

Well Name: SAN JUAN 27-4 UNIT

Well Location: T27N / R4W / SEC 28 /
SWSW / 36.53966 / -107.26149

County or Parish/State: RIO
ARRIBA / NM

Well Number: 57

Type of Well: CONVENTIONAL GAS
WELL

Allottee or Tribe Name:

Lease Number: NMSF080675

Unit or CA Name: SAN JUAN 27-4
UNIT--DK, SAN JUAN 27-4 UNIT--MV

Unit or CA Number:
NMNM78408A, NMNM78408B

US Well Number: 3003920383

Operator: HILCORP ENERGY
COMPANY

Notice of Intent

Released to Imaging: 10/23/2025 11:39:17 AM

Sundry ID: 2863964

Type of Submission: Notice of Intent

Type of Action: Commingling (Subsurface)

Date Sundry Submitted: 07/17/2025

Time Sundry Submitted: 03:02

Date proposed operation will begin: 06/30/2023

Procedure Description: Please see revised preliminary subtraction allocation. NMOCD rejected the original submittal.

NOI Attachments

Procedure Description

SJ_27_4_Unit_57_Preliminary_Subtraction_Allocation_Form_Rev_20250717150148.pdf

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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: CHERYLENE WESTON

Signed on: JUL 17, 2025 03:02 PM

Name: HILCORP ENERGY COMPANY

Title: Operations/Regulatory Tech - Sr

Street Address: 1111 TRAVIS STREET

City: HOUSTON

State: TX

Phone: (713) 289-2615

Email address: CWESTON@HILCORP.COM

Released to Imaging: 10/23/2025 11:39:17 AM

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: 07/17/2025

Signature: Kenneth Rennick

Form 3160-5
(June 2019)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

NMSF080675

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

7. If Unit of CA/Agreement, Name and/or No.

SAN JUAN 27-4 UNIT-DK, SAN JUAN 27-4 UNIT-MV/NMNM78408A, NMNM78408

8. Well Name and No.

SAN JUAN 27-4 UNIT/57

2. Name of Operator

HILCORP ENERGY COMPANY

9. API Well No.

3003920383

3a. Address 1111 TRAVIS STREET, HOUSTON, TX 77002

3b. Phone No. (include area code)
(713) 209-2400

10. Field and Pool or Exploratory Area

BLANCO MESAVERDE/BASIN DAKOTA

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)

SEC 28/T27N/R4W/NMP

11. Country or Parish, State

RIO ARRIBA/NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be perfonned or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

Please see revised preliminary subtraction allocation. NMOCD rejected the original submittal.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

CHERYLENE WESTON / Ph: (713) 289-2615

Title

Operations/Regulatory Tech - Sr

Signature (Electronic Submission)

Date

07/17/2025

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

KENNETH G RENNICK / Ph: (505) 564-7742 / Approved

Title

Petroleum Engineer

Date

07/17/2025

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

FARMINGTON

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.

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Location of Well

0. SHL: SWSW / 990 FSL / 850 FWL / TWSP: 27N / RANGE: 4W / SECTION: 28 / LAT: 36.53966 / LONG: -107.26149 (TVD: 0 feet, MD: 0 feet)

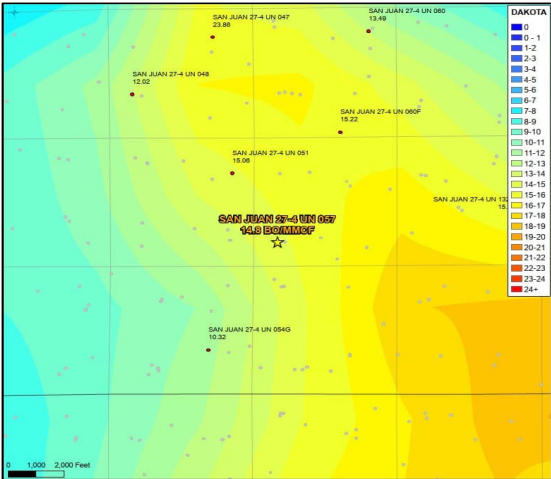
BHL: SWSW / 990 FSL / 850 FWL / TWSP: 27N / SECTION: / LAT: 36.53966 / LONG: 107.26149 (TVD: 0 feet, MD: 0 feet)

Hilcorp Energy Company PRODUCTION ALLOCATION FORM					Distribution: BLM / NMOCD Original Accounting Well File Revised: September 25, 2019	
					Status PRELIMINARY ☒ FINAL ☐ REVISED ☐	
Commingle Type SURFACE ☐ DOWNHOLE ☒ Type of Completion NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐					Date: 07/17/2025 API No. 30-039-20383 DHC No. DHC-2821 Lease No. NMSF080675	
Well Name SAN JUAN 27-4 UNIT					Well No. 57	
Unit Letter M	Section 28	Township 27N	Range 04W	Footage 990' FSL & 850' FWL	County, State Rio Arriba, New Mexico	
Completion Date 6/30/2023		Test Method HISTORICAL ☐ FIELD TEST ☐ PROJECTED ☐ OTHER ☒				
JUSTIFICATION OF ALLOCATION: Hilcorp requests that production for the downhole commingle be allocated using the subtraction method in agreement with local agencies. The base formations are Dakota/Gallup and the added formation to be trimmingle is the Mesaverde. The subtraction method applies an average monthly production forecast to the base formations 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 4th year and will be utilized to create a fixed percentage based allocation. Hilcorp intends to continue allocating projected base production in the same fixed percentage as follows: 59% DK, 41% GL. (No change from approved DHC) Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years. MV 49.38%, DK 50.624%, GL 0%. (No change from approved DHC) After 4 years oil will be reevaluated and adjust as needed based on average formation yields and new fixed gas allocation.						
NAME		DATE		TITLE		PHONE
X <i>Cherylene Weston</i>				Operations/Regulatory Tech – Sr.		713-289-2615
Cherylene Weston		7/17/2025				
For Technical Questions: Marcus Hill				Reservoir Engineer		214-534-8727

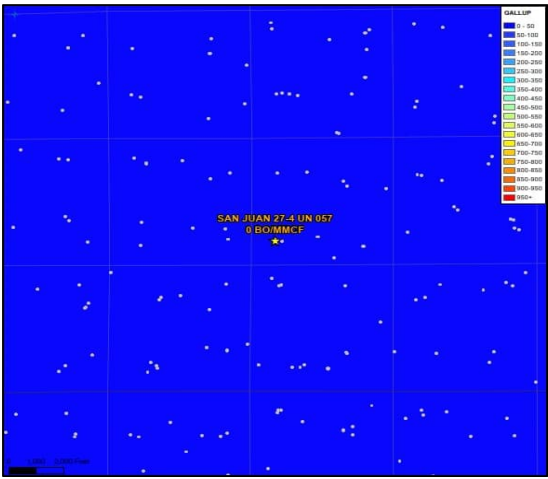
Oil Allocation:
Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years.
After 4 years oil will be reevaluated and adjusted as needed based on average formation yields and new fixed gas allocation.

Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Oil Allocation
DK	14.8	257	50.62%
GL	0	154	0.00%
MV	5.3	700	49.38%

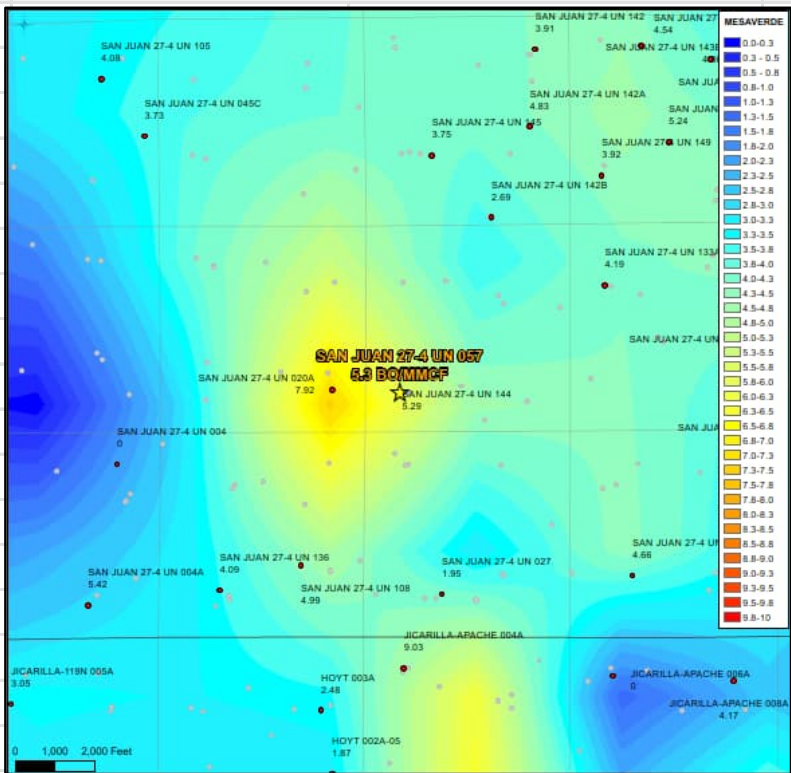
Dakota Oil Yield Map



Gallup Oil Yield Map



Mesaverde Oil Yield Map



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

CONDITIONS

Action 487462

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 487462
	Action Type: [C-103] NOI General Sundry (C-103X)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	ACCEPTED FOR RECORD ONLY	10/23/2025
dmcclure	The production from the well shall be allocated to each pool as stipulated within the DHC Order.	10/23/2025