		Distribution: BLM / NMOCD Original Accounting Well File Revised: September 25, 2019 Status PRELIMINARY FINAL REVISED REVISED						
Commingle Type SURFACE DOWNHOLE Type of Completion NEW DRILL RECOMPLETION PAYADD COMMINGLE						Date: 9/5/2023 API No. 30-045-24898 DHC No. 5045 Lease No. NMSF078118		
Well Name Hubbard C	om				Well No. 2			
Unit Letter N	Section 30	Township 32N	Range 11W	Footage 1115' FSL & 1530' FWL		County, State San Juan, New Mexico		
Completion 8/31/2] ОТН	IER 🖂					
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 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.								
NIANTE			DATE	TITLE	DI	IONE		
NAME Amanda Wa	ılker		DATE 12023	TITLE		HONE		
x Allas	. //			Operations/Regulatory Tech – So	r. 34	6.237.2177		
For Technic	al Question	ns: Shane Smi	th	Reservoir Engineer	<u>sh</u>	ane.smith@hilcorp.com		

Dean R Molline

09/29/2023

Sundry Print Report

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Well Name: HUBBARD COM Well Location: T32N / R11W / SEC 30 / County or Parish/State: SAN

SESW / 36.988342 / -108.086624 JUAN / NM

Well Number: 2 Type of Well: CONVENTIONAL GAS Allottee or Tribe Name:

ĖLL

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

Type of Action: Commingling (Subsurface)

Date Sundry Submitted: 09/27/2023 Time Sundry Submitted: 08:50

Date proposed operation will begin: 08/01/2023

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

NOI Attachments

Procedure Description

 $Hubbard_Com_2_Preliminary_Subtraction_Allocation_Form_20230927084955.pdf$

Page 1 of 2

eceived by OCD: 9/29/2023 2:36:18 PM Well Location: T32N / R11W / SEC 30 / County

SESW / 36.988342 / -108.086624

County or Parish/State: SAN 200

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

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

Page 2 of 2

Hubbard Com 2 Subtraction Allocation

Gas Allocation:

Aug-23 34.92 Sep-23 34.71 Oct-23 34.5

Nov-23 34.29 34.08 Dec-23 Jan-24 Feb-24

Mar-24 Apr-24 May-24

Jun-24 Jul-24 Aug-24 Sep-24 Oct-24 Nov-24 Dec-24 Feb-25 Mar-25 Apr-25 May-25 Jun-25 Jul-25 Aug-2 Sep-25 Oct-25 Nov-25 Dec-25 Jan-26 Feb-26 Mar-26

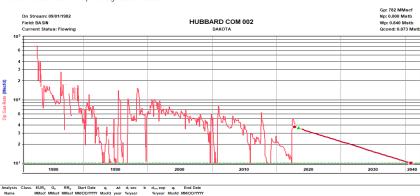
Apr-26 May-26

Aug-26 28.09

Jun-26 28.43 Jul-26 28.26

Sep-26 27.92 Oct-26 27.75 Nov-26 Dec-26 Jan-27 Feb-27 27.09 Apr-27 May-27 27-Jul 26.28 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 4^{th} year and will be utilized to create a fixed percentage based allocation.



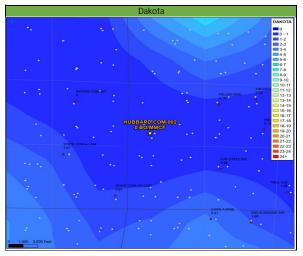
3004524898

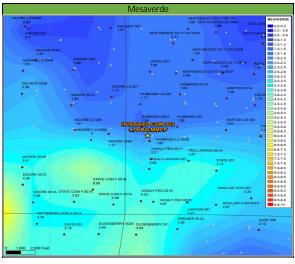
Oll Allocation:

Oil production will be allocated based on average formation yields from offset wells and will be a fixed

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	128	0%
MV	1.78	611	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

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

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

CONDITIONS

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