

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

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Well File

Revised: March 9, 2018

Status

PRELIMINARY ☒

FINAL ☐

REVISED ☐

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Date: 9/9/2019

API No. 30-039-29335

DHC No. DHC4999

Lease No. Federal –
NMSF078277

Well Name

San Juan 29-5 Unit

Well No.

#55F

Unit Letter

L

Section

18

Township

T29N

Range

R05W

Footage

2460'FSL & 1050'FWL

County, State

Rio Arriba,
New Mexico

Completion Date

9/4/2019

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 Mesaverde & Dakota and the added formation to be tri-mingled is the Pictured Cliffs. 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:

PC- 5%, MV- 93%, DK- 2%

APPROVED BY

DATE

TITLE

PHONE

X

Nick Kunze

Area Operations Manager

713-209-2449