District II - (575) 393-6161 1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283 811 S. First St., Artesia, NM 88210 District III - (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410 District IV - (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505	DHC - 5494 Form C-103 Revised July 18, 2013 WELL API NO. 30-045-38421 5. Indicate Type of Lease STATE FEE 6. State Oil & Gas Lease No.
SUNDRY NOTICE (DO NOT USE THIS FORM FOR PROPOSAL DIFFERENT RESERVOIR. USE "APPLICAT PROPOSALS.) 1. Type of Well: Oil Well Ga	S AND REPORTS ON WELLS S TO DRILL OR TO DEEPEN OR PLUG BACK TO A TON FOR PERMIT" (FORM C-101) FOR SUCH	 7. Lease Name or Unit Agreement Name Storey B LS 8. Well Number 4M
2. Name of Operator Hilcorp Energy Company 3. Address of Operator 382 Road 3100 Aztec, NM 1	87410	 9. OGRID Number 372171 10. Pool name or Wildcat Blanco Mesaverde / Basin Dakota
4. Well Location Unit Letter <u>E</u> : <u>1499</u> fee Section 11 Tow ID NO. 427012	t from the <u>North</u> line and <u>952</u> feet from the vnship 030N Range 011W NMPM 1. Elevation (<i>Show whether DR, RKB, RT, GR, et</i> 5876' GL	e <u>West</u> line County SAN JUAN c.)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF IN	TENTION TO:	SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	PLUG AND ABANDON 🛛	REMEDIAL WORK	ALTERING CASING		
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILLING OPNS.	P AND A		
PULL OR ALTER CASING	MULTIPLE COMPL	CASING/CEMENT JOB			
DOWNHOLE COMMINGLE					
CLOSED-LOOP SYSTEM					
OTHER:	SIDETRACK	OTHER:			

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

It is intended to drill and complete the subject well in the Blanco Mesaverde (pool 72319) and Basin Dakota (pool 71599). The production will be commingled per Oil Conservation Division Order Number 11363. Commingling will not reduce the value of the production.

Proposed perforations are: ~MV 4,000' – 5,040'; DK ~6,770' – 7,050'. These perforations are in TVD.

Hilcorp Energy will use a spinner method using the attached procedure. We will run this procedure after initial completion, 3 months, 6 months and 12 months to ensure allocations are stabilizing. Annual spinners will be ran until the allocations have stabilized, at which point a fixed allocation will provided.

Notification of the intent to commingle the subject well was sent to all interest owners via certified mail on 1/30/2025 and a newspaper ad will have ran on $\sim 2/3/2025$.

Spud Date:	Rig Release Date:
I hereby certify that the information above is true and	nd complete to the best of my knowledge and belief.
SIGNATURE Cherylene Weston	TITLE Operations/Regulatory Tech-Sr DATE1/30/2025
Type or print name <u>Cherylene Weston</u> For State Use Only	E-mail address: <u>cweston@hilcorp.com</u> PHONE: <u>713-289-2615</u>
APPROVED BY: Conditions of Approval (if any) Released to Imaging; 5/13/2025 10:05:05 AM	

CONDITIONS OF APPROVAL

If an alteration is made to the Well or a condition within the Well changes which may cause the allocation of production to the Pools as approved within this Permit to become inaccurate, then no later than sixty (60) days after that event, the Operator shall submit Form C-103 to the OCD Engineering Bureau describing the event and include a revised allocation plan. If OCD denies the revised allocation plan, this Permit shall terminate on the date of such action.

If the downhole commingling of the Pools reduces the value of the oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred the Operator shall submit a new downhole commingling application to OCD to amend this Permit to remove the pool that caused the decrease in value. If the Operator fails to submit a new application, this Permit shall terminate on the following day, and if OCD denies the application, this Permit shall terminate on the date of such action.

If a completed interval of the Well is altered from what is submitted within this application, then no later than sixty (60) days after the alteration, the Operator shall submit Form C-103 to the OCD Engineering Bureau detailing the alteration and completed interval.

The Operator shall utilize production logs to allocate gas production from the Well to each of the Pools. Once the gas allocation is determined, the Operator shall then consider the gas oil ratio for each pool to allocate oil production from the Well to each of the Pools. The Operator shall conduct a production log:

- a. following the initial completion;
- b. three (3) months after the initial completion;
- c. six (6) months after the initial completion;
- d. twelve (12) months after the initial completion;
- e. annually thereafter until the allocation has stabilized; and
- f. additionally, as directed by OCD.

No later than ninety (90) days after conducting each production log, the Operator shall submit a Form C-103 to the OCD Engineering Bureau that includes the results of the production log and the oil and gas allocations for each of the Pools. Upon request from OCD, the Operator shall provide documentation supporting the allocations and if OCD determines that the allocations are inaccurate, the Operator shall proceed as directed by OCD.

Once the allocations have stabilized, the Operator shall submit a Form C-103 to the OCD Engineering Bureau that includes a tabulation of the oil and gas allocation following each of the conducted production logs and a proposed fixed percentage for allocating the oil and gas production from the Well to each of the Pools. If OCD approves the proposed fixed percentage, then the Operator shall allocate accordingly. If OCD denies the proposed fixed percentage, then the Operator shall continue conducting annual production logs.

A production log shall consist of either using a turbine/spinner flowmeter to determine the stabilized flow rate from each of the Pools under normal operating conditions or by another method OCD has specifically approved.



January 30, 2025

Mailed Certified with Electronic Return Receipt

To: All Interest Owners

RE: Application to Downhole Commingle Production Well: Storey B LS #4M API: 30-045-38421 Section 11, Township 30 North, Range 11 West San Juan County, New Mexico

Ladies and Gentlemen:

Hilcorp Energy Company ("Hilcorp"), as Operator of the subject well, has filed application with the New Mexico Oil Conservation Division ("NMOCD") for approval to downhole commingle production from the **Basin Dakota** and **Blanco Mesaverde**, formations Hilcorp soon intends to drill and complete. This letter and the application copy enclosed serve to provide you, an owner in one or more of the aforementioned formations, with written notice as prescribed by Subsection C of 19.15.12.11 New Mexico Administrative Code.

No action is required by you <u>unless</u> you wish to pursue a formal protest.

Any objections or requests for hearing must be submitted to the NMOCD's Santa Fe office, in writing, within twenty (20) days from the date the NMOCD receives the subject application.

Sincerely,

Carson Parker Rice Landman 713.757.7108 carice@hilcorp.com

CPR:dpk Enclosures

ceiyed by Ocp i JA31/2025 Bistric 42 AM	f State of New Mexico	Form C-103
District I – (575) 393-6161	Energy, Minerals and Natural Resources	Revised July 18, 2013
Instruct Image: Network 1625 N. French Dr., Hobbs, NM 88240 District II 0 5757 748-1283 811 S. First St., Artesia, NM 88210 District III 0 5757 748-1283 811 S. First St., Artesia, NM 88210 District III 0 5757 748 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 0 1200 S. St. Francis Dr., Santa Fe, NM 87505	OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505	WELL API NO. 30-045-38421 5. Indicate Type of Lease STATE FEE G. State Oil & Gas Lease No.
SUNDRY NOTICE (DO NOT USE THIS FORM FOR PROPOSAL DIFFERENT RESERVOIR. USE "APPLICAT PROPOSALS.) 1. Type of Well: Oil Well Ga	ES AND REPORTS ON WELLS LS TO DRILL OR TO DEEPEN OR PLUG BACK TO A FION FOR PERMIT" (FORM C-101) FOR SUCH as Well 🛛 Other	 7. Lease Name or Unit Agreement Name Storey B LS 8. Well Number 4M
2. Name of Operator Hilcorp Energy Company		9. OGRID Number 372171
3. Address of Operator 382 Road 3100, Aztec, NM	87410	10. Pool name or Wildcat Blanco Mesaverde / Basin Dakota
4. Well Location Unit Letter <u>E</u> : <u>1499</u> fee Section 11	et from the <u>North</u> line and <u>952</u> feet from the wnship 030N Range 011W NMPM 11. Elevation (Show whether DR, RKB, RT, GR, etc 5876' GL	<u>West</u> line County SAN JUAN

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE O	F INTENTION TO:	SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	K 🔲 PLUG AND ABANDON 🗌	REMEDIAL WORK ALTERING CASING			
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILLING OPNS. P AND A			
PULL OR ALTER CASING	☐ MULTIPLE COMPL □	CASING/CEMENT JOB			
DOWNHOLE COMMINGLE	\boxtimes				
CLOSED-LOOP SYSTEM					
OTHER:	SIDETRACK	OTHER:			
CLOSED-LOOP SYSTEM OTHER:		OTHER:			

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

It is intended to drill and complete the subject well in the Blanco Mesaverde (pool 72319) and Basin Dakota (pool 71599). The production will be commingled per Oil Conservation Division Order Number 11363. Commingling will not reduce the value of the production.

Proposed perforations are: ~MV 4,000' – 5,040'; DK ~6,770' – 7,050'. These perforations are in TVD.

Hilcorp Energy will use a spinner method using the attached procedure. We will run this procedure after initial completion, 3 months, 6 months and 12 months to ensure allocations are stabilizing. Annual spinners will be ran until the allocations have stabilized, at which point a fixed allocation will provided.

This notice is being provided to you by certified mail as an interest owner per Order Number 11363. Please notify NMOCD within twenty (20) days if you have objections.

Spud Date:	Rig Release Date:
I hereby certify that the information above is true ar	nd complete to the best of my knowledge and belief.
SIGNATURE Cherylene Weston	TITLE Operations/Regulatory Tech-Sr. DATE 1/22/2025
Type or print name <u>Cherylene Weston</u> For State Use Only	E-mail address: <u>cweston@hilcorp.com</u> PHONE: <u>713-289-2615</u>
APPROVED BY: Conditions of Approval (if any) Released to Imaging: 5/13/2025 10:05:05 AM	

Received by OCD: 1/31/2025/ 7:59:42 AM								
<u>C-102</u>	State of New Mexico							
Submit Electronically	Energy, Minerals & Natural Resources Department							
Via ULD Permitting								

UL

Section

OIL CONSERVATION DIVISION

Submittal Ame

☑ Initial Submittal
 □ Amended Report
 □ As Drilled

WELL LOCATION INFORMATION

API Number 30-045-38421	Pool Code	72319	Pool Name	BLANCO MESAVERDE
Property Code 319113	Property Name	STOREY B LS		Well Number 4M
OGRID No. 372171	Operator Name	HILCORP ENERGY COMPAN	١Y	Ground Level Elevation 5876'
Surface Owner: 🗌 State 🛛 Fee 🗌 T	ribal 🗌 Federal	Mineral Owner	r: 🗌 State 🛛 Fee 🗌] Tribal 🔲 Federal

Surface Location											
UL	Section	Township	Range	Lot	Feet from N/S	3 Line	Feet from E/V	\ Line	Latitude	Longitude	County
	11	JON	11W		1499	NUHIH	952.	WEST	36.829555 N	-107.966321 W	SAN JUAN

Township Range Lot Feet from N/S Line Feet from E/W Line Latitude Longitude

Dedicated Acres	Penetrated Spacing Unit:	Infill or Defining Well	Defining Well API	Overlapping !	Spacing Unit	Consolidation Code	
320.00	W/2 - Section 11, T30N, R11W	Infill	30-045-09624	🗆 Yes	🛛 No	С	
Order Numbers		Well setb	acks are under Common Ow	nership:] Yes [No.	

	Kick Off Point (KOP)										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Langitude	County		

	First Take Point (FTP)										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Langitude	County		
Last Take Point (LTP)											
UL	Section	Township	Range	Lat	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County		

Unitized Area or Area of Uniform Interest	Spacing Unit Type			Ground Floor Elevation
	∐ Horizontal	🛛 Vertical	□ Directional	5876'

OPERATOR CERTIFICATION	SURVEYOR CERTIFICATION				
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.				
If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.	15269 1/4/2025				
Cherylene Weston 1/8/2025	APPECCETONAL				
Signature Date	I EBDIG				
Cherylene Weston, Operations/Regulatory Tech-Sr.					
Printed Name	CASUN C. LUMARDS				
	Signature and Seal of Professional Surveyor				
cweston@niicorp.com	Certificate Number access Date of Survey prochase at coord				
E-mail Address	15269 0, 00, 00, 00, 00, 00, 00, 00, 00,				

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division. Released to Imaging: 5/13/2025 10:05205/AM

County

SURFACE LOCATION (A) 1499' FNL 952' FWL SECTION 11, T30N, R11W LAT 36.829551 °N LONG -107.965699 °W DATUM: NAD1927

LAT 36.829555 °N LONG -107.966321 °W DATUM: NAD1983



Released to Imaging: 5/13/2025 10:05:05 AM

Received by OCD:	<i>1/31/2025</i> [7:59:	42 AM	
<u>C-102</u>			State

Submit Electronically Via OCD Permitting

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

Submittal Ame

Initial Submittal
 Amended Report
 As Drilled

Page 7 of 18

Revised July 9, 2024

WELL LOCATION INFORMATION

API Number 30-045-38421	Paol Code	71599	Pool Name	BASIN DAKOTA	
Property Cade 319113	Property Name	STOREY B LS	Well Number 4M		
OGRID No. 372171	Operator Name	HILCORP ENERGY COMPA	Ground Level Elevation 5876'		
Surface Owner: 🗌 State 🛛 Fee 🗌	Tribal 🗌 Federal	Mineral Owne	r: 🗆 State 🛛 Fee 🛛] Tribal 🔲 Federal	

	Surface Location								
ul	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	^{County}
E	11	30N	11W		1499' NORTH	952' WEST	36.829555 °N	—107.966321 °W	SAN JUAN

Bottom Hole Location

UL	Section	Township	wnship Range		Feet from N/S Line	Feet from E/W Line	Latitude	Langitude	County

Dedicated Acres	Penetrated Spacing Unit:	Infill or Defining We	1 Defining Well API	Overlapping	Spacing Unit	Consolidation Code
319.80	N/2 - Section 11, T30N, R11W	Infill	30-045-22647	🗌 Yes	X No	С
Order Numbers		Well s	tbacks are under Common O	vnership:] Yes [XI No

Kick Off Point (KOP)

ſ	UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line Latitude		Langitude	County

	First Take Point (FTP)									
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Langitude	County	
				-	L	ast lake Point (Ll	Ρ)			
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County	

Unitized Area or Area of Uniform Interest	Spacing Unit Type			Ground Floor Elevation
	Horizontal	⊠ vertical	L Directional	5876'

OPERATOR CERTIFICATION	SURVEYOR	CERTIFICATION			
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral	I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.				
interest, or to a valuntary pooling agreement or a compulsory pooling order heretofore entered by the division.	SON	C. EDWAR			
If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		MET 15269			
<u>Cherylene Westen</u> 1/8/2025	THE A	1/4/2025 AS			
Cherylene Weston, Operations/Regulatory Tech-Sr.	TACON				
Printed Name	UASUN	C. LUWARDS			
	Signature and Seal of Professional Surveyor				
cweston@niicorp.com	Certificate Number	Date of Survey procharge of one (
E-mail Address	15269	DECEMBER 31, 2024			

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division. Released to Imaging: 5/13/2025 10:05205/AM

SURFACE LOCATION (A) 1499' FNL 952' FWL SECTION 11, T30N, R11W LAT 36.829551 °N LONG -107.965699 °W DATUM: NAD1927

LAT 36.829555 °N LONG -107.966321 °W DATUM: NAD1983



Released to Imaging: 5/13/2025 10:05:05 AM

REVENUE ALLOCATION PROCEDURE

DAKOTA/MESAVERDE WELLS

- 1.) Frac and flowback the Dakota formation
- 2.) Frac and flowback and clean up Mesaverde formation
- 3.) Stabilize MV flow up casing against area line pressure
- 4.) Record a MV flow rate through a choke using an orifice meter
- 5.) Drill out bridge plug over DK formation
- 6.) Cleanup DK formation
- 7.) Run Spinner production profile across Dakota formation
- 8.) Add MV flow rate from previous test to DK flow rate from spinner to get total flow
- 9.) Allocation is based upon MV or DK rates as a percentage of total flow

Once allocation is established, it will be used for the life of the well. Below is a summary of how the testing is performed.

Field Test (Spinner Method)

Summary

This example covers the procedure used to allocate production using the spinner method with field tests. This method was used by ConocoPhillips prior to the Burlington Resources acquisition and has been chosen as the preferred allocation method on all future Mesaverde/ Dakota commingled wells. The allocation is based on two separate tests. The first is a stabilized rate test on the Mesaverde up the casing-tubing annulus with line pressure simulated by a choke at the surface. The second test is performed by running a production log over the Dakota interval. The rate from each layer is used in a simple calculation to determine the contribution percentage.

Procedure

Allocation testing is performed after the well has been completed. A composite bridge plug is normally located above the DK and a composite frac plug is sometimes located within the MV.

The first step in testing the MV is drilling out the plugs and cleaning out the well. Once water and sand volumes reach acceptable levels (less than 5 bph), the tubing is set at the mid-point of MV perfs. The well is then opened to flow up the casing-tubing annulus with a positive choke at the surface to simulate a back-pressure on the well. The MV is tested for a minimum of 4 hours or until pressure stabilizes. Tubing and casing pressures are reported every 15 minutes and when pressure is the same three times then it is considered stabilized. Metered gas, water, and condensate rates and volumes are all documented as well as testing conditions (tubing location, choke size, pressures).

After the MV has been tested, the composite drill plug over the DK is drilled out and the well is cleaned out to PBTD. Once the water and sand volumes reach acceptable levels (less than 5

bph), the bottom-hole assembly is configured and the tubing is landed approximately 100 feet above the DK perfs. A slickline or wireline unit is used to run the production loggings tools. The logging tools are lowered to the bottom perfs and the DK interval is logged while the well is producing up the tubing against a choke. Once again, the well is tested for a minimum or 4 hours or until the pressure has stabilized. The log is run across the entire DK interval to 50 feet above the top DK perforation. The log data is interpreted by the service company and returned to the completions group within a few days.

The stabilized MV rate is combined with the stabilized DK rate to come up with a total well production rate. The ratio of the MV rate to the total rate is used as the MV allocation percentage and the same is done for the DK. An example test and corresponding calculations are included in the report.

Diagram



Example- San Juan 31-6 Unit 40G

After the MV has been cleaned up and the well has stabilized, the MV is tested at 1,306 Mcfd (see report below). The test was performed up the tubing-casing annulus (4.5" casing/ 2.38" tubing) with a ½" choke at surface. The stabilized flowing casing pressure was 198 psi, which is similar to line pressure in the area.

Time Lo	a				252				22			The second se
Start Time	End Time	Cum Dur (hrs)	On Code	OnSub-C	Time P-N-T				Operation			
06:00	07:00	1.00	RPCO	SFTY	P	ROAD CREW TO	LOCATIO	N HOLD PJS	SM			
07:00	10:00	4.00	RPCO	TRIP	P	POOH W/ 3 7/8" M	MILL TIH 1	W/ RBP SET	@ 6068'			
10:00	11:00	5.00	RPCO	FCO	P	BLOW WELL TO	UNLOAD I	KILL FLUID				
11:00	15:00	9.00	RPCO	FCO	P	PERFORATIONS 23/8" TBNG SET TEST IS TO ATM FCP = 198 PSI SITP = 0 PSI PRODUCTION = BBL WATER/DAY NO SAND WITNESSED BY: BLOW DOWN WE	5097' - 60 @ 5580' OSPHERE 1306 MCF / = 0 JOSE FRI ELL OPEN	006' E ON 1/2" CH E 4 IAS I PIPE RAMS	— Stabilized MV Production Rate			
16:00	04:00	22.00	RPCO	FCO	P	BLOW WELL W/ I	NIGHT CR	REW				
Well Flui	ids		- 28		See.					12/16/1		
	Fluid		- 24		Note	1	To (bbl)	From (bbl)	Non-recov (bbl)	Zone		
Observa Safety M	tion Card	s (BST, S Compan Operatio	TOP, etc y nal Checl	(5		No	o. Rpts	.1.		Comment		
07:00	Time	Pr	e-Job Saf	Type ety Meetii	ng	WELLSITE PJSM	1		Description			
						Paç	ge 1/2			Report Printed	: 4/11/2008	

Figure 1: Pulled from WellView Initial Completion Report

The DK is then cleaned up and the logging tools are run. The reports from ProTechnics show a total rate from the DK equal to 584 Mcfd (see report below). The test was performed at a flowing tubing pressure of 125 psi with a $\frac{1}{2}$ " choke at surface.

ProTechnics A GALL LANGATHUS CHYANY	Con	npletion	Profile	Analysis	
<i>Results</i> The following table	e summarize	s the produc	tion from ea	ach producing inf	
		Flow R	ates Reported at 9	STP	
Zone Intervals feet	Q-Water BFPD	Qp-Water BFPD	Percent of Total	Q-Gas MCFD	Stabilized DK Production Rate
Surface to 7860	2 bpd		100 %	584 Mcf/d	

Figure 2: Pulled from Protechnics Report, pg. 6

The allocation is calculated as follows and an allocation form is completed for the well. See Appendix for allocation form, WellView report, and ProTechnics report including production logs.

MV Rate	1306	% MV= 1306/1890=	69%
DK Rate	584	% DK= 584/1890=	31%
Total Rate	1890		

Oil Allocation:

Oil production will be allocated utilizing GOR in terms of oil yield based on actual production from offset Dakota and Mesaverde wells. Once gas allocation split is obtained from spinner, oil yield values will be applied to get final oil allocation split.

MESAVERDE OIL YIELD MAP

***Condensate Yield (BBL/MMCF) - Based on all DK wells and MV wells. Not filtered to standalones - incorporates allocated production.



DAKOTA OIL YIELD MAP

*** Condensate Yield (BBL/MMCF) - Based on all DK wells and MV wells. Not filtered to standalones - incorporates allocated production.



•

92148969009997901843160040	Dani Kuzma	, OFFICE OF NATURAL RESOURCES REVENUE, LAKEWOOD ACCTG CENT ONSHORE, DENVER, CO, 80225-0627 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160057	Dani Kuzma	, CROSS TIMBERS ENERGY LLC, C/O DRILLINGINFO MAIL, FORT WORTH, TX, 76102 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160064	Dani Kuzma	, MITZI ANN HENDERSON EASLEY, , AUSTIN, TX, 78727 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160071	Dani Kuzma	, SUSAN H RITTER, , AUSTIN, TX, 78746 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160088	Dani Kuzma	, BETSY H BRYANT, , GEORGETOWN, TX, 78628 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160095	Dani Kuzma	, FRANCES R CUSACK, , AUSTIN, TX, 78732 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160101	Dani Kuzma	, SYLVESTER FRANCIS CUSACK II, , DALLAS, TX, 75382-2984 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160118	Dani Kuzma	, RAYMOND JOHN CUSACK JR, , DALLAS, TX, 75382 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160125	Dani Kuzma	, ELLIOTT-HALL COMPANY, , OGDEN, UT, 84415 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160132	Dani Kuzma	, ELLIOTT INDUSTRIES, , SANTA FE, NM, 87504 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160149	Dani Kuzma	, ELLIOTT ENERGY LLC, , BUELLTON, CA, 93427 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160156	Dani Kuzma	, JO ANNE MOSS TRELOAR, , SANTA BARBARA, CA, 93105- 9708 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160163	Dani Kuzma	, JAMES T BUCHENAU LIV TR UNDER REVOC, TRUST AGMT 9 13 1994, PLANO, TX, 75025-2810 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160170	Dani Kuzma	, ETHEL MARIE YEWUSIAK, , BONSALL, CA, 92003 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160187	Dani Kuzma	, ZEM YEWUSIAK, , BONSALL, CA, 92003 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160194	Dani Kuzma	, VICTORIA ZIMMERMAN REV LIV TR DTD, 6 1 2011 and VICTORIA ZIMMERMAN TTEE, PLANO, TX, 75025-2829 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160200	Dani Kuzma	, SAN JUAN BASIN TRUST, , BARTLESVILLE, OK, 74006-7500 Code: STOREY B LS 4M DHC	1/30/2025	

				Signature Pending
92148969009997901843160217	Dani Kuzma	, SUE OLVERA LIFE TENANT, , AZTEC, NM, 87410 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160224	Dani Kuzma	, WILLIAM L CURRENT AND JEANIE, CURRENT LIFE TENANTS, INDIANAPOLIS, IN, 46256 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160231	Dani Kuzma	, ERNEST CURRENT AND LINDA CURRENT, CURRENT LIFE TENANTS, CUBA, NM, 87013 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160248	Dani Kuzma	, SIMCOE, LLC, ATTN MICHELLE BLANKENSHIP, DURANGO, CO, 81301 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160255	Dani Kuzma	, FRANCES ELISE LINCOLN, , GIG HARBOR, WA, 98355 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160262	Dani Kuzma	, JOHN CHARLES STOREY, , ANACORTES, WA, 98221 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending
92148969009997901843160279	Dani Kuzma	, ROBERT GERALD STOREY III, , DALLAS, TX, 75205 Code: STOREY B LS 4M DHC	1/30/2025	Signature Pending



AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO

County of San Juan

Representative of the Tri-City Record, on oath states that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Law of 1937, that payment therefore has been made of assessed as court cost; and that the notice, copy of which is hereto attached, was published in said paper in the regular daily edition, for <u>i</u> time(s) on the following date(s):

<u>2/3/2025</u>

Sworn and subscribed before me, a notary public in and for the county of La Plata and the State of Colorado, 2/10/2025.

Notary Public

PRICE:

Received by OCD: 1/31/2025 7:59:42 AM

Statement to come at the end of the month.

ACCOUNT NUMBER: 109863

SHELLY CORWIN Notary Public State of Colorado Notary ID # 20244040709 My Commission Expires 11-06-2028

26576

Notice by Hilcorp Energy Company for Downhole Commingling, Juan San County, Mexico. New Pursuant to Paragraph (2) of Subsection C of 19.15.12.11 NMAC. Hilcorp Energy Company, as Operator, has filed form C-103 with the New Mexico Energy, Minerals and Natural Resources Department -Oil Conservation Division (NMOCD) seekina administrative approval to downhole commingle new production from the Basin (71599)Dakota with new production from the Blanco Mesaverde (72319)in the Storey B LS #4M well, located in Section 11 Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico. Commingling will not reduce the value of production. Allocation method to be determined upon completion of this project. This notice is intended for certain unlocatable royalty interest owners in the aforementioned well for which certified mail delivery is not possible. Should you (the interest owner for which this notice is intended) have an objection, vou are reauired respond within to

twenty (20) days from the date of this publication. Please mail your objection letter, referencing the well details above, to the New Mexico Oil Conservation Division's Santa Fe office.

Published in Tri-City Record February 3, 2025

> SHELLY CORWIN Notary Public State of Colorado Notary ID # 20244040709 My Commission Expires 11-06-2021

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Released to Imaging: 5/13/2025 10:05:05 AM

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	427012
	Action Type:
	[C-107] Down Hole Commingle (C-107A)

CONDITIONS

С	Created	Condition	Condition
В	By		Date
	llowe	Proposed perforations are: ~MV 4,000' – 5,040'; DK ~6,770' – 7,050'.	5/13/2025

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Action 427012