

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

RECEIVED

JUL 27 2018

Farmington Field Office
Bureau of Land Management

Distribution:
NMOCD Original
BLM 5 Copies
Accounting
Well File
Revised: March 9, 2018

Status:

PRELIMINARY ☒

FINAL ☐

REVISED ☐

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Date: 7/25/2018

API No. 30-045-33773

DHC No. DHC 4035AZ

Lease No. NMSF078580

Federal

Well Name

Woodriver

Well No.

#2B

Unit Letter

E

Section

09

Township

T30N

Range

R08W

Footage

1755' FNL & 805' FWL

County, State

San Juan, New Mexico

Completion Date

7/7/2018

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 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- 54%, DK- 46%

APPROVED BY

William Tambekou

DATE

7/30/2018

TITLE

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7/25/18

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DISTRICT III

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