Ceived by OGD i JABP Opticate Bistici DAM		pLEL2508745689 Form C-103	
<u>District I</u> – (575) 393-6161 1625 N. French Dr., Hobbs, NM 88240	Energy, Minerals and Natural Resources	Revised July 18, 2013 WELL API NO.	
<u>District II</u> – (575) 748-1283 811 S. First St., Artesia, NM 88210 <u>District III</u> – (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> – (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM 87505	OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505	30-045-38423         5. Indicate Type of Lease         STATE       FEE         6. State Oil & Gas Lease No.	
SUNDRY NOTICE (DO NOT USE THIS FORM FOR PROPOSAL DIFFERENT RESERVOIR. USE "APPLICAT PROPOSALS.) 1. Type of Well: Oil Well  Ga	<ul> <li>7. Lease Name or Unit Agreement Name</li> <li>Pubco Federal Gas Com</li> <li>8. Well Number 1N</li> </ul>		
2. Name of Operator		9. OGRID Number	
Hilcorp Energy Company           3. Address of Operator           382 Road 3100, Aztec, NM 3	372171 10. Pool name or Wildcat Blanco Mesaverde / Basin Dakota		
	om the <u>North</u> line and <u>1132</u> feet from the <u>Ea</u> rnship 030N Range 011W NMPM	st_line County SAN JUAN	
	1. Elevation (Show whether DR, RKB, RT, GR, e 6027' GL		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OI	F INTENTION TO:	SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	K 🗌 PLUG AND ABANDON		REMEDIAL WORK	ALTERING CASING 🗌	
TEMPORARILY ABANDON	CHANGE PLANS		COMMENCE DRILLING OPNS.	P AND A	
PULL OR ALTER CASING	MULTIPLE COMPL		CASING/CEMENT JOB		
DOWNHOLE COMMINGLE	$\boxtimes$				
CLOSED-LOOP SYSTEM					
OTHER:			OTHER:		

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

It is intended to drill and complete the subject well in the Blanco Mesaverde (pool 72319) and Basin Dakota (pool 71599). The production will be commingled per Oil Conservation Division Order Number 11363. Commingling will not reduce the value of the production. The Bureau of Land Management has been notified in writing of this application.

#### Proposed perforations are: ~MV 4,200' – 5,200'; ~DK 6,850' – 7,200'. These perforations are in TVD.

Hilcorp Energy will use a spinner method using the attached procedure. We will run this procedure after initial completion, 3 months, 6 months and 12 months to ensure allocations are stabilizing. Annual spinners will be ran until the allocations have stabilized, at which point a fixed allocation will provided.

# Notification of the intent to commingle the subject well was sent to all interest owners via certified mail on 1/30/2025 and a newspaper ad will have ran on $\sim 2/3/2025$ .

Spud Date:	Rig Releas	se Date:		
I hereby certify that the information above is true and	complete to t	he best of my knowledge and belie	f.	
signature Cherylene Weston	TITLE	Operations/Regulatory Tech-Sr.	DATE _	1/30/2025
Type or print name <u>Cherylene Weston</u> For State Use Only	E-mail ad	dress: <u>_cweston@hilcorp.com</u>	PHONE:7	13-289-2615
APPROVED BY:	TITLE	Petroleum Engineer	DATE	04/02/25
Conditions of Approval (if any) Released to Imaging: 4/2/2025 9:00:55 AM				

#### 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 utilize production logs to allocate gas production from the Well to each of the Pools. Once the gas allocation is determined, the Operator shall then consider the gas oil ratio for each pool to allocate oil production from the Well to each of the Pools. The Operator shall conduct a production log:

- a. following the initial completion;
- b. three (3) months after the initial completion;
- c. six (6) months after the initial completion;
- d. twelve (12) months after the initial completion;
- e. annually thereafter until the allocation has stabilized; and
- f. additionally, as directed by OCD.

No later than ninety (90) days after conducting each production log, the Operator shall submit a Form C-103 to the OCD Engineering Bureau that includes the results of the production log and the oil and gas allocations for each of the Pools. Upon request from OCD, the Operator shall provide documentation supporting the allocations and if OCD determines that the allocations are inaccurate, the Operator shall proceed as directed by OCD.

Once the allocations have stabilized, the Operator shall submit a Form C-103 to the OCD Engineering Bureau that includes a tabulation of the oil and gas allocation following each of the conducted production logs and a proposed fixed percentage for allocating the oil and gas production from the Well to each of the Pools. If OCD approves the proposed fixed percentage, then the Operator shall allocate accordingly. If OCD denies the proposed fixed percentage, then the Operator shall continue conducting annual production logs.

A production log shall consist of either using a turbine/spinner flowmeter to determine the stabilized flow rate from each of the Pools under normal operating conditions or by another method OCD has specifically approved.



January 30, 2025

Mailed Certified with Electronic Return Receipt

To: All Interest Owners

RE: Application to Downhole Commingle Production Well: Pubco Federal Gas Com #1N API: 30-045-38423 Section 14, Township 30 North, Range 11 West San Juan County, New Mexico

Ladies and Gentlemen:

Hilcorp Energy Company ("Hilcorp"), as Operator of the subject well, has filed application with the New Mexico Oil Conservation Division ("NMOCD") for approval to downhole commingle production from the **Basin Dakota** and **Blanco Mesaverde**, formations Hilcorp soon intends to drill and complete. This letter and the application copy enclosed serve to provide you, an owner in one or more of the aforementioned formations, with written notice as prescribed by Subsection C of 19.15.12.11 New Mexico Administrative Code.

No action is required by you <u>unless</u> you wish to pursue a formal protest.

Any objections or requests for hearing must be submitted to the NMOCD's Santa Fe office, in writing, within twenty (20) days from the date the NMOCD receives the subject application.

Sincerely,

Carson Parker Rice Landman 713.757.7108 carice@hilcorp.com

CPR:dpk Enclosures

Ceiyed by OcpPi 1/30/20125 3:35:15 PM Office District I – (575) 393-6161	State of New Mexico Energy, Minerals and Natural Resources	Form C-103 <sup>f</sup> Revised July 18, 2013	
1625 N. French Dr., Hobbs, NM 88240         District II – (575) 748-1283         811 S. First St., Artesia, NM 88210         District III – (505) 334-6178         1000 Rio Brazos Rd., Aztec, NM 87410         District IV – (505) 476-3460         1220 S. St. Francis Dr., Santa Fe, NM         87505	OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505	WELL API NO. 30-045-38423 5. Indicate Type of Lease STATE FEE 6. State Oil & Gas Lease No.	
SUNDRY NOTIC (DO NOT USE THIS FORM FOR PROPOSA DIFFERENT RESERVOIR. USE "APPLICA PROPOSALS.) 1. Type of Well: Oil WellG	<ul> <li>7. Lease Name or Unit Agreement Name</li> <li>Pubco Federal Gas Com</li> <li>8. Well Number 1N</li> </ul>		
2. Name of Operator Hilcorp Energy Company		9. OGRID Number 372171	
3. Address of Operator 382 Road 3100, Aztec, NM	87410	10. Pool name or Wildcat Blanco Mesaverde / Basin Dakota	
Section 14 Toy	rom the <u>North</u> line and <u>1132</u> feet from the <u>East</u> wnship 030N Range 011W NMPM 11. Elevation ( <i>Show whether DR, RKB, RT, GR, etc</i> 6027' GL	County SAN JUAN	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF	INTENTION TO:	SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐ PLUG AND ABANDON □	REMEDIAL WORK 🛛 ALTERING CASING			
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILLING OPNS. P AND A			
PULL OR ALTER CASING	MULTIPLE COMPL	CASING/CEMENT JOB			
DOWNHOLE COMMINGLE					
CLOSED-LOOP SYSTEM					
OTHER:	SIDETRACK	OTHER:			

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

It is intended to drill and complete the subject well in the Blanco Mesaverde (pool 72319) and Basin Dakota (pool 71599). The production will be commingled per Oil Conservation Division Order Number 11363. Commingling will not reduce the value of the production. The Bureau of Land Management has been notified in writing of this application.

#### Proposed perforations are: ~MV 4,200' – 5,200'; ~DK 6,850' – 7,200'. These perforations are in TVD.

Hilcorp Energy will use a spinner method using the attached procedure. We will run this procedure after initial completion, 3 months, 6 months and 12 months to ensure allocations are stabilizing. Annual spinners will be ran until the allocations have stabilized, at which point a fixed allocation will provided.

# This notice is being provided to you by certified mail as an interest owner per Order Number 11363. Please notify NMOCD within twenty (20) days if you have objections.

Spud Date:	Rig Release Date:	
I hereby certify that the information above is true a	nd complete to the best of my knowledge and be	lief.
signature Cherylene Weston	TITLE Operations/Regulatory Tech-	Sr. DATE <u>1/29/2025</u>
Type or print name <u>Cherylene Weston</u> For State Use Only	E-mail address: <u>cweston@hilcorp.com</u>	PHONE: 713-289-2615
APPROVED BY: Conditions of Approval (if any) Released to Imaging: 4/2/2025 9:00:55 AM	TITLE	DATE

Received by OCD: 1/30/2025/3:	35:15 PM		Page 5 of 2
<u>C-102</u>	State of New Mexico		Revised July 9, 2024
Submit Electronically	Energy, Minerals & Natural Resources Department		🛛 Initial Submittal
Via OCD Permitting	OIL CONSERVATION DIVISION	Submittal Type	Amended Report
			🗌 🗆 As Drilled

## WELL LOCATION INFORMATION

API Number 30-045-38423	Paol Code	72319	Pool Name	BLANCO MESAVERDE
Property Code 319061	Property Name	PUBCO FEDERAL GAS COM Well Number 1N		
OGRID No. 372171	Operator Name	HILCORP ENERGY COMPAN	14	Ground Level Elevation 6027'
Surface Owner: 🗌 State 🛛 Fee 🗌 T	ribal 🗌 Federal	Mineral Owner	: 🗌 State 🛛 Fee 🛛	]Tribal 🗌 Federal

	Surface Location										
UL	Section	Township	Range	Lot	Feet from N/S	S Line	Feet from E/W	l Line	Latitu <b>de</b>	Longitude	County
I	14	30N	11W		1745 '	SOUTH	1132 '	EAST	36.809563 *N	-107.955460 °W	SAN JUAN

	Bottom Hole Location										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Langitude	County		
I	14	30N	11W		1838' SOUTH	1299' EAST	36.809829 °N	-107.956031°W	SAN JUAN		

Dedicated Acres	res Penetrated Spacing Unit: Infill or Defining Well Defining W		Defining Well API	Overlapping Spacing Uni	t Consolidation Code
313.81	S/2 – Section 14, T30N, R11W	Infill	30-045-35165	🗆 Yes 🛛 No	С
Order Numbers		Well setba	acks are under Common Ow	nership: 🗌 Yes	X No

#### Kick Off Point (KOP)

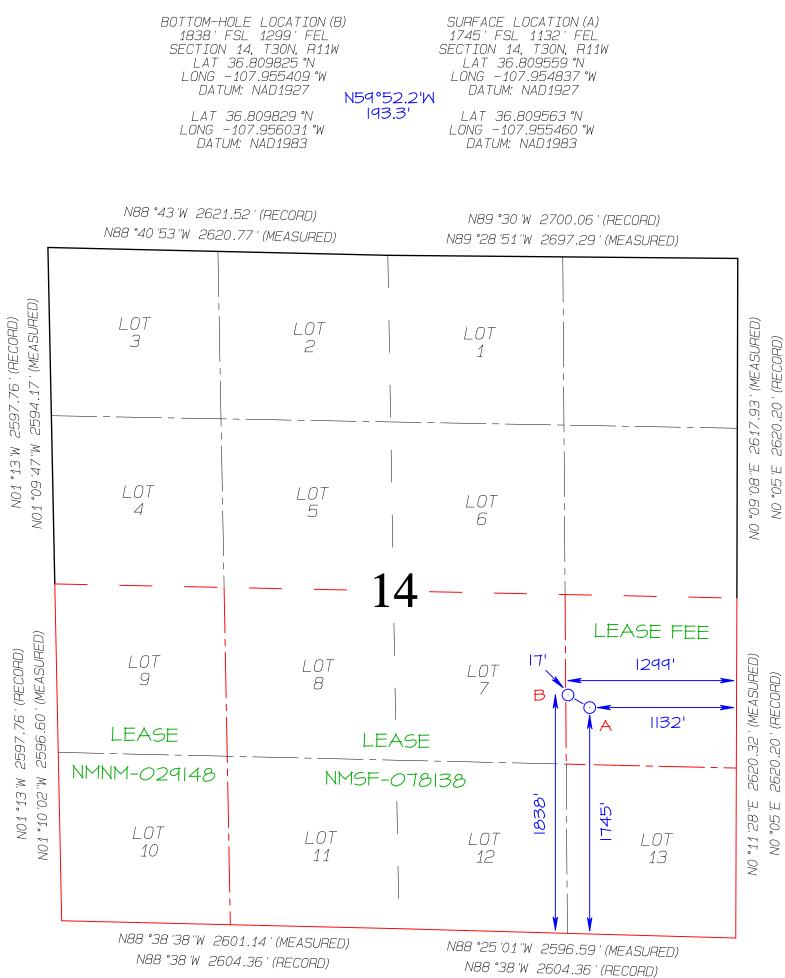
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitu <b>de</b>	Longitude	County

	First Take Point (FTP)										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitu <b>de</b>	Longitude	County		
	Last Take Point (LTP)										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County		

Unitized Area or Area of Uniform Interest	Spacing Unit Type			Ground Floor Elevation
	∐ Horizontal	🗌 Vertical	🛛 Directional	6027'

OPERATOR CERTIFICATION	SURVEYOR	CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this	I hereby certify that the well l field notes of actual surveys ma the same is true and correct to	ocation shown on this plat was plotted from de by me or under my supervision, and that the best of my belief.
location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	SON	C. EDWAR
If this well is a horizontal well, I further certify that this organization has received the consent of at least one lesse or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		15269 12/31/2024
Cherylene Weston 1/6/2025	(A)	
Signature Date		POFESSIONAL
Cherylene Weston, Operations/Regulatory Tech-Sr.	Jason	C. Edwards
Printed Name	Signature and Se	al of Professional Surveyor
cweston@hilcorp.com	Contificato Numbon	Date of Furyov
E-mail Address	15269	NOVEMBER 21, 2024

Note: 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. Released to Imaging: 4/2/2025 9:00:55 AMM



Received by OCD: 1/30/2025.3:35:	15 PM		
<u>C-102</u>	State of New Mexico		
Submit Electronically	Energy, Minerals & Natural Resources Department		
Via OCD Permitting	OTI CONSERVATION DIVISION	Submittal Type	

l ype

Initial Submittal Amended Report 🗌 As Drilled

Page 7 of 21

Revised July 9, 2024

## WELL LOCATION INFORMATION

API Number 30-045-38423	Pool Code 71599		Pool Name BASIN DAKOTA	
Property Code 319061	Property Name	PUBCO FEDERAL GAS CO	Well Number 1N	
OGRID No. 372171	Operator Name	HILCORP ENERGY COMPANY		Ground Level Elevation 6027'
Surface Owner: 🗌 State 🛛 Fee 🗌 T	ribal 🗌 Federal	Mineral Owner	: 🗆 State 🛛 Fee 🛛	] Tribal 🛛 Federal

	Surface Location										
UL	Section	Township	Range	Lot	Feet from N/S	6 Line	Feet from E/W	/ Line	Latitude	Longitude	County
I	14	30N	11W		1745 '	SOUTH	1132 '	EAST	36.809563 *N	-107.955460 °W	SAN JUAN

	Bottom Hole Location										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Langitude	County		
I	14	30N	11W		1838' SOUTH	1299' EAST	36.809829 °N	-107.956031 °W	SAN JUAN		

Dedicated Acres	Penetrated Spacing Unit:	Infill or Defining Well	Defining Well API	Overlapping Spacing Uni	: Consolidation Code
313.81	S/2 - Section 14, T30N, R11W	Infill	30-045-35369	🗆 Yes 🛛 No	С
Order Numbers		Well setb	acks are under Common Ow	nership: 🗌 Yes	

#### Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County

	First Take Point (FTP)										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitu <b>de</b>	Longitude	County		
	Last Take Point (LTP)										
UL	Section	Township	Range	Lot	Feet from N/S Line	Feet from E/W Line	Latitude	Longitude	County		

Unitized Aces on Aces of Uniform Interest					oet	Searing Unit Type		Goolled Elsen Elsystics		
						•	•	•	•	

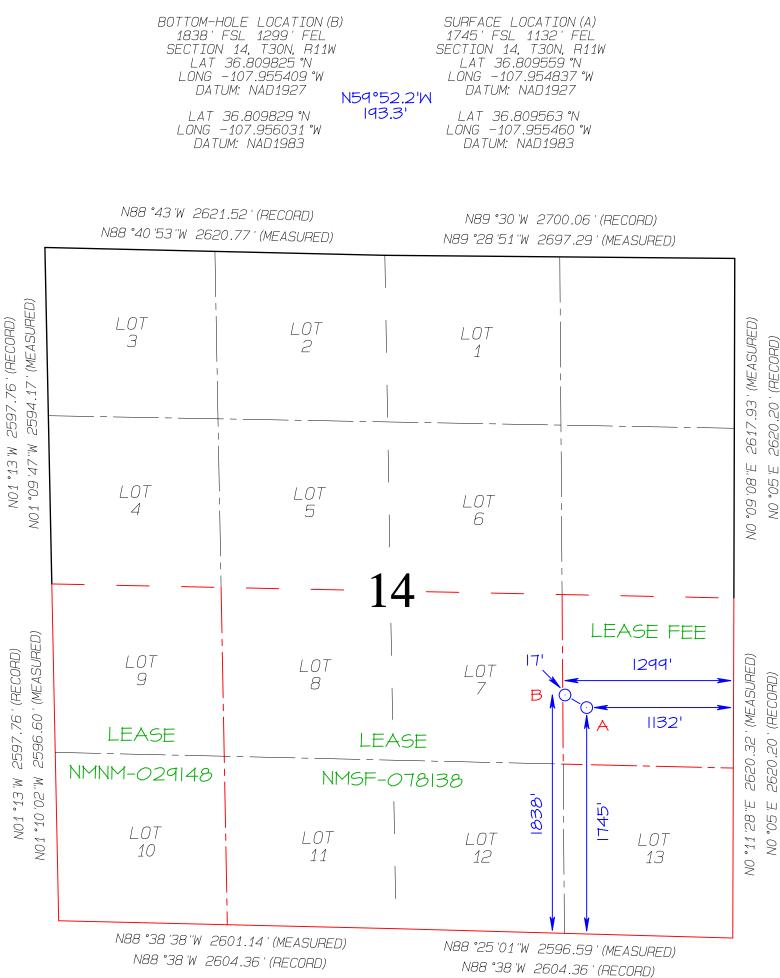
Unitized Area or Area of Uniform Interest	Spacing Unit Type	🗌 Vertical 🛛 Direct	ional 6027'	

OPERATOR CERTIFICATION		CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore	I hereby certify that the well 1 field notes of actual surveys ma the same is true and correct to	ocation shown on this plat was plotted from de by me or under my supervision, and that the best of my belief.
interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	SON	C. EDWARD
If this well is a horizontal well. I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		W METCO 55
		15269 E 12/31/2024 E
Cherylene Weston 1/6/2025		12/31/2024
Signature Date		AOFESSION"
Cherylene Weston, Operations/Regulatory Tech-Sr.	JASON	C. Edwards
Printed Name	Signature and Se	al of Professional Surveyor
cweston@hilcorp.com	Certificate Number 45200	Date of Survey NOVEMBED 24 2024
E-mail Address	15269	NOVEMBER 21, 2024

Note: 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. Released to Imaging: 4/2/2025 9:00:55 AMM

2620.20 ' (RECORD)

2



Released to Imaging: 4/2/2025 9:00:55 AM

# **REVENUE ALLOCATION PROCEDURE**

#### DAKOTA/MESAVERDE WELLS

- 1.) Frac and flowback the Dakota formation
- 2.) Frac and flowback and clean up Mesaverde formation
- 3.) Stabilize MV flow up casing against area line pressure
- 4.) Record a MV flow rate through a choke using an orifice meter
- 5.) Drill out bridge plug over DK formation
- 6.) Cleanup DK formation
- 7.) Run Spinner production profile across Dakota formation
- 8.) Add MV flow rate from previous test to DK flow rate from spinner to get total flow
- 9.) Allocation is based upon MV or DK rates as a percentage of total flow

Once allocation is established, it will be used for the life of the well. Below is a summary of how the testing is performed.

# Field Test (Spinner Method)

# Summary

This example covers the procedure used to allocate production using the spinner method with field tests. This method was used by ConocoPhillips prior to the Burlington Resources acquisition and has been chosen as the preferred allocation method on all future Mesaverde/ Dakota commingled wells. The allocation is based on two separate tests. The first is a stabilized rate test on the Mesaverde up the casing-tubing annulus with line pressure simulated by a choke at the surface. The second test is performed by running a production log over the Dakota interval. The rate from each layer is used in a simple calculation to determine the contribution percentage.

# Procedure

Allocation testing is performed after the well has been completed. A composite bridge plug is normally located above the DK and a composite frac plug is sometimes located within the MV.

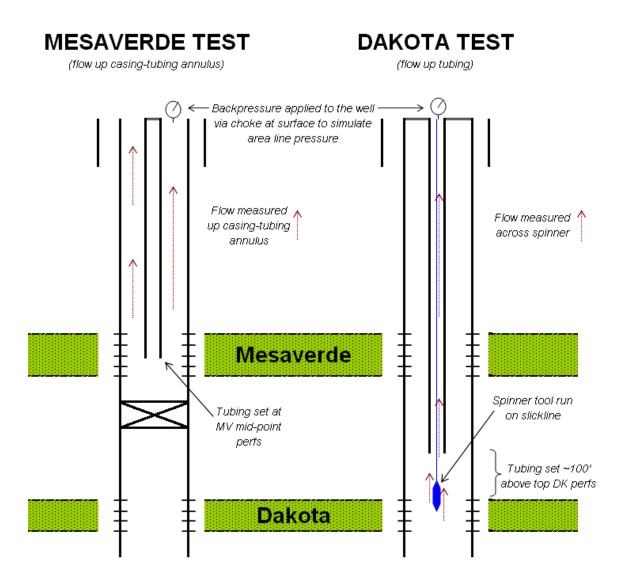
The first step in testing the MV is drilling out the plugs and cleaning out the well. Once water and sand volumes reach acceptable levels (less than 5 bph), the tubing is set at the mid-point of MV perfs. The well is then opened to flow up the casing-tubing annulus with a positive choke at the surface to simulate a back-pressure on the well. The MV is tested for a minimum of 4 hours or until pressure stabilizes. Tubing and casing pressures are reported every 15 minutes and when pressure is the same three times then it is considered stabilized. Metered gas, water, and condensate rates and volumes are all documented as well as testing conditions (tubing location, choke size, pressures).

After the MV has been tested, the composite drill plug over the DK is drilled out and the well is cleaned out to PBTD. Once the water and sand volumes reach acceptable levels (less than 5

bph), the bottom-hole assembly is configured and the tubing is landed approximately 100 feet above the DK perfs. A slickline or wireline unit is used to run the production loggings tools. The logging tools are lowered to the bottom perfs and the DK interval is logged while the well is producing up the tubing against a choke. Once again, the well is tested for a minimum or 4 hours or until the pressure has stabilized. The log is run across the entire DK interval to 50 feet above the top DK perforation. The log data is interpreted by the service company and returned to the completions group within a few days.

The stabilized MV rate is combined with the stabilized DK rate to come up with a total well production rate. The ratio of the MV rate to the total rate is used as the MV allocation percentage and the same is done for the DK. An example test and corresponding calculations are included in the report.

Diagram



## Example- San Juan 31-6 Unit 40G

After the MV has been cleaned up and the well has stabilized, the MV is tested at 1,306 Mcfd (see report below). The test was performed up the tubing-casing annulus (4.5" casing/ 2.38" tubing) with a ½" choke at surface. The stabilized flowing casing pressure was 198 psi, which is similar to line pressure in the area.

Time Lo	a				100				12			n
Start Time	End Time	Cum Dur (hrs)	On Code	OpSub-C	Time P-N-T				Operation			
06:00	07:00	1.00	RPCO	SFTY	P	ROAD CREW T	O LOCATIO	N HOLD PJS				
07:00	10:00	4.00	RPCO	TRIP	P	POOH W/ 3 7/8	" MILL TIH \	W/ RBP SET	@ 6068'			
10:00	11:00	5.00	RPCO	FCO	P	BLOW WELL T	O UNLOAD I	KILL FLUID	-			
11:00 15:00 16:00	15:00 16:00 04:00	10.00	RPCO	FCO	P	2 3/8" TBNG SE TEST IS TO AT FCP = 198 PSI SITP = 0 PSI PRODUCTION BBL OIL/DAY = BBL WATER/D, NO SAND WITNESSED B	STP = 0 PSI PRODUCTION = 1306 MCF BBL OILDAY = 0 NO SAND WITHESSED DY, JOSE FRIAS BLOW DOWN WELL OPEN PIPE RAMS BLOW WELL				<ul> <li>Stabilized MV</li> <li>Production Rate</li> </ul>	
Well Flu			114 00	,	P.	DEGIT HELE I						
	Fluid		1		Note		To (bbl)	From (bbl)	Non-recov (bbl)	Zone		1
Observa	tion Card	s (BST, S Compar	TOP, etc	)			No. Rpts		<u> </u>	Comment		11
Safety N	lectings /	Operatio	nal Check	ks Type		p			Description			
07:00	Ime	Pr	e-Job Saf		na	WELLSITE PJS	M		Description			
					-							
						P	age 1/2			Report Printed	1: 4/11/2008	1
												3

Figure 1: Pulled from WellView Initial Completion Report

The DK is then cleaned up and the logging tools are run. The reports from ProTechnics show a total rate from the DK equal to 584 Mcfd (see report below). The test was performed at a flowing tubing pressure of 125 psi with a  $\frac{1}{2}$ " choke at surface.

Results							
Results							
The following table summarizes the production from each producing in							
					g		
j		1	R PRODUCTION		g		
		GAS / WATER		PROFILE	9	Stabilized DK	
Zone Intervals	Q-W ater	GAS / WATER	R PRODUCTION atesReported at S Percent of	PROFILE		Stabilized DK Production Rate	
		GAS / WATEF	R PRODUCTION lates Reported at S	PROFILE	g		
Zone Intervals	Q-W ater	GAS / WATEF Flow R Op-Water	R PRODUCTION atesReported at S Percent of	PROFILE TP Q-Gas	g		

Figure 2: Pulled from Protechnics Report, pg. 6

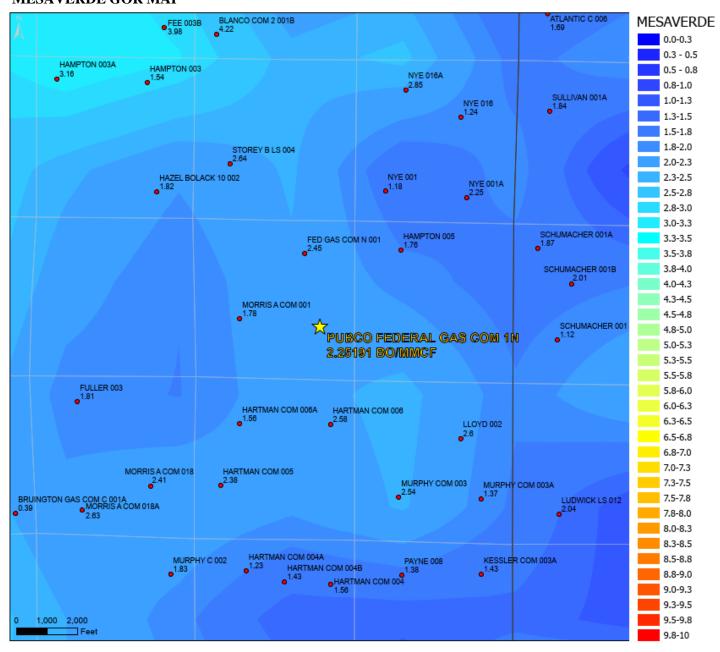
The allocation is calculated as follows and an allocation form is completed for the well. See Appendix for allocation form, WellView report, and ProTechnics report including production logs.

MV Rate	1306	% MV= 1306/1890= 6	9%
DK Rate	584	% DK= 584/1890= 3	1%
Total Rate	1890		

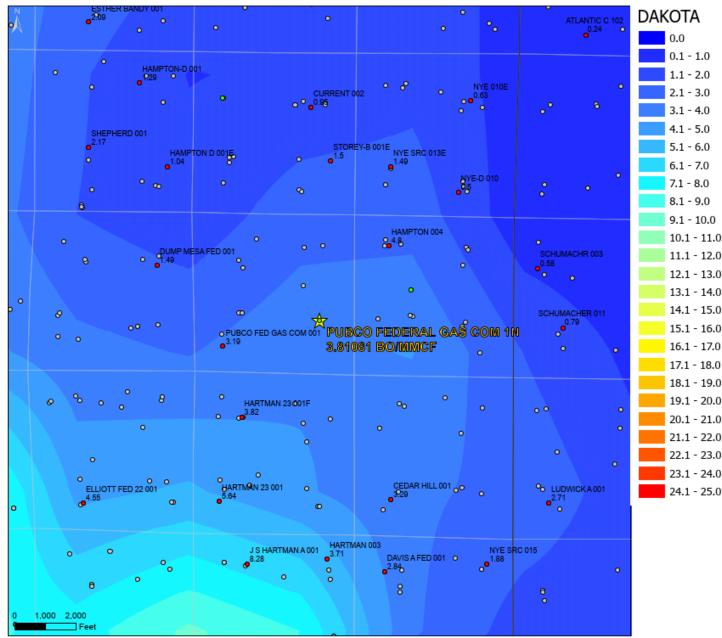
#### **Oil Allocation:**

Oil production will be allocated utilizing GOR in terms of oil yield based on actual production from offset Dakota and Mesaverde wells. Once gas allocation split is obtained from spinner, oil yield values will be applied to get final oil allocation split.

#### **MESAVERDE GOR MAP**



#### DAKOTA GOR MAP



•

92148969009997901843159860	Dani Kuzma	, OFFICE OF NATURAL RESOURCES REVENUE, LAKEWOOD ACCTG CENT ONSHORE, DENVER, CO, 80225-0627 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
92148969009997901843159877	Dani Kuzma	, SILVERADO OIL and GAS LLP, , TULSA, OK, 74152-0308 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
92148969009997901843159884	Dani Kuzma	, PIONEER NATURAL RES USA INC, KATHY NAVARRETE, MIDLAND, TX, 79702 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
2148969009997901843159891	Dani Kuzma	, CROSS TIMBERS ENERGY LLC, C/O DRILLINGINFO MAIL, FORT WORTH, TX, 76102 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
2148969009997901843159907	Dani Kuzma	, DOROTHY H MULLINS TRUST, U/T/A DTD APRIL 28 1983, ST MARIES, ID, 83861 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
2148969009997901843159914	Dani Kuzma	, KAREN H MENZ, , AGUANGA, CA, 92536 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
2148969009997901843159921	Dani Kuzma	, VIVIAN SWANN, , CASTLE ROCK, WA, 98611 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
2148969009997901843159938	Dani Kuzma	, GAYLE H LARSON, , MERIDIAN, ID, 83646 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
2148969009997901843159945	Dani Kuzma	, LANCE LYSTER, , FALLON, NV, 89406 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
2148969009997901843159952	Dani Kuzma	, ELLIOTT-HALL COMPANY, , OGDEN, UT, 84415 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
2148969009997901843159969	Dani Kuzma	, ELLIOTT INDUSTRIES, , SANTA FE, NM, 87504 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
2148969009997901843159976	Dani Kuzma	, ELLIOTT ENERGY LLC, , BUELLTON, CA, 93427 Code: PUBCO FED GC 1N DHC	1/30/2025	

				Signature Pending
92148969009997901843159983	Dani Kuzma	, MESA ROYALTY TRUST, ATTN NEW MEXICO PROPERTIES, BARTLESVILLE, OK, 74004 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
92148969009997901843159990	Dani Kuzma	, JO ANNE MOSS TRELOAR, , SANTA BARBARA, CA, 93105-9708 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
92148969009997901843160002	Dani Kuzma	, BRONCO OIL COMPANY, , OKLAHOMA CITY, OK, 73189 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
92148969009997901843160019	Dani Kuzma	, EDWARD FORGOTSON SR MINTRDTD7/25/17, ANN Y M FORGOTSON ELIZABETH FORGOTS, MIAMI, FL, 33139 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending
92148969009997901843160026	Dani Kuzma	, SIMCOE, LLC, ATTN MICHELLE BLANKENSHIP, DURANGO, CO, 81301 Code: PUBCO FED GC 1N DHC	1/30/2025	Signature Pending



### AFFIDAVIT OF PUBLICATION

#### STATE OF NEW MEXICO

County of San Ju	Jan	-
Dolle	710	ma

, the undersigned, authorized

Representative of the Tri-City Record, on oath states that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Law of 1937, that payment therefore has been made of assessed as court cost; and that the notice, copy of which is hereto attached, was published in said paper in the regular daily edition, for <u>1</u> time(s) on the following date(s):

#### <u>2/3/2025</u>

Sworn and subscribed before me, a notary public in and for the county of La Plata and the State of Colorado, 2/10/2025.

CI	110.	
_ Sul	lhcom	_
Notary Public	Q	
PRICE	\$93.91	

Statement to come at the end of the month.

ACCOUNT NUMBER: 109863

SHELLY CORWIN Notary Public State of Colorado Notary ID # 20244040709 My Commission Expires 11-06-2028

#### COPY OF ADVERTISEMENT

## 26574

Notice bv Hilcorp Energy Downhole Company for Commingling, San Juan County, New Mexico. Pursuant to Paragraph (2) of Subsection C of 19.15.12.11 NMAC. Hilcorp Enerav Company, as Operator, has filed form C-103 with the New Mexico Energy, Minerals and Natural Resources Department Oil Conservation \_ Division (NMOCD) seekina administrative approval to downhole commingle new production from the Basin Dakota (71599)with new production from the Blanco Mesaverde (72319)in the Pubco Federal Gas Com #1N well. located in Section 14 Township 30 North, Range 11 West. NMPM. San Juan County. New Mexico. Commingling will not reduce the value of production. Allocation method to be determined upon completion of this project. This notice is intended for certain unlocatable royalty interest owners in the aforementioned well for which certified mail delivery is not possible. Should you (the interest owner for which this notice is intended) have an objection, vou are

Released to Imaging: 4/2/2025 9:00:55 AM

required to respond within twenty (20) days from the date of this publication. Please mail your objection letter, referencing the well details above, to the New Mexico Oil Conservation Division's Santa Fe office.

Published in Tri-City Record February 3, 2025

> SHELLY CORWIN Notary Public State of Colorado Notary ID # 20244040709 MurCommission Expires U1-08-2028

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301010 001 00

Released to Imaging: 4/2/2025 9:00:55 AM

From:	Cheryl Weston
То:	Lowe, Leonard, EMNRD
Subject:	FW: [EXTERNAL] FW: Pubco Federal Gas Com 1N_DHC C-103 Interest Owners
Date:	Tuesday, April 1, 2025 3:31:12 PM

Leonard:

Please see below confirmation from Farmington BLM on the DHC notice for the Pubco. Let me know if you need anything else.

Thanks,

# Cheryl Weston San Juan North Operations/Regulatory Tech-Sr. 1111 Travis Street | Houston, TX 77002 Ofc: 713.289.2615 | cweston@hilcorp.com



From: Rennick, Kenneth G <krennick@blm.gov>
Sent: Tuesday, April 1, 2025 4:29 PM
To: Cheryl Weston <cweston@hilcorp.com>; Kade, Matthew H <mkade@blm.gov>
Subject: Re: [EXTERNAL] FW: Pubco Federal Gas Com 1N\_DHC C-103 Interest Owners

CAUTION: External sender. DO NOT open links or attachments from UNKNOWN senders.

Bureau of Land Management Farmington Field Office in New Mexico confirms receipt of the attached notices.

Kenneth (Kenny) Rennick

Petroleum Engineer

Bureau of Land Management Farmington Field Office 6251 College Blvd Farmington, NM 87402

Email: <u>krennick@blm.gov</u> Mobile & Text: 505.497.0019 From: Cheryl Weston <<u>cweston@hilcorp.com</u>>
Sent: Tuesday, April 1, 2025 3:09 PM
To: Rennick, Kenneth G <<u>krennick@blm.gov</u>>; Kade, Matthew H <<u>mkade@blm.gov</u>>
Subject: [EXTERNAL] FW: Pubco Federal Gas Com 1N\_DHC C-103 Interest Owners

# This email has been received from outside of DOI - Use caution before clicking on links, opening attachments, or responding.

Kenny/Matthew:

Regarding my previous email. I forgot go attach this email with the notices. This is what was sent out.

Thanks, Cheryl

From: Dani Kuzma <<u>dkuzma@hilcorp.com</u>>
Sent: Thursday, January 30, 2025 4:01 PM
To: Cheryl Weston <<u>cweston@hilcorp.com</u>>; Carson Rice <<u>carice@hilcorp.com</u>>
Subject: RE: Pubco Federal Gas Com 1N\_DHC C-103 Interest Owners

Cheryl,

Attached is the DHC that was sent out to all owners today. I have also included the receipt for the newspaper ad, as well as the USPS Certified Mail tracking number. Please let me know if you need anything else.

Thanks!

Dani Kuzma Land Tech Advisor – L48W Hilcorp Energy Company Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

COMMENTS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	426901
	Action Type:
	[C-107] Down Hole Commingle (C-107A)

#### COMMENTS

Created By	Comment	Comment Date
llowe	In peer review, 03/28/25	3/28/2025

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Sante Fe Main Office Phone: (505) 476-3441

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Created By		Condition Date
llowe	None	3/28/2025

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Action 426901