

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

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Accounting
Well File
Revised: March 9, 2018

Status
PRELIMINARY ☒
FINAL ☐
REVISED ☐

Date: **5/17/2019**

API No. **30-045-23729**

DHC No. **4960-0**

Lease No. **FEE**

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Well Name

Key Gas Com D

Well No.

1E

Unit Letter

I

Section

29

Township

29N

Range

10W

Footage

1810' FSL & 1030' FEL

County, State

**San Juan County,
New Mexico**

Completion Date

5/4/2019

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- 3%, MV- 97%

APPROVED BY

DATE

TITLE

PHONE

X *Christine Brock* *5/17/19*

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Christine Brock

NMOCD

MAY 20 2019

DISTRICT III