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Hilcorp Energy Company

Farmington Field Office

Bureau of Land Management

PRODUCTION ALLOCATION FORM

Distribution:
BLM 4 Copies
Regulatory
Accounting
Well File

Revised: March 9, 2006

Status

PRELIMINARY ☒FINAL ☐REVISED ☐

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Date: 12/3/2018

API No. 30-045-11820

DHC No. DHC-4067-A

Lease No. NMSF079232

Federal

Well Name

Bolack B

Well No.

4

Unit Letter

O

Section

30

Township

T027N

Range

R08W

Footage

825' FSL & 1770' FEL

County, State

San Juan,
New Mexico

Completion Date

11/5/2018

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 – 27% , MV – 73%

APPROVED BY	DATE	TITLE	PHONE
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DEC 21 2018

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DISTRICT III