

NMOCD

MAR 29 2018

DISTRICT III

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Accounting
Well File
Revised: March 9, 2006

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

Status
PRELIMINARY ☒
FINAL ☐
REVISED ☐

Date: 3/19/2018

API No. 30-039-29571

DHC No. DHC 2053

LeaseNo.NMSF079051B

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Well Name

San Juan 28-6 Unit

Well No.

105E

Unit Letter

Surf- M

Section

35

Township

T028N

Range

R06W

Footage

330' FSL & 900' FWL

County, State

Rio Arriba,
New Mexico

Completion Date

2/22/2018

Test Method

HISTORICAL ☒ FIELD TEST ☐ PROJECTED ☐ OTHER ☐

FORMATION

MESAVERDE

GAS

710 MCF

PERCENT

95%

CONDENSATE

PERCENT

95%

DAKOTA

40 MCF

5%

5%

Total

750 MCF

JUSTIFICATION OF ALLOCATION: Hilcorp requests that production for the downhole commingle be allocated using the subtraction method. The base formation is the Dakota and the added formation to be commingled is the Mesaverde. The subtraction method applies an average monthly production forecast to the base formation(s) using historic production. All production from this well exceeding the forecast will be allocated to the new formation(s). 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 from offset wells.

APPROVED BY

DATE

TITLE

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3/26/2018

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