

# Hilcorp Energy Company

## PRODUCTION ALLOCATION FORM

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 ☐  
NOV 07 2018  
DISTRICT 111

Date: 11/6/2018  
API No. 30-045-32541  
DHC No. 4076AZ  
Lease No. State

Well Name  
**Bruington Gas Com C**

Well No.  
**4**

Unit Letter	Section	Township	Range	Footage	County, State
<b>F</b>	<b>21</b>	<b>30N</b>	<b>11W</b>	<b>1700' FNL &amp; 1895' FWL</b>	<b>San Juan, New Mexico</b>

Completion Date  
**11/1/2018**

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
X <i>Priscilla Shorty</i>	11/6/18	Operations/Regulatory Tech – Sr.	505.324.5188
Priscilla Shorty			