

Well Name: SAN JUAN 30-5 UNIT	Well Location: T30N / R5W / SEC 29 / SENE / 36.78641 / -107.3739	County or Parish/State: RIO ARRIBA / NM
Well Number: 97	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078740	Unit or CA Name: SAN JUAN 30-5 UNIT--DK	Unit or CA Number: NMNM78419B
US Well Number: 3003923180	Operator: HILCORP ENERGY COMPANY	

Notice of Intent

Sundry ID: 2788694

Type of Submission: Notice of Intent

Type of Action: Commingling (Subsurface)

Date Sundry Submitted: 05/07/2024

Time Sundry Submitted: 06:58

Date proposed operation will begin: 05/01/2024

Procedure Description: Attached please the Preliminary Subtraction Allocation for the recently recompleted well.

NOI Attachments

Procedure Description

SJ_30_5_Unit_97_Preliminary_Subtraction_Allocation_Form_20240507065825.pdf

Well Name: SAN JUAN 30-5 UNIT

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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: AMANDA WALKER

Signed on: MAY 07, 2024 06:58 AM

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: Approved

Disposition Date: 05/09/2024

Signature: Kenneth Rennick

<h1 style="margin: 0;">Hilcorp Energy Company</h1> <h2 style="margin: 0;">PRODUCTION ALLOCATION FORM</h2>					Distribution: BLM / NMOCD Original Accounting Well File Revised: September 25, 2019																	
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"/>					Status PRELIMINARY <input checked="" type="checkbox"/> FINAL <input type="checkbox"/> REVISED <input type="checkbox"/>																	
					Date: 5/6/2024 API No. 30-039-23180 DHC No. 5371 Lease No. NMSF078740																	
Well Name San Juan 30-5 Unit					Well No. 97																	
Unit Letter H	Section 29	Township 30N	Range 05W	Footage 1580' FNL & 810' FEL	County, State Rio Arriba, New Mexico																	
Completion Date 5/2/2024		Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input checked="" type="checkbox"/>																				
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 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). After 3 years production will stabilize. A production average will be gathered during the 4 th year and will be utilized to create a fixed percentage based allocation.																						
Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years. MV 100%, DK 0% (No Change to Allocation from Approved DHC Application)																						
After 4 years oil will be reevaluated and adjust as needed based on average formation yields and new fixed gas allocation.																						
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%;">NAME</th> <th style="width: 15%;">DATE</th> <th style="width: 30%;">TITLE</th> <th style="width: 20%;">PHONE</th> </tr> </thead> <tbody> <tr> <td>Amanda Walker</td> <td></td> <td>Operations/Regulatory Tech – Sr.</td> <td>346-237-2177</td> </tr> <tr> <td>X </td> <td></td> <td></td> <td></td> </tr> <tr> <td>For Technical Questions: Shane Smith</td> <td></td> <td>Reservoir Engineer</td> <td>shane.smith@hilcorp.com</td> </tr> </tbody> </table>							NAME	DATE	TITLE	PHONE	Amanda Walker		Operations/Regulatory Tech – Sr.	346-237-2177	X				For Technical Questions: Shane Smith		Reservoir Engineer	shane.smith@hilcorp.com
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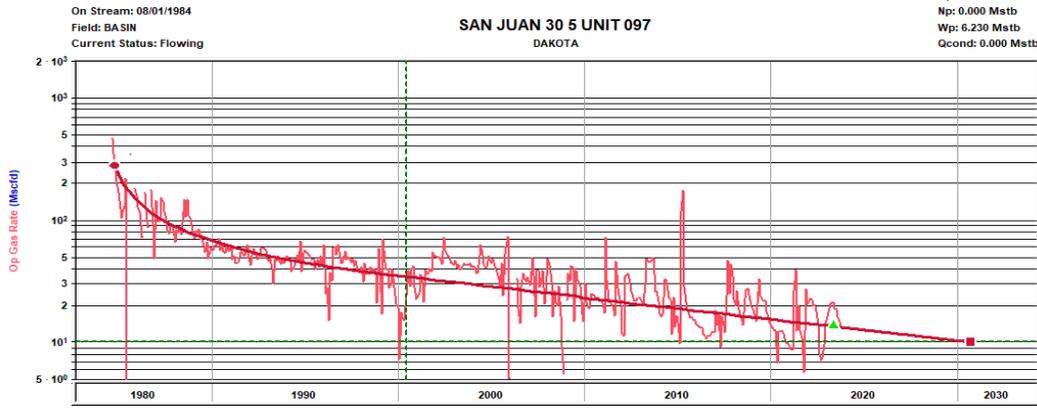
San Juan 30-5 Unit 097 Subtraction Allocation 3003923180

Date	Mcf/d
May-24	12.96
Jun-24	12.91
Jul-24	12.87
Aug-24	12.82
Sep-24	12.78
Oct-24	12.74
Nov-24	12.69
Dec-24	12.65
Jan-25	12.61
Feb-25	12.57
Mar-25	12.52
Apr-25	12.48
May-25	12.44
Jun-25	12.4
Jul-25	12.35
Aug-25	12.31
Sep-25	12.27
Oct-25	12.23
Nov-25	12.19
Dec-25	12.15
Jan-26	12.1
Feb-26	12.06
Mar-26	12.02
Apr-26	11.98
May-26	11.94
Jun-26	11.9
Jul-26	11.86
Aug-26	11.82
Sep-26	11.78
Oct-26	11.74
Nov-26	11.7
Dec-26	11.66
Jan-27	11.62
Feb-27	11.58
Mar-27	11.54
Apr-27	11.5
May-27	11.46
Jun-27	11.43
Jul-27	11.39
Aug-27	11.35
Sep-27	11.31
Oct-27	11.27
Nov-27	11.23
Dec-27	11.19
Jan-28	11.15
Feb-28	11.12
Mar-28	11.08
Apr-28	11.04

Gas Allocation:

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 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.

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.



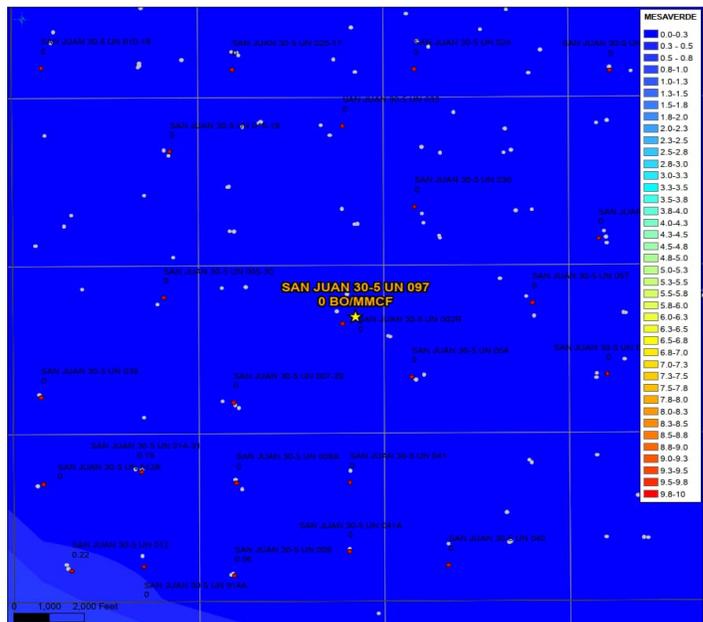
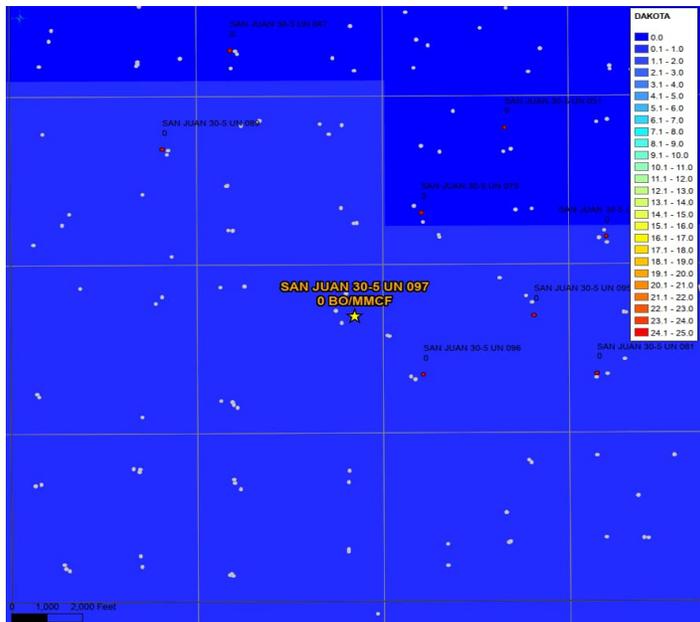
Analysis	Class	EUR ₂	G ₀	RR ₂	Start Date	q	Δt	d, sec	b	d _∞ , exp	q _∞	End Date
Name		MMscf	MMscf	MMscf	MM/DD/YYYY	Mscf/d	year	%/year		Mscf/d	MM/DD/YYYY	
Analysis 1		599	568	31	05/13/2023	13.5	7.36	4,000	0.000	4,000	10.0	09/20/2030

Oil Allocation:

Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years. The Dakota formation has historically never produced oil. If the well produces and oil, it will be allocated 100% to the Mverde formation.

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	0	31	0%
MV	0	880	100%



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 342850

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 342850
	Action Type: [C-103] NOI General Sundry (C-103X)

CONDITIONS

Created By	Condition	Condition Date
dmcclosure	ACCEPTED FOR RECORD ONLY	5/10/2024
dmcclosure	The production from the well shall be allocated to each pool as stipulated within the DHC Order.	5/10/2024