


<h1 style="text-align: center;">Hilcorp Energy Company</h1> <h2 style="text-align: center;">PRODUCTION ALLOCATION FORM</h2>					Distribution: BLM / NMOCD Original Accounting Well File Revised: September 25, 2019	
					Status PRELIMINARY <input checked="" type="checkbox"/> FINAL <input type="checkbox"/> REVISED <input checked="" type="checkbox"/>	
Commingle Type SURFACE <input type="checkbox"/> DOWNHOLE <input checked="" type="checkbox"/> Type of Completion NEW DRILL <input type="checkbox"/> RECOMPLETION <input checked="" type="checkbox"/> PAYADD <input type="checkbox"/> COMMINGLE <input type="checkbox"/>					Date: 9/29/2023 API No. 30-045-25331 DHC No. 5314 Lease No. NMSF078115	
Well Name Grenier					Well No. 15E	
Unit Letter K	Section 18	Township 31N	Range 11W	Footage 1520' FSL & 1560' FWL	County, State San Juan, New Mexico	
Completion Date 8/21/2023		Test Method 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 will be allocated using the subtraction method in agreement with local agencies. The base formation is the Dakota and the added formation (s) to be commingled is the Mesaverde. 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(s). After 3 years production will stabilize. A production average will be gathered during the 4th 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. MV 21%, DK 79% (Oil revised from previous submission due to miscalculation)</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
Amanda Walker		9/29/2023				
X 				Operations/Regulatory Tech – Sr.		346.237.2177
For Technical Questions: Shane Smith		Reservoir Engineer		shane.smith@hilcorp.com		

ACCEPTED FOR RECORD

The production from the well shall be allocated to each pool as stipulated within the DHC Order.

Well Name: GRENIER	Well Location: T31N / R11W / SEC 18 / NESW / 36.895874 / -108.034607	County or Parish/State: SAN JUAN / NM
Well Number: 15E	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078115	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004525331	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2754218

Type of Submission: Notice of Intent

Date Sundry Submitted: 09/29/2023

Date proposed operation will begin: 08/01/2023

Type of Action: Commingling (Subsurface)

Time Sundry Submitted: 12:57

Procedure Description: Please see the attached REVISED Allocation for the above mentioned well. There was a calculation error for the oil.

NOI Attachments

Procedure Description

Grenier_15E_REVISED_Preliminary_Subtraction_Allocation_Form_20230929125653.pdf

Received by OCD: 10/3/2023 11:24:45 AM

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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: AMANDA WALKER	Signed on: SEP 29, 2023 12:56 PM
Name: HILCORP ENERGY COMPANY	
Title: Operations/Regulatory Technician	
Street Address: 1111 TRAVIS ST	
City: HOUSTON	State: TX
Phone: (346) 237-2177	
Email address: MWALKER@HILCORP.COM	

Field

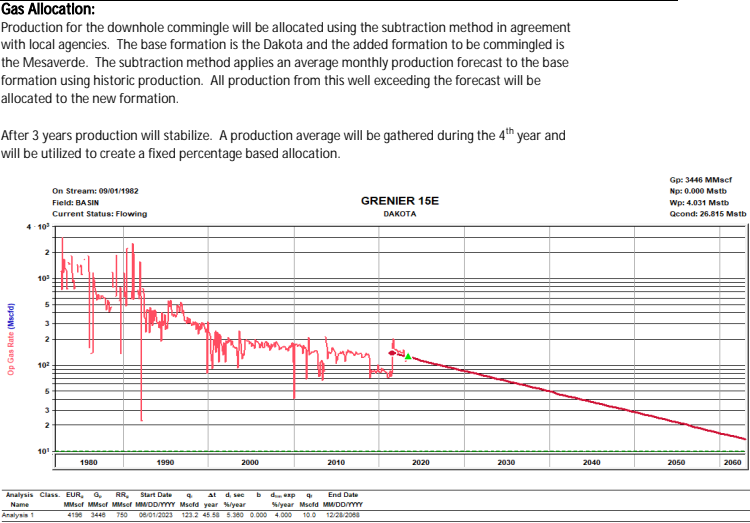
Representative Name:		
Street Address:		
City:	State:	Zip:
Phone:		
Email address:		

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK	BLM POC Title: Petroleum Engineer
BLM POC Phone: 5055647742	BLM POC Email Address: krennick@blm.gov
Disposition: Accepted	Disposition Date: 09/29/2023
Signature: Kenneth Rennick	

Grenier 15E Subtraction Allocation		3004525331
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Date	Mcf/d
Aug-23	121.8
Sep-23	121.2
Oct-23	120.6
Nov-23	120.1
Dec-23	119.5
Jan-24	119
Feb-24	118.4
Mar-24	117.9
Apr-24	117.4
May-24	116.8
Jun-24	116.3
Jul-24	115.8
Aug-24	115.2
Sep-24	114.7
Oct-24	114.2
Nov-24	113.6
Dec-24	113.1
Jan-25	112.6
Feb-25	112.1
Mar-25	111.6
Apr-25	111.1
May-25	110.6
Jun-25	110.1
Jul-25	109.6
Aug-25	109
Sep-25	108.5
Oct-25	108
Nov-25	107.5
Dec-25	107.1
Jan-26	106.6
Feb-26	106.1
Mar-26	105.6
Apr-26	105.1
May-26	104.6
Jun-26	104.2
Jul-26	103.7
Aug-26	103.2
Sep-26	102.7
Oct-26	102.3
Nov-26	101.8
Dec-26	101.3
Jan-27	100.8
Feb-27	100.4
Mar-27	99.95
Apr-27	99.5
May-27	99.04
Jun-27	98.58
Jul-27	98.13

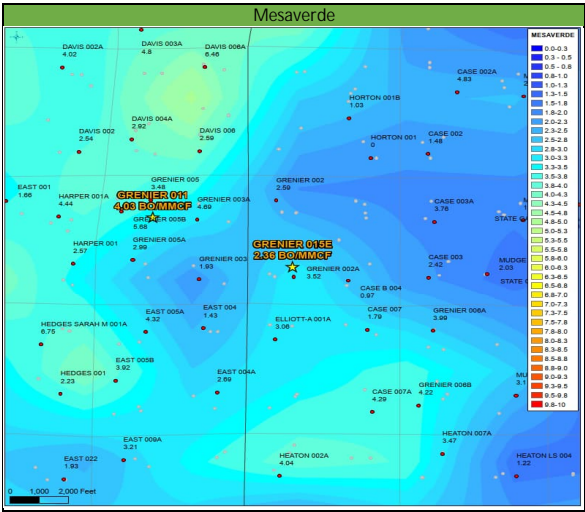
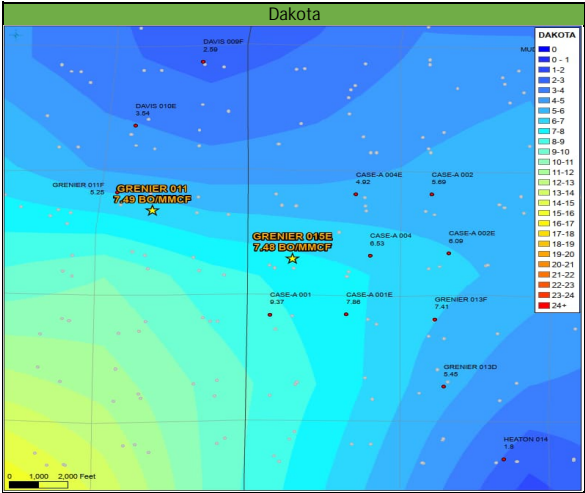


Oil Allocation:

Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years.

After 4 years oil will be reevaluated and adjusted as needed based on average formation yields and new fixed gas allocation.

Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Oil Allocation
DK	7.48	743	79%
MV	2.36	612	21%



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 271839

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 271839
	Action Type: [C-103] NOI General Sundry (C-103X)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	ACCEPTED FOR RECORD	10/3/2023
dmcclure	The production from the well shall be allocated to each pool as stipulated within the DHC Order.	10/3/2023