

NMOCD

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DISTRICT 111

## Hilcorp Energy Company

Farmington Field Office  
Bureau of Land ManagementDistribution:  
BLM 4 Copies  
Regulatory  
Accounting  
Well File

Revised: March 9, 2006

## PRODUCTION ALLOCATION FORM

Status

PRELIMINARY ☒FINAL ☐REVISED ☐

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Date: 4/5/2018

API No. 30-045-21747

DHC No. DHC-3969-AZ

Lease No. SF-078414-A

Federal

Well Name

Lively

Well No.

26

Unit Letter

N

Section

7

Township

T029N

Range

R08W

Footage

800' FSL &amp; 1080' FWL

County, State

San Juan,  
New Mexico

Completion Date

12/09/2017

Test Method

HISTORICAL ☐ FIELD TEST ☐ PROJECTED ☐ OTHER ☒

JUSTIFICATION OF ALLOCATION: Hilcorp requests that production for the downhole commingle be allocated using the subtraction method. The base formation is the Basin 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 after the fourth year of production. See attached documents for production forecast.

Oil production will be allocated based on average formation yields from offset wells. MV- 100%, DK- 0%

APPROVED BY	DATE	TITLE	PHONE
William Tambekou	4/12/2018	Petroleum Engineer	505-564-7746
X Christine Brock	4/10/18	Regulatory/Operations Tech	505-324-5155
Christine Brock			

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