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Revised: March 9, 2018

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

Status

PRELIMINARY ☒FINAL ☐REVISED ☐

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☒ RECOMPLETION ☐ PAYADD ☐ COMMINGLE ☐

Date: 6/24/19

API No. 30-045-32883

DHC No. 4970-0

Lease No. NMSF043260C

Well Name

Fogelson 4

Well No.

1E

Unit Letter

A

Section

4

Township

29N

Range

11W

Footage

975' FNL & 1085' FEL

County, State

San Juan County,
New Mexico

Completion Date

6/12/2019

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: DK- 35%, MV- 65%

APPROVED BY	DATE	TITLE	PHONE
X <i>Christine Brock</i>	6/24/19	Operations/Regulatory Tech – Sr.	505-324-5155
Christine Brock			

ACCEPTED FOR RECORD

AUG 01 2019

 FARMINGTON FIELD OFFICE
 BY: *[Signature]*

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