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March 31, 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

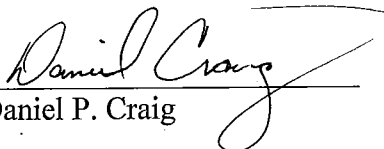
RE: In Re. Hilcorp Energy Company
MMS No. 2013-SLAP-000528
Docket No. 2013-01

Dear Ms. Davidson:

Enclosed for filing in the above-referenced matter is Hilcorp Energy Company's Motion to Depose the Department's Expert Witnesses.

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)

**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
)

MOTION TO DEPOSE DEPARTMENT’S EXPERT WITNESSES

Pursuant to 1 Pa. Code § 35.145, Hilcorp Energy Company, through its undersigned counsel, hereby moves to depose the following expert witnesses identified by the Department:

Andrew N. Kleit, Ph.D.
Professor of Energy and Environmental Economics
The Pennsylvania State University
201 Hosler Building
University Park, PA 16082

John Yilin Wang, Ph.D.
Assistant Professor of Petroleum and Natural Gas Engineering
The Pennsylvania State University
202 Hosler Building
University Park, PA 16082

Hilcorp requests that the depositions occur at the office of its counsel in this matter, Burleson LLP, 501 Corporate Drive, Suite 105, Canonsburg, Pennsylvania 15317, on or before April 30, 2014, in the presence of a notarial officer and court reporter from AKF Court Reporting & Video, 436 Boulevard of the Allies, Pittsburgh, Pennsylvania 15219. In support of its motion, Hilcorp states as follows:

1. This matter involves the approval of Hilcorp’s Application for Well Spacing Units under the Pennsylvania Oil and Gas Conservation Law, 58 P.S. §§ 401-419.
2. Hilcorp, as Applicant, has set forth its position in a great detail and provided the Department with affidavits from the two experts it intends to proffer in support of its Application, along with voluminous documents, maps, and data sources.

3. The Department has provided nothing relative to its position on the Application, same for a list of witnesses it intends to call, including two expert witnesses it identifies in name only, Drs. Kleit and Yilin Wang from Penn State University.

4. Neither Department expert witness has proffered a report, affidavit or otherwise. As such, Hilcorp is unable to prepare an adequate examination of these witnesses and provide for any rebuttal testimony.

5. The matter is scheduled for hearing on May 7-8, 2014. Department's counsel refers to the hearing as a "trial." As such, Hilcorp expects the Department to present a position adverse to its Application.

6. The Department has filed no pre-hearing narrative setting forth its position relative to the Application. Neither Department expert has proffered a report or narrative.

7. It is fundamentally unfair to Hilcorp to require Counsel to prepare for an adversarial proceeding without knowing the substantive areas of expert testimony the Department intends to proffer.

8. It is in the best interests of judicial economy to allow Hilcorp to adequately prepare for the hearing by taking discovery on the Department's experts.

9. Allowing the depositions of the Department's two experts will not delay proceedings in this matter.

10. Pursuant to 1 Pa. Code § 35.145, "the testimony of a witness may be taken by deposition, upon application by a participant in a proceeding pending before the agency, before the hearing is closed, upon approval by the agency head or presiding officer."

11. The subject matter of the requested depositions will consist of the following topics:

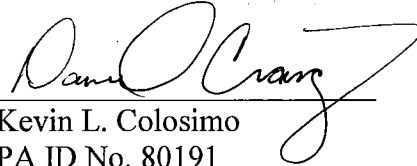
- a. Whether the Pulaski Accumulation is an underground reservoir containing a common accumulation of mobile hydrocarbon components.
- b. Whether the Pulaski Accumulation lies below the Onandaga horizon and at a depth greater than 3,800 feet below the surface.
- c. Whether the plat attached to the Application as Exhibit G represents the full scope of the Pulaski Accumulation.
- d. Whether the Pulaski-Kinkela 1 H Well is drilled into and producing from the Pulaski Accumulation.
- e. Whether horizontal drilling and hydraulic fracturing unit operations in the HEC 110-H Unit and the HEC 111-H Unit would permit the migration of oil, gas or water from the stratum in which it is found to other strata in a manner which would result in the loss of recoverable oil and gas.
- f. Whether the Utica/Point Pleasant formation lacks sufficient permeability to be drained using a conventional vertical well.
- g. Whether the use of horizontal drilling and hydraulic fracturing would allow for production of the maximum possible amount of oil and gas from the Pulaski Accumulation with the least amount of surface loss or destruction of oil or gas.
- h. Whether it would be mechanically impossible to drain an area the size of the Pulaski Accumulation from a single well pad.
- i. Whether the Pulaski Accumulation can be drained from fewer wells than is provided for in the Application.

- j. Generally, whether the Oil and Gas Conservation Law, 58 P.S. §§ 401-419, applies to wells drilled into the Utica/Point Pleasant formation.

WHEREFORE, Hilcorp respectfully requests an order requiring the Department to produce its expert witnesses for deposition on or before April 30, 2014.

DATED: March 31, 2014

Respectfully submitted,



Kevin L. Colosimo

PA ID No. 80191

Daniel P. Craig

PA ID No. 312238

Burleson LLP

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Canonsburg, PA 15317

724-746-6644

CERTIFICATE OF SERVICE

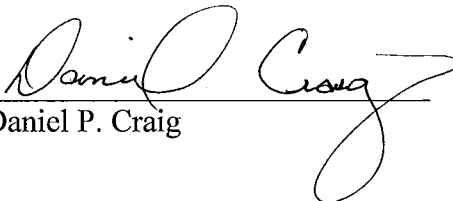
I hereby certify that a true and correct copy of the foregoing was served this 31 day of March, 2014 via first class, U.S. Mail, postage prepaid upon the following:

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

Glenda Davidson
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