| Hilcorp Energy Company Farmington Field  |           |   |               |      |                         |                 |          | Distribution: NMOCD Original BLM 5 Copies Accounting Well File Revised: March 9, 2018 |  |  |
|--|-----------|---|---------------|------|-------------------------|-----------------|----------|---|--|--|
| PRODUCTION ALLOCATION FORM   |           |   |               |      |                         |                 |          | Status PRELIMINARY ⊠ FINAL □ REVISED □  |  |  |
| Commingle Type   |           |   |               |      |                         |                 |          | Date: 5/17/2019   |  |  |
| SURFACE DOWNHOLE S  Type of Completion  NEW DRILL RECOMPLETION PAYADD COMMINGLE  ***********************************   |           |   |               |      |                         |                 |          | API No. 30-039-30071 DHC No. DHC 4879 Lease No. NMSF080505A Federal                   |  |  |
| Well Name AUG 0 7 2019   |           |   |               |      |                         |                 | Well No. |   |  |  |
| San Juan 28-6 Unit   |           |   |               |      |                         |                 |          | #211E   |  |  |
| Unit Letter<br>L   | Section 9 | Township<br>T28N                              | Range<br>R06W | 1555 | Foot<br>FSL 8           | age<br>k 830'FW | L        | County, State Rio Arriba, New Mexico  |  |  |
| Completion Date Test Method  |           |   |               |      |                         |                 |          |   |  |  |
| 04/11/2019   |           | 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: MV - 100%, DK - 0% |           |   |               |      |                         |                 |          |   |  |  |
| I DDD OVIDD DAY  |           |   |               |      |                         |                 |          |   |  |  |
| APPROVED BY DATE   |           |   |               |      | TITLE                   |                 |          | PHONE   |  |  |
| x / 2 ( )  |           |   |               |      | Area Operations Manager |                 | Manager  | 713-209-2449  |  |  |
| Nick Kunze   |           |   |               |      |                         |                 |          |   |  |  |
|  |           |   |               |      |                         |                 |          |   |  |  |
|  |           |   |               |      | CEP/RED.                |                 |          |   |  |  |

WARMINGTON FELO OFFICE