

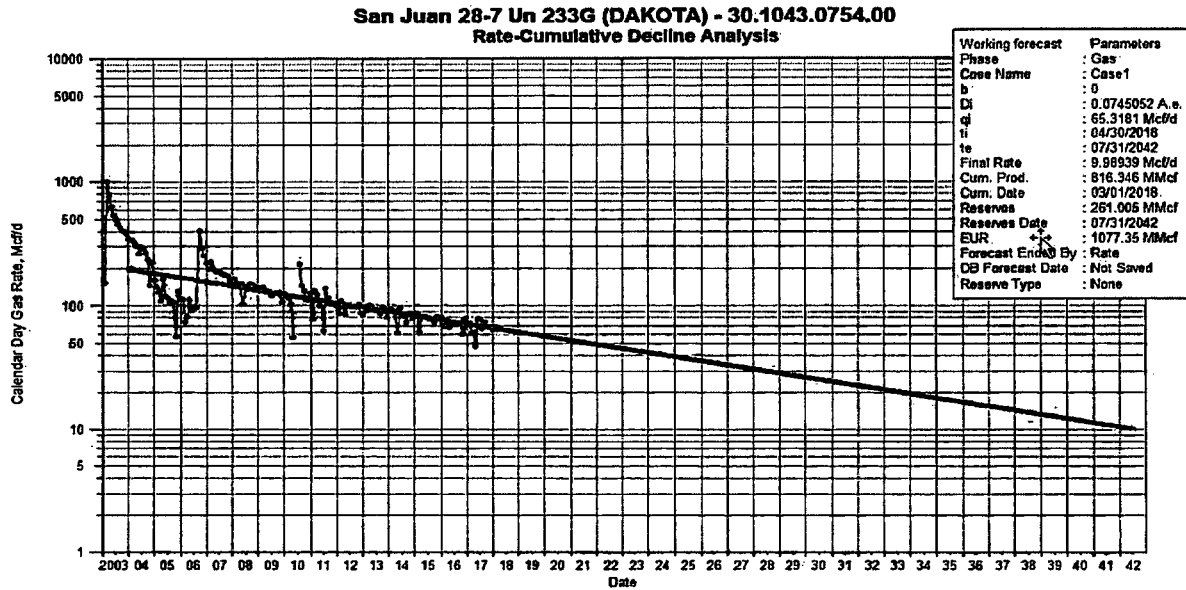
RECEIVED Hilcorp Energy Company PRODUCTION ALLOCATION FORM Farmington Field Office Bureau of Land Management					Distribution: BLM 4 Copies Regulatory Accounting Well File Revised: March 9, 2006	
COMMINGLED JUN 13 2018					Status PRELIMINARY ☒ FINAL ☐ REVISED ☐	
Commingle Type SURFACE ☐ DOWNHOLE ☒ Type of Completion NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLED ☐					Date: 5/31/2018 API No. 30-039-27005 DHC No. DHC 4005AZ Lease No. SF-079289	
Well Name San Juan 28-7 Unit					Well No. #233G	
Unit Letter H	Section 14	Township T028N	Range R007W	Footage 2500' FNL & 250' FEL	County, State Rio Arriba, New Mexico	
Completion Date 5/21/18		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 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 <i>William Tambekou</i>		DATE 6/8/2018		TITLE <i>Petroleum Engineer</i>		PHONE 505-564-7746
X <i>Cherylene Weston</i>		6/6/18		Regulatory/Operations Tech		505-564-0779
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San Juan 28-7 Unit 233G Subtraction Allocation

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 using historic production. All production from this well exceeding the forecast will be allocated to the new formation.



Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Allocation
DK	0.8404	261.005	10%
MV	2.21	848	90%

Date	Mcf/d
May-18	65.10
Jun-18	64.68
Jul-18	64.27
Aug-18	63.85
Sep-18	63.44
Oct-18	63.03
Nov-18	62.62
Dec-18	62.22
Jan-19	61.81
Feb-19	61.42
Mar-19	61.04
Apr-19	60.65
May-19	60.26
Jun-19	59.87
Jul-19	59.48
Aug-19	59.09
Sep-19	58.71
Oct-19	58.33
Nov-19	57.96
Dec-19	57.58
Jan-20	57.21
Feb-20	56.84
Mar-20	56.48
Apr-20	56.12
May-20	55.76
Jun-20	55.40
Jul-20	55.04
Aug-20	54.68
Sep-20	54.33
Oct-20	53.98
Nov-20	53.63
Dec-20	53.29
Jan-21	52.94
Feb-21	52.61
Mar-21	52.28
Apr-21	51.94
May-21	51.61
Jun-21	51.27
Jul-21	50.94
Aug-21	50.61
Sep-21	50.28
Oct-21	49.96
Nov-21	49.64
Dec-21	49.32
Jan-22	48.99
Feb-22	48.69
Mar-22	48.39
Apr-22	48.07