

NMOCD

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Revised: March 9, 2006

Hilcorp Energy Company

Farmington Field Office
Bureau of Land Management

PRODUCTION ALLOCATION FORM

Status

PRELIMINARY ☒FINAL ☐REVISED ☐

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Date: 3/16/2018

API No. 30-039-29557

DHC No. DHC 1992

Lease No. E-290-3

Well Name

San Juan 27-5 Unit

Well No.

40N

Unit Letter

Surf- F

Section

16

Township

T027N

Range

R05W

Footage

1540' FNL & 2045' FWL

County, State

Rio Arriba,
New Mexico

Completion Date

2/19/2018

Test Method

HISTORICAL ☒ FIELD TEST ☐ PROJECTED ☐ OTHER ☐

FORMATION

MESAVERDE

GAS

563 MCF

PERCENT

87%

CONDENSATE

PERCENT

87%

DAKOTA

87 MCF

13%

13%

Total

650 MCF

JUSTIFICATION OF ALLOCATION: Preliminary allocation based on standalone Dakota production before adding Mesaverde and combined production stream after commingling Mesaverde & Dakota. Gas analysis of the combined flow stream also supports this allocation. A fixed percentage based allocation will be submitted once additional performance data is obtained. See attached documents for production forecast. Oil/Condensate production will be allocated based on average formation yields.

APPROVED BY

DATE

TITLE

PHONE

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3/19/2018

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Max Weaver

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