

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

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Accounting
Well File

Revised: March 9, 2018

Status
PRELIMINARY ☒
FINAL ☐
REVISED ☐

Date: 10/31/2018

API No. 30-045-26597

DHC No. 4077AZ

Lease No. Federal

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

NMOCD

AUG 07 2019

Well Name

Pierce A

DISTRICT III

Well No.

4

Unit Letter
P

Section
13

Township
30N

Range
10W

Footage
790' FSL & 1160' FEL

County, State
San Juan,
New Mexico

Completion Date

10/24/2018

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- 17%, MV- 83%

APPROVED BY

DATE

TITLE

PHONE

X *Amanda Walker*

10/31/18

Operations/Regulatory Tech – Sr.

505.324.5122

Amanda Walker

ACCEPTED FOR RECORD

AUG 01 2019

NMOCD

FARMINGTON FIELD OFFICE
BY: *[Signature]*