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Hilcorp Energy Company

Farmington Field Office
Bureau of Land ManagementDistribution:
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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: 8/27/2018

API No. 30-045-26513

DHC No. 4062AZ

Lease No. NMSF078200B

Well Name

Riddle B

Well No.

5E

Unit Letter

G

Section

23

Township

30N

Range

10W

Footage

1800' FNL & 1720' FEL

County, State

San Juan,
New Mexico

Completion Date

8/12/2018

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: DK- 2%, MV- 98%

APPROVED BY

DATE

TITLE

PHONE

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8/28/2018

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8/27/2018

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DISTRICT III