

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

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Regulatory
Accounting
Well File

Revised: March 9, 2006

Status

PRELIMINARY ☒

FINAL ☐

REVISED ☐

Date: 5/11/2018

API No. 30-039-20430

DHC No. DHC-2513-A

Lease No. NMSF-078640

Federal

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Well Name

San Juan 28-7 Unit

Well No.

155

Unit Letter

K

Section

22

Township

T027N

Range

R07W

Footage

1650' FSL & 1650' FWL

County, State

Rio Arriba,
New Mexico

Completion Date

3/25/2018

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- 90%, DK- 10%

APPROVED BY

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5/15/2018

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