Pennsylvania Office of Open Records, and/or a Pennsylvania Court, as applicable, that such document or material contains “confidential proprietary information” and/or a “trade secret” as those terms are defined in Section 102 of the RTK Law, 65 P.S. § 67.102, and or “a trade secret or other confidential research, development or commercial information” within the meaning of those terms under Pennsylvania Rule of Civil Procedure 4012(9).

16. Notwithstanding the foregoing provisions, this protective order shall be without prejudice to the right of any party or other person to challenge the propriety of discovery on other grounds or to assert a claim of this privilege pursuant to the attorney/client privilege work product doctrine, or any other applicable privilege or rule. Nothing contained in this protective order shall be construed as a waiver of any objection which might be raised as to the admissibility at the hearing of any evidentiary matter. The fact that a party does not contest the designation of “confidential” pursuant to this protective order shall not be used in any way as an admission by that party that the designation is proper or that the documents or materials so designated are confidential.

Michael L. Bangs
Hearing Officer