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Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

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Well File

Revised: March 9, 2018

Status
PRELIMINARY ☒
FINAL ☐
REVISED ☐

Date: 5/14/19

API No. **30-039-82242**

DHC No. **DHC4034AZ**

Lease No. **NMSF080505A**

Federal

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

NMOCD

AUG 07 2019

Well Name

San Juan 28-6 Unit

DISTRICT III

Well No.

#120

Unit Letter

I

Section

9

Township

T28N

Range

R06W

Footage

1530'FSL & 1145'FEL

County, State

**Rio Arriba,
New Mexico**

Completion Date

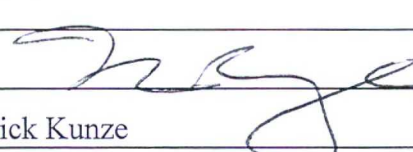
4/27/2019

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: MV- 100%, DK- 0%

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: 