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| <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 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: 9/5/2023 API No. 30-045-24898 DHC No. 5045 Lease No. NMSF078118 | |
| Well Name Hubbard Com | | | | | Well No. 2 | |
| Unit Letter N | Section 30 | Township 32N | Range 11W | Footage 1115' FSL & 1530' FWL | County, State San Juan, New Mexico | |
| Completion Date 8/31/2023 | | 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 100%, DK 0% (No change to Allocation from Approved DHC Application)</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 | | 9/21/2023 | | | | |
| X <i>A Walker</i> | | | | Operations/Regulatory Tech – Sr. | | 346.237.2177 |
| | | | | | | |
| For Technical Questions: Shane Smith | | | | Reservoir Engineer | | shane.smith@hilcorp.com |

Dean R McClure

09/29/2023

| | | |
|----------------------------|---|--|
| Well Name: HUBBARD COM | Well Location: T32N / R11W / SEC 30 / SESW / 36.988342 / -108.086624 | County or Parish/State: SAN JUAN / NM |
| Well Number: 2 | Type of Well: CONVENTIONAL GAS WELL | Allottee or Tribe Name: |
| Lease Number: NMSF078118 | Unit or CA Name: HUBBARD COM | Unit or CA Number: NMNM76175 |
| US Well Number: 3004524898 | Well Status: Producing Gas Well | Operator: HILCORP ENERGY COMPANY |

Notice of Intent

Sundry ID: 2753563

Type of Submission: Notice of Intent

Date Sundry Submitted: 09/27/2023

Date proposed operation will begin: 08/01/2023

Type of Action: Commingling (Subsurface)

Time Sundry Submitted: 08:50

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

NOI Attachments

Procedure Description

Hubbard_Com_2_Preliminary_Subtraction_Allocation_Form_20230927084955.pdf

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|----------------------------|---|--|
| Well Name: HUBBARD COM | Well Location: T32N / R11W / SEC 30 / SESW / 36.988342 / -108.086624 | County or Parish/State: SAN JUAN / NM |
| Well Number: 2 | Type of Well: CONVENTIONAL GAS WELL | Allottee or Tribe Name: |
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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 27, 2023 08:50 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: MATTHEW H KADE
BLM POC Title: Petroleum Engineer
BLM POC Phone: 5055647736
BLM POC Email Address: MKADE@BLM.GOV
Disposition: Approved
Disposition Date: 09/27/2023
Signature: Matthew Kade

[illegible]

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 270836

CONDITIONS

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| Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002 | OGRID: 372171 |
| | Action Number: 270836 |
| | Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO) |

CONDITIONS

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|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| dmcclure | None | 9/29/2023 |