

Well Name: SAN JUAN 28-7 UNIT	Well Location: T28N / R7W / SEC 13 / NWNE / 36.666199 / -107.520187	County or Parish/State: RIO ARRIBA / NM
Well Number: 164	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF079290	Unit or CA Name: SAN JUAN 28-7 UNIT--DK	Unit or CA Number: NMNM78413C
US Well Number: 3003920517	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2644170

Type of Submission: Notice of Intent

Date Sundry Submitted: 11/15/2021

Date proposed operation will begin: 10/31/2021

Type of Action: Commingling (Subsurface)

Time Sundry Submitted: 06:37

Procedure Description: See attached production allocations.

NOI Attachments

- Procedure Description
- SJ\_28\_7\_Unit\_164\_Preliminary\_Subtraction\_Allocation\_20211115063705.pdf
  - Copy\_of\_San\_Juan\_28\_7\_Unit\_164\_Production\_Allocation\_20211115063705.pdf

<b>Well Name:</b> SAN JUAN 28-7 UNIT	<b>Well Location:</b> T28N / R7W / SEC 13 / NWNE / 36.666199 / -107.520187	<b>County or Parish/State:</b> RIO ARRIBA / NM
<b>Well Number:</b> 164	<b>Type of Well:</b> CONVENTIONAL GAS WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMSF079290	<b>Unit or CA Name:</b> SAN JUAN 28-7 UNIT--DK	<b>Unit or CA Number:</b> NMNM78413C
<b>US Well Number:</b> 3003920517	<b>Well Status:</b> Producing Gas Well	<b>Operator:</b> HILCORP ENERGY COMPANY

Operator Certification

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 submission of Form 3160-5 or a Sundry Notice.

<b>Operator Electronic Signature:</b> KANDIS ROLAND	<b>Signed on:</b> NOV 15, 2021 06:37 AM
<b>Name:</b> HILCORP ENERGY COMPANY	
<b>Title:</b> Operation Regulatory Tech	
<b>Street Address:</b> 382 Road 3100	
<b>City:</b> Farmington	<b>State:</b> NM
<b>Phone:</b> (505) 599-3400	
<b>Email address:</b> kroland@hilcorp.com	

Field Representative

<b>Representative Name:</b>		
<b>Street Address:</b>		
<b>City:</b>	<b>State:</b>	<b>Zip:</b>
<b>Phone:</b>		
<b>Email address:</b>		

BLM Point of Contact

<b>BLM POC Name:</b> KENNETH G RENNICK	<b>BLM POC Title:</b> Petroleum Engineer
<b>BLM POC Phone:</b> 5055647742	<b>BLM POC Email Address:</b> krennick@blm.gov
<b>Disposition:</b> Approved	<b>Disposition Date:</b> 11/17/2021
<b>Signature:</b> Kenneth Rennick	

<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: <b>11/11/2021</b> API No. <b>30-039-20517</b> DHC No. <b>DHC-5158</b> Lease No. <b>NMSF079290</b>	
Well Name <b>San Juan 28-7 Unit</b>					Well No. <b>164</b>	
Unit Letter <b>B</b>	Section <b>13</b>	Township <b>28N</b>	Range <b>7W</b>	Footage <b>840' FNL &amp; 1460' FEL</b>	County, State <b>Rio Arriba, New Mexico</b>	
Completion Date  <b>11/1/2021</b>		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 be allocated using the subtraction method. 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(s) using historic production. All production from this well exceeding the forecast will be allocated to the new formation(s). A fixed percentage based allocation will be submitted after the fourth year of production. See attached documents for production forecast.</p> <p>Oil production will be allocated based on average formation yields from offset wells: DK- 0%, MV- 100%</p>						
NAME		DATE		TITLE		PHONE
X <i>Kandis Roland</i>		11/11/2021		Operations/Regulatory Tech – Sr.		713-757-5246

**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 62179

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 62179
	Action Type: [C-103] Sub. General Sundry (C-103Z)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	None	3/24/2022