

RECEIVED

JUL 27 2018

Hilcorp Energy Company

Alaska Field Office
Bureau of Land Management

Distribution:
NMOCD Original
BLM 5 Copies
Accounting
Well File

Revised: March 9, 2018

PRODUCTION ALLOCATION FORM

Status
PRELIMINARY ☒
FINAL ☐
REVISED ☐

Commingle Type
SURFACE ☐ DOWNHOLE ☒
Type of Completion
NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Date: 7/25/2018
API No. 30-045-26179
DHC No. DHC 4049AZ
Lease No. NMSF077092A
Federal

Well Name
Houck Com

Well No.
#1E

Unit Letter M	Section 01	Township T029N	Range R10W	Footage 790' FSL & 790' FWL	County, State San Juan, New Mexico
-------------------------	----------------------	--------------------------	----------------------	---	--

Completion Date 7/13/2018	Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input checked="" type="checkbox"/>
-------------------------------------	---

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- 93%, DK- 7%

APPROVED BY	DATE	TITLE	PHONE
<i>William Tambekou</i>	<i>7/30/2018</i>	<i>Petroleum Engineer</i>	<i>505-564-7746</i>
X <i>Priscilla Shorty</i>	<i>7/25/18</i>	Operations Regulatory Tech Sr.	505-324-5188
Priscilla Shorty			

NMOCD

JUL 30 2018

DISTRICT III

NMOCD

KP