

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM NMOCD

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Accounting
Well File
Revised: March 9, 2018

Farmington Field
Bureau of Land Management

Status
PRELIMINARY ☒
FINAL ☐
REVISED ☐

Commingle Type
SURFACE ☐ DOWNHOLE ☒
Type of Completion
NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

AUG 12 2019

DISTRICT III

Date: 5/17/2019

API No. 30-039-23814

DHC No. DHC 2822A

Lease No. NMSF079519A
Federal

Well Name
San Juan 28-5 Unit

Well No.
#63E

Unit Letter J Section 20 Township T28N Range R05W Footage 1685'FSL & 1625'FEL


County, State
Rio Arriba,
New Mexico

Completion Date
04/14/2019

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 Gallup/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-80% DK/GP - 20%

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

ACCEPTED FOR RECORD

AUG 01 2019

NMOCD

FARMINGTON FIELD OFFICE
BY: 