

Well Name: SAN JUAN 30-5 UNIT	Well Location: T30N / R5W / SEC 29 / SENE / 36.78641 / -107.3739	County or Parish/State: RIO ARRIBA / NM
Well Number: 97	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078740	Unit or CA Name: SAN JUAN 30-5 UNIT--DK	Unit or CA Number: NMNM78419B
US Well Number: 3003923180	Operator: HILCORP ENERGY COMPANY	

Notice of Intent

Sundry ID: 2788694

Type of Submission: Notice of Intent

Date Sundry Submitted: 05/07/2024

Date proposed operation will begin: 05/01/2024

Type of Action: Commingling (Subsurface)

Time Sundry Submitted: 06:58

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

NOI Attachments

Procedure Description

SJ\_30\_5\_Unit\_97\_Preliminary\_Subtraction\_Allocation\_Form\_20240507065825.pdf

Well Name: SAN JUAN 30-5 UNIT	Well Location: T30N / R5W / SEC 29 / SENE / 36.78641 / -107.3739	County or Parish/State: RIO ARRIBA / NM
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US Well Number: 3003923180	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: MAY 07, 2024 06:58 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: KENNETH G RENNICK	BLM POC Title: Petroleum Engineer
BLM POC Phone: 5055647742	BLM POC Email Address: krennick@blm.gov
Disposition: Approved	Disposition Date: 05/09/2024
Signature: 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: 5/6/2024  API No. 30-039-23180 DHC No. 5371 Lease No. NMSF078740	
Well Name <b>San Juan 30-5 Unit</b>					Well No. <b>97</b>	
Unit Letter <b>H</b>	Section <b>29</b>	Township <b>30N</b>	Range <b>05W</b>	Footage <b>1580' FNL &amp; 810' FEL</b>	County, State <b>Rio Arriba, New Mexico</b>	
Completion Date  <b>5/2/2024</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 in agreement with local agencies. The base formation is the <b>Dakota</b> and the added formation to be commingled is the <b>Mesaverde</b>. 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). After 3 years production will stabilize. A production average will be gathered during the 4<sup>th</sup> 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. <b>MV 100%, DK 0%</b> (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				Operations/Regulatory Tech – Sr.		346-237-2177
X 						
For Technical Questions: Shane Smith				Reservoir Engineer		<a href="mailto:shane.smith@hilcorp.com">shane.smith@hilcorp.com</a>

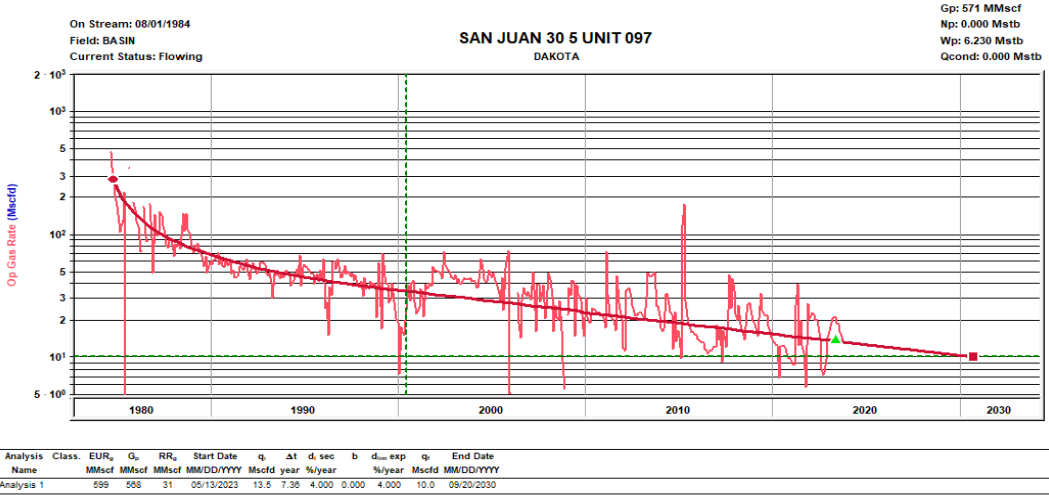
San Juan 30-5 Unit 097 Subtraction Allocation

3003923180

Date	Mcf/d
May-24	12.96
Jun-24	12.91
Jul-24	12.87
Aug-24	12.82
Sep-24	12.78
Oct-24	12.74
Nov-24	12.69
Dec-24	12.65
Jan-25	12.61
Feb-25	12.57
Mar-25	12.52
Apr-25	12.48
May-25	12.44
Jun-25	12.4
Jul-25	12.35
Aug-25	12.31
Sep-25	12.27
Oct-25	12.23
Nov-25	12.19
Dec-25	12.15
Jan-26	12.1
Feb-26	12.06
Mar-26	12.02
Apr-26	11.98
May-26	11.94
Jun-26	11.9
Jul-26	11.86
Aug-26	11.82
Sep-26	11.78
Oct-26	11.74
Nov-26	11.7
Dec-26	11.66
Jan-27	11.62
Feb-27	11.58
Mar-27	11.54
Apr-27	11.5
May-27	11.46
Jun-27	11.43
Jul-27	11.39
Aug-27	11.35
Sep-27	11.31
Oct-27	11.27
Nov-27	11.23
Dec-27	11.19
Jan-28	11.15
Feb-28	11.12
Mar-28	11.08
Apr-28	11.04

**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.

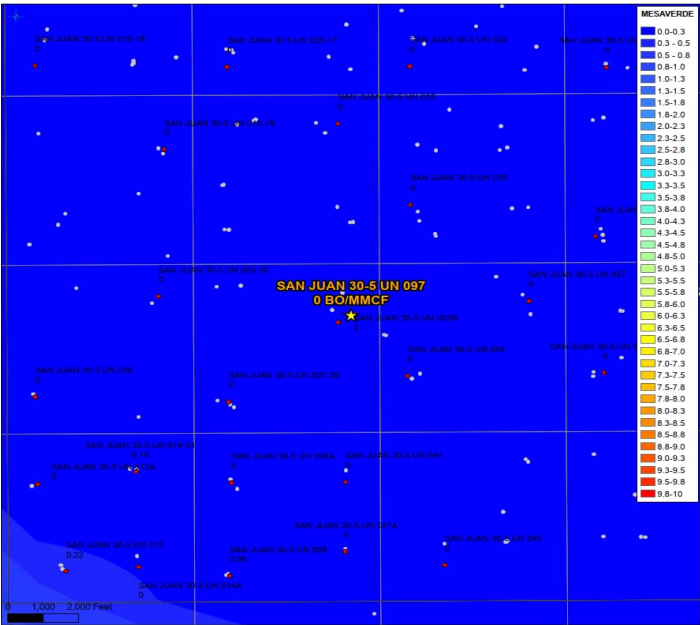
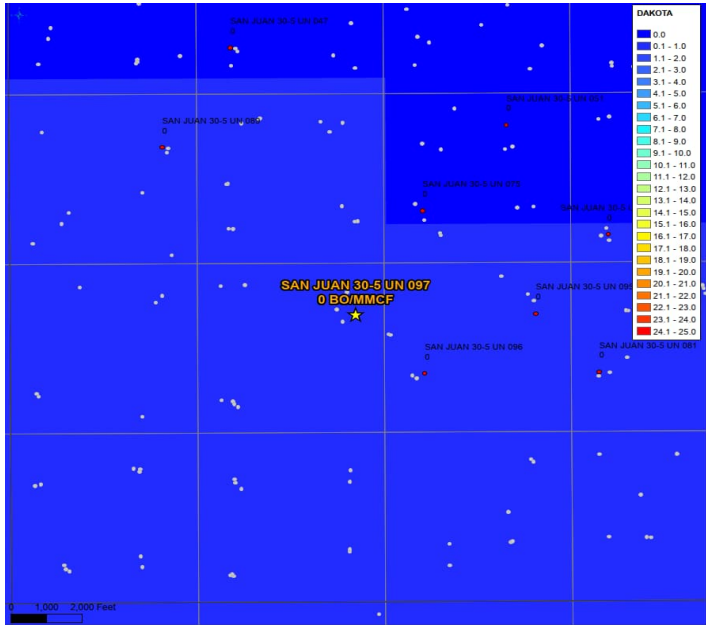
After 3 years production will stabilize. A production average will be gathered during the 4<sup>th</sup> year and will be utilized to create a fixed percentage based allocation.



**Oil Allocation:**  
Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years. The Dakota formation has historically never produced oil. If the well produces and oil, it will be allocated 100% to the Mverde formation.

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	31	0%
MV	0	880	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  
**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 342850

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 342850
	Action Type: [C-103] NOI General Sundry (C-103X)

CONDITIONS

Created By	Condition	Condition Date
dmccure	ACCEPTED FOR RECORD ONLY	5/10/2024
dmccure	The production from the well shall be allocated to each pool as stipulated within the DHC Order.	5/10/2024