

# Hilcorp Energy Company

## PRODUCTION ALLOCATION FORM

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Accounting  
Well File  
Revised: March 9, 2018

Status  
PRELIMINARY ☒  
FINAL ☐  
REVISED ☐

Commingle Type  
SURFACE ☐ DOWNHOLE ☒

Type of Completion  
NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Well Name  
**San Juan 28-6 Unit**

Date: 11/13/2018

API No. 30-039-30120  
DHC No. DHC 4029AZ  
Lease No. NMSF079049  
Federal


Well No.  
**#205E**

Unit Letter	Section	Township	Range	Footage	County, State
A	9	T27N	R06W	20'FNL & 370'FEL	Rio Arriba, New Mexico

Completion Date	Test Method
11/11/2018	HISTORICAL <input type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input checked="" type="checkbox"/>

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: MV- 88%, DK- 12%

APPROVED BY	DATE	TITLE	PHONE
X 		Area Operations Manager	713-209-2449
Nick Kunze			

ACCEPTED FOR RECORD

NMOCD

AUG 01 2019  
FARMINGTON FIELD OFFICE  
By: 