

|                                   |  |   |
|-----------------------------------|--|---|
| <b>Well Name:</b> JICARILLA E     | <b>Well Location:</b> T26N / R4W / SEC 21 / NWNE / 36.4768924 / -107.2531185 | <b>County or Parish/State:</b> RIO ARRIBA / NM  |
| <b>Well Number:</b> 6             | <b>Type of Well:</b> CONVENTIONAL GAS WELL                                   | <b>Allottee or Tribe Name:</b> JICARILLA APACHE |
| <b>Lease Number:</b> JIC104       | <b>Unit or CA Name:</b>  | <b>Unit or CA Number:</b>                       |
| <b>US Well Number:</b> 3003906414 | <b>Well Status:</b> Producing Gas Well                                       | <b>Operator:</b> HILCORP ENERGY COMPANY         |

### Notice of Intent

**Sundry ID:** 2761694

**Type of Submission:** Notice of Intent

**Type of Action:** Commingling (Subsurface)

**Date Sundry Submitted:** 11/15/2023

**Time Sundry Submitted:** 10:46

**Date proposed operation will begin:** 11/03/2023

**Procedure Description:** Please see attached subtraction allocation.

### NOI Attachments

#### Procedure Description

Jicarilla\_E\_6\_Preliminary\_Subtraction\_Allocation\_Form\_20231115104532.pdf

**Well Name:** JICARILLA E

**Well Location:** T26N / R4W / SEC 21 /  
NWNE / 36.4768924 / -107.2531185

**County or Parish/State:** RIO  
ARRIBA / NM

**Well Number:** 6

**Type of Well:** CONVENTIONAL GAS  
WELL

**Allottee or Tribe Name:**  
JICARILLA APACHE

**Lease Number:** JIC104

**Unit or CA Name:**

**Unit or CA Number:**

**US Well Number:** 3003906414

**Well Status:** Producing Gas Well

**Operator:** HILCORP ENERGY  
COMPANY

### Operator

*I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a*

**Operator Electronic Signature:** CHERYLENE WESTON

**Signed on:** NOV 15, 2023 10:45 AM

**Name:** HILCORP ENERGY COMPANY

**Title:** Operations/Regulatory Tech - Sr

**Street Address:** 1111 TRAVIS STREET

**City:** HOUSTON

**State:** TX

**Phone:** (713) 289-2615

**Email address:** CWESTON@HILCORP.COM

### Field

**Representative Name:**

**Street Address:**

**City:**

**State:**

**Zip:**

**Phone:**

**Email address:**

### BLM Point of Contact

**BLM POC Name:** MATTHEW H KADE

**BLM POC Title:** Petroleum Engineer

**BLM POC Phone:** 5055647736

**BLM POC Email Address:** MKADE@BLM.GOV

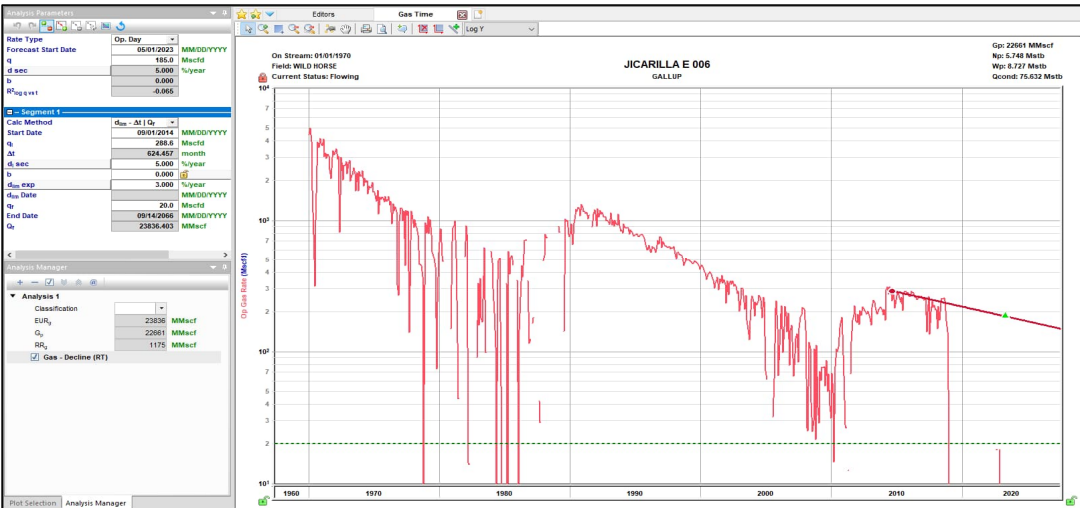
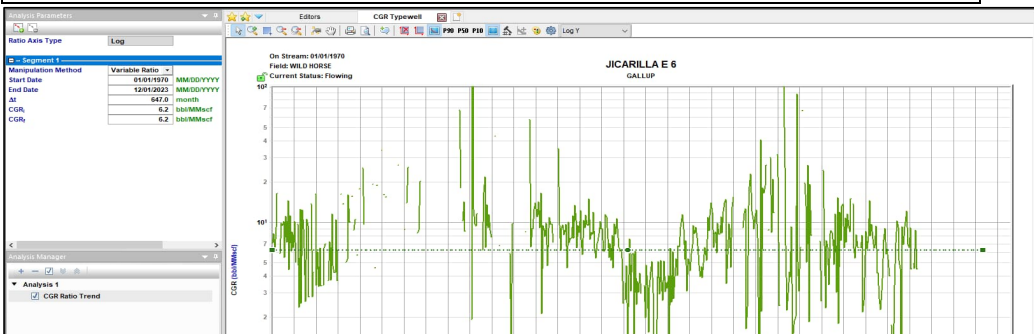
**Disposition:** Approved

**Disposition Date:** 11/15/2023

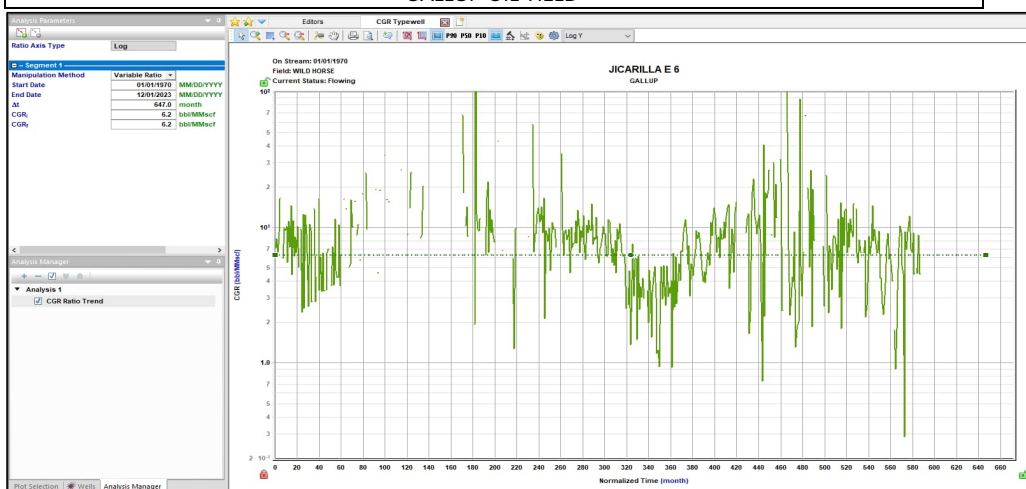
**Signature:** Matthew Kade

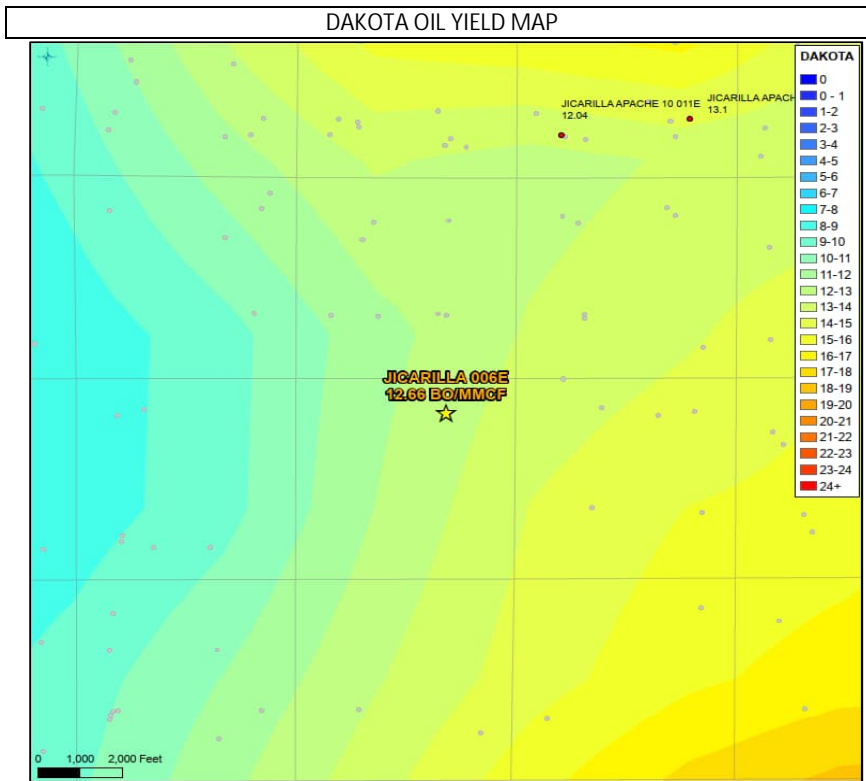
|  |                      |   |                     |  |   |              |
|--|----------------------|---|---------------------|--|---|--------------|
| <h1 style="text-align: center;">Hilcorp Energy Company</h1> <h2 style="text-align: center;">PRODUCTION ALLOCATION FORM</h2>  |                      |   |                     |  | Distribution:<br>BLM / NMOCD Original<br>Accounting<br>Well File<br>Revised: September 25, 2019                                 |              |
|  |                      |   |                     |  | Status<br>PRELIMINARY <input checked="" type="checkbox"/><br>FINAL <input type="checkbox"/><br>REVISED <input type="checkbox"/> |              |
| Commingle Type<br>SURFACE <input type="checkbox"/> DOWNHOLE <input checked="" type="checkbox"/><br>Type of Completion<br>NEW DRILL <input type="checkbox"/> RECOMPLETION <input checked="" type="checkbox"/> PAYADD <input type="checkbox"/> COMMINGLE <input type="checkbox"/>  |                      |   |                     |  | Date: 11/14/2023<br>API No. <b>30-039-06414</b><br>DHC No. <b>DHC-5336</b><br>Lease No. <b>JIC104</b>                           |              |
| Well Name<br><b>JICARILLA E</b>  |                      |   |                     |  | Well No.<br><b>6</b>  |              |
| Unit Letter<br><b>B</b>  | Section<br><b>21</b> | Township<br><b>26N</b>  | Range<br><b>04W</b> | Footage<br><b>890' FNL &amp; 1650' FEL</b> | County, State<br><b>Rio Arriba,<br/>New Mexico</b>  |              |
| Completion Date<br><b>11/03/2023</b>   |                      | Test Method<br>HISTORICAL <input type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> |                     |  |   |              |
|  |                      |   |                     |  |   |              |
| <p>JUSTIFICATION OF ALLOCATION: Hilcorp requests that production for the downhole commingle be allocated using the subtraction method in agreement with local agencies. The base formation is the Gallup and the added formation to be commingled is the Dakota. 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). After 3 years production will stabilize. A production average will be gathered during the 4<sup>th</sup> year and will be utilized to create a fixed percentage based allocation.</p> <p>Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years. GL 33%, DK 67% <b>(Correction to Allocation calculation from Approved DHC Application).</b></p> <p>After 4 years oil will be reevaluated and adjust as needed based on average formation yields and new fixed gas allocation.</p> |                      |   |                     |  |   |              |
| NAME   |                      | DATE  |                     | TITLE                                      |   | PHONE        |
| X <i>Cherylene Weston</i>  |                      |   |                     | Operations/Regulatory Tech – Sr.           |   | 713-289-2615 |
| Cherylene Weston   |                      | 11/14/2023  |                     |  |   |              |
| For Technical Questions: Ray Brandhurst  |                      |   |                     | Reservoir Engineer                         |   | 713-757-5224 |
|  |                      |   |                     |  |   |              |

## Jicarilla E 6 Production Allocation

| Date      | Mcf/d          | Gas Allocation:  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
|-----------|----------------|--|---------------------------|------------------|---------------------------|------------------|----|-------|-----|-----|----|-----|------|-----|
| Nov-23    | 179.9          | <p>Production for the downhole commingle will be allocated using the subtraction method in agreement with local agencies. The base formation is the Gallup and the added formations to be commingled is the Dakota. The subtraction method applies an average monthly production forecast to the base formation using historic production. All production from this well exceeding the forecast will be allocated to the new formation.</p> <p>After 3 years production will stabilize. A production average will be gathered during the 4<sup>th</sup> year and will be utilized to create a fixed percentage based allocation.</p> |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Dec-23    | 179.2          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Jan-24    | 178.4          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Feb-24    | 177.6          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Mar-24    | 176.9          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Apr-24    | 176.1          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| May-24    | 175.4          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Jun-24    | 174.6          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Jul-24    | 173.9          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Aug-24    | 173.1          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Sep-24    | 172.4          |    |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Oct-24    | 171.7          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Nov-24    | 170.9          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Dec-24    | 170.2          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Jan-25    | 169.5          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Feb-25    | 168.8          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Mar-25    | 168.1          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Apr-25    | 167.3          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| May-25    | 166.6          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Jun-25    | 165.9          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Jul-25    | 165.2          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Aug-25    | 164.5          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Sep-25    | 163.8          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Oct-25    | 163.1          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Nov-25    | 162.4          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Dec-25    | 161.7          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Jan-26    | 161            | <p><b>Oil Allocation:</b></p> <p>Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years.</p> <p>After 4 years oil will be reevaluated and adjusted as needed based on average formation yields and new fixed gas allocation.</p>  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Feb-26    | 160.3          | <table><tr><th>Formation</th><th>Yield (bbl/MM)</th><th>Remaining Reserves (MMcf)</th><th>% Oil Allocation</th></tr><tr><td>DK</td><td>12.66</td><td>972</td><td>67%</td></tr><tr><td>GL</td><td>6.2</td><td>1175</td><td>33%</td></tr></table>  | Formation                 | Yield (bbl/MM)   | Remaining Reserves (MMcf) | % Oil Allocation | DK | 12.66 | 972 | 67% | GL | 6.2 | 1175 | 33% |
| Formation | Yield (bbl/MM) |  | Remaining Reserves (MMcf) | % Oil Allocation |                           |                  |    |       |     |     |    |     |      |     |
| DK        | 12.66          |  | 972                       | 67%              |                           |                  |    |       |     |     |    |     |      |     |
| GL        | 6.2            |  | 1175                      | 33%              |                           |                  |    |       |     |     |    |     |      |     |
| Mar-26    | 159.7          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Apr-26    | 159            |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| May-26    | 158.3          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Jun-26    | 157.6          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Jul-26    | 157            |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Aug-26    | 156.3          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Sep-26    | 155.6          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Oct-26    | 154.9          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Nov-26    | 154.3          | <p><b>GALLUP OIL YIELD</b></p>   |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Dec-26    | 153.6          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Jan-27    | 152.9          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Feb-27    | 152.3          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Mar-27    | 151.7          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Apr-27    | 151            |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| May-27    | 150.4          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Jun-27    | 149.8          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Jul-27    | 149.1          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Aug-27    | 148.5          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Sep-27    | 147.8          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Oct-27    | 147.2          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |
| Nov-27    | 146.6          |  |                           |                  |                           |                  |    |       |     |     |    |     |      |     |

## GALLUP OIL YIELD





**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 291698

CONDITIONS

|  |  |
|--|--|
| Operator:<br>HILCORP ENERGY COMPANY<br>1111 Travis Street<br>Houston, TX 77002 | OGRID:<br>372171   |
|  | Action Number:<br>291698                                       |
|  | Action Type:<br>[IM-SD] Admin Order Support Doc (ENG) (IM-AAO) |

CONDITIONS

|            |                     |                |
|------------|---------------------|----------------|
| Created By | Condition           | Condition Date |
| dmccure    | ACCEPTED FOR RECORD | 12/6/2023      |