Receiped by Och 3/7/2023 11:43:03 AM Office	State of New Mexic		DHC-5285	
<u>District I</u> – (575) 393-6161 Er. 1625 N. French Dr., Hobbs, NM 88240	ergy, Minerals and Natural	Resources	WELL API NO.	Revised July 18, 2013
<u>District II</u> – (575) 748-1283	IL CONSERVATION D		30-039-2	20354
811 S. First St., Artesia, NM 88210 District III – (505) 334-6178	1220 South St. Francis		5. Indicate Type of Lea	
1000 Rio Brazos Rd., Aztec, NM 87410	Santa Fe, NM 8750		STATE 6. State Oil & Gas Lea	FEE
<u>District IV</u> – (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM 87505	Santa 1 C, 14141 0750		6. State Off & Gas Lea NMSF07	
SUNDRY NOTICES AN (DO NOT USE THIS FORM FOR PROPOSALS TO DIFFERENT RESERVOIR. USE "APPLICATION F		BACK TO A	7. Lease Name or Unit San Juan 29-5 Unit	Agreement Name
PROPOSALS.) 1. Type of Well: Oil Well Gas We	ll 🛛 Other		8. Well Number 52	
2. Name of Operator Hilcorp Energy Company		Ó	9. OGRID Number 3721	71
3. Address of Operator			10. Pool name or Wild	
382 Road 3100, Aztec NM 87410				Blanco Mesaverde
4. Well Location		l		
Unit Letter_G_:_1650feet from	the _North line and _1450_	_feet from the _Ea	stline	
Section 29 Township			Arriba County	
11. El	evation (Show whether DR, RI	KB, RT , GR , $etc.$)		
	6743'			
12. Check Appropri	riate Box to Indicate Natu	are of Notice, R	eport or Other Data	
11 1			•	
NOTICE OF INTENT PERFORM REMEDIAL WORK □ PLUG	_	SUBSI EMEDIAL WORK	EQUENT REPOR	ERING CASING
	_	OMMENCE DRILL	 -	
-	_	ASING/CEMENT		_
DOWNHOLE COMMINGLE				
CLOSED-LOOP SYSTEM		THER:		
OTHER: 13. Describe proposed or completed open			pive pertinent dates, inc	luding estimated date
of starting any proposed work). SE				
proposed completion or recompletion	on.			_
It is intended to recomplete the subject well in (pool 71599) with the Mesaverde. The production methodology. Commingling will refer to writing of this application.	action will be commingled per	Oil Conservation	Division Order Number	r 11363. See attached
Proposed perforations are: MV - 4668' - 607	71'; DK - 8010' - 8163' The s	se perforations ar	e in TVD.	
As referenced in Order # R- 10770 interest o	wners were not re-notified.			
Spud Date:	Rig Release Date:			
Spud Date.	Rig Release Date.			
I hereby certify that the information above is	true and complete to the best	of my knowledge a	and belief.	
SIGNATUREKandís Roland	TITLE Operati	ons/Regulatory Te	echnician Sr. DATE	3/7/2023
	_			
Type or print nameKandis Roland For State Use Only		-	o.com PHONE:	/13-/3/-3240
APPROVED BY: Dean R Me	Cluve TITLE Petroleu	ım Engineer	0	4/28/2023
Conditions of Approval (if any):	-			

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 calculate the oil and gas production average during the fourth year after the commencement of commingling, which shall be used to establish a fixed percentage of the total oil and gas production that shall be allocated to each of the Pools ("fixed percentage allocation plan"). No later than ninety (90) days after the fourth year, the Operator shall submit a Form C-103 to the OCD Engineering Bureau that includes the fixed percentage allocation plan and all data used to determine it. If the Operator fails to do so, this Permit shall terminate on the following day. If OCD denies the fixed percentage allocation plan, this Permit shall terminate on the date of such action. If OCD approves the percentage allocation plan with or without modifications, then the approved percentage allocation plan shall be used to determine oil and gas allocation starting on the date of such action until the Well is plugged and abandoned.

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

Phone:(575) 393-6161 Fax:(575) 393-0720 <u>District II</u>
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

Form C-102 August 1, 2011

Permit 334134

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-20354	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318837	5. Property Name SAN JUAN 29 5 UNIT	6. Well No. 052
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6743

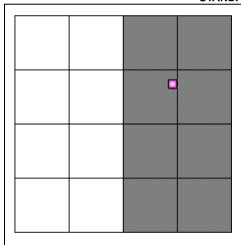
10. Surface Location

UL - Lot	Section		Township		Range		Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
G		29		29N	05	W		1650	1	1450	E	RIO
												ARRIBA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated A 320	cres .00 E/2		13. Joint or Infill		14. Consolidatio	n Code	1	15. Order No.	

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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Kandis Roland
Title: Regulatory Tech
Date: 2/10/2023

SURVEYOR CERTIFICATION

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.

Surveyed By: David kilven
Date of Survey: 12/29/1970
Certificate Number: 1760

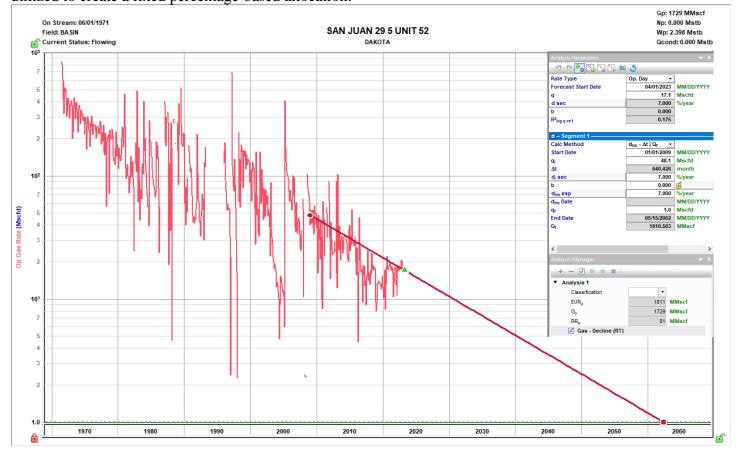
NEW XICO CIL LONSERVATION CÓMMICIEN. WELL LOCATION AND ACREAGE DEDICATION PLAT

EL FR	DO MAIUM	AL GAS COMPANY		UNIT (SF-078282)	52
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				DECEMBER 29	, 1970
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SJ 29-5 #52 Production Allocation Method - Subtraction

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.



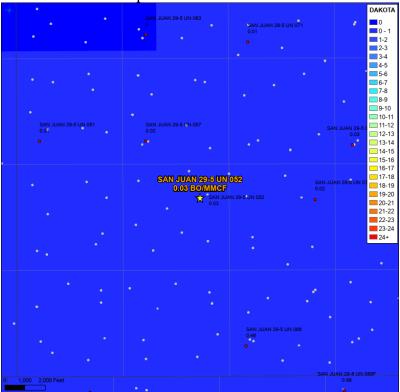
Oil Allocation:

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

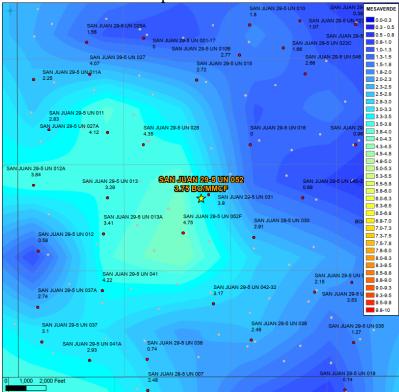
After 4 years oil will be reevaluated and adjust as needed based on average formation yields and new fixed gas allocation.

Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Oil Allocation
DK	0.03	81	1%
MV	3.75	800	99%





Mesaverde Oil Yield Map



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

CONDITIONS

Action 194176

CONDITIONS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	194176
	Action Type:
	[C-107] Down Hole Commingle (C-107A)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	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.	4/28/2023
dmcclure	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.	4/28/2023
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