Hilcorn Energy Company							Distribution: BLM 4 Copies Regulatory Accounting Well File Official March 9, 2006 Status PRELIMINARY FINAL REVISED Date: 7/23/2018
Type of Completion NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐					COMMINGLE		API No. 30-045-34742 DHC No. DHC 4056AZ Lease No. NMSF-080751A Federal
Well Name Sunray F							Well No. #1G
Unit Letter H	Section 26	Township T030N	Range R010W	135	Footage 0' FNL & 735' FF	EL	County, State San Juan, New Mexico
Completion 7/8/2		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 Blanco 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- 88%, DK- 12%							
APPROVEI William Amanda	n Tan	nhe kou	DATE 7/26/2 7/03/1	8	TITLE Petroleum (P	ogineer Ory Tech Sr	PHONE 505-564-7746 . 505.324.5122
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