

<h1 style="margin: 0;">Hilcorp Energy Company</h1> <h2 style="margin: 0;">PRODUCTION ALLOCATION FORM</h2>					Distribution: BLM 4 Copies Regulatory Accounting Well File Revised: March 9, 2006			
					Status PRELIMINARY <input type="checkbox"/> FINAL <input checked="" type="checkbox"/> REVISED <input 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: <b>6/16/22</b>  API No. <b>30-039-29275</b> DHC No. <b>DHC4835</b> Lease No. <b>E-289-50</b>			
Well Name <b>San Juan 29-5 Unit</b>					Well No. <b>60F</b>			
Unit Letter <b>B</b>	Section <b>32</b>	Township <b>T029N</b>	Range <b>R005W</b>	Footage <b>660' FNL &amp; 2500' FEL</b>	County, State <b>Rio Arriba County, New Mexico</b>			
Completion Date		Test Method  HISTORICAL <input checked="" type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>						
FORMATION <b>MESAVERDE</b>		GAS <b>64 MCFD</b>		PERCENT <b>43%</b>		CONDENSATE <b>98%</b>		
<b>PICTURED CLIFFS</b>		<b>72 MCFD</b>		<b>49%</b>		<b>0%</b>		
<b>DAKOTA</b>		<b>12 MCFD</b>		<b>8%</b>		<b>2%</b>		
JUSTIFICATION OF ALLOCATION: Hilcorp Energy Company requests that production for the down hole commingle to be switched to a fixed percentage based allocation. The fixed percentage based allocation is calculated from average production rates from twelve months. Fixed oil allocated based on average formation yields in surrounding area and new fixed allocations.								
APPROVED BY <i>Kandis Roland</i>			DATE <b>6/16/22</b>		TITLE Operations/Regulatory Tech		PHONE 713-757-5246	
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06/17/2022

## San Juan 29-5 Unit 60F Fixed Allocation

The Dakota/Mesaverde and Pictured Cliffs formations have been producing as a commingled well for the past four years under a subtraction allocation method that was applied after the well was recompleted into a new zone. Hilcorp requests that production for the downhole commingled well be switched to a fixed percentage based allocation.

The new fixed percentage based allocation will be calculated from average production rates from the past twelve months.

Gas Production				
Date	Dakota	Mesaverde	PC	Total
May-21	12	65	80	158
Jun-21	12	65	77	153
Jul-21	12	64	71	147
Aug-21	12	64	56	133
Sep-21	12	64	63	139
Oct-21	12	64	47	123
Nov-21	12	63	94	170
Dec-21	12	63	84	159
Jan-22	12	63	79	154
Feb-22	12	63	79	153
Mar-22	12	63	71	145
Apr-22	12	62	69	143
Averages	12	64	72	148
% of Total	8%	43%	49%	

Oil will be reallocated based on the average formation yields and new fixed allocations.

Formation	Yield		Oil Allocation
Dakota	0.380	bbl/mmscf	2%
Mesaverde	3.540	bbl/mmscf	98%
PC	0.000	bbl/mmscf	0%



