

Santa Fe Main Office
Phone: (505) 476-3441
General Information
Phone: (505) 629-6116

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐		WELL API NO. 30-045-22900 5. Indicate Type of Lease STATE ☒ FEE ☐ 6. State Oil & Gas Lease No. E-70-45 7. Lease Name or Unit Agreement Name San Juan 32-9 Unit 8. Well Number 43A
2. Name of Operator Hilcorp Energy Company 3. Address of Operator 382 Road 3100, Aztec, NM 87410		9. OGRID Number 372171 10. Pool name or Wildcat Basin Fruitland Coal (Gas)
4. Well Location Unit Letter <u>D LOT 4</u> : <u>1150'</u> feet from the <u>North</u> line and <u>1055'</u> feet from the <u>West</u> line Section <u>02</u> Township <u>31N</u> Range <u>10W</u> NMPM County <u>San Juan</u>		
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6126' GR		

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

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

Attached please find the Preliminary Subtraction Allocation for the recently recompleted well.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Operations/Regulatory Tech Sr. DATE 9/26/2025

Type or print name Amanda Walker E-mail address: mwalker@hilcorp.com PHONE: 346-237-2177

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

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: 9/26/2025 API No. 30-045-22900 DHC No. 5522 Lease No. E-70-45	
Well Name San Juan 32-9 Unit					Well No. 43A	
Unit Letter D Lot 04	Section 02	Township 31N	Range 10W	Footage 1150' FNL & 1055' FWL	County, State San Juan, New Mexico	
Completion Date 9/22/2025		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 formation is the Mesaverde and the added formation to be commingled is the Fruitland Coal. 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 4th 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. FRC 0%, MV 100% (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.						
NAME		DATE		TITLE		PHONE
X <i>Al Walker</i>		09/26/2025		Operations/Regulatory Tech-Sr.		346.237.2177
For Technical Questions: Shane Smith		Reservoir Engineer		shane.smith@hilcorp.com		

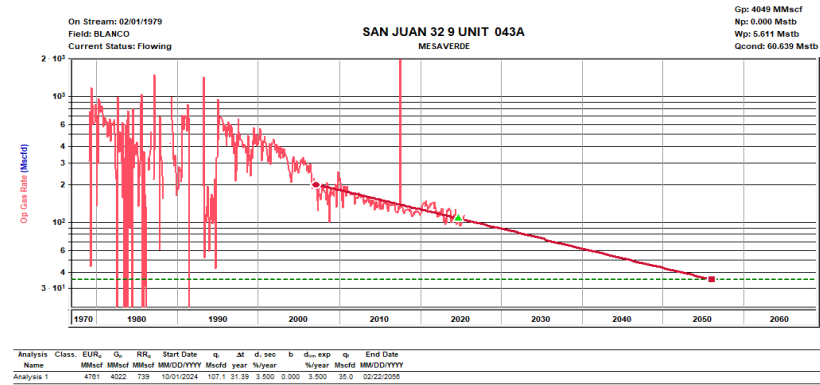
San Juan 32-9 Unit 43A Subtraction Allocation		3004522900
---	--	------------

Date	Mcf/d
Sep-25	103.5117
Oct-25	103.2042
Nov-25	102.8976
Dec-25	102.5919
Jan-26	102.2822
Feb-26	101.9883
Mar-26	101.6953
Apr-26	101.3932
May-26	101.092
Jun-26	100.7917
Jul-26	100.4922
Aug-26	100.1888
Sep-26	99.89121
Oct-26	99.59447
Nov-26	99.29862
Dec-26	99.00364
Jan-27	98.70473
Feb-27	98.42111
Mar-27	98.13831
Apr-27	97.84678
May-27	97.55612
Jun-27	97.26632
Jul-27	96.97738
Aug-27	96.68458
Sep-27	96.39737
Oct-27	96.11101
Nov-27	95.8255
Dec-27	95.54084
Jan-28	95.25238
Feb-28	94.97405
Mar-28	94.69655
Apr-28	94.41524
May-28	94.13477
Jun-28	93.85513
Jul-28	93.57633
Aug-28	93.2938
Sep-28	93.01665
Oct-28	92.74034
Nov-28	92.46484
Dec-28	92.19017
Jan-29	91.91183
Feb-29	91.64772
Mar-29	91.3844
Apr-29	91.1293
May-29	90.84227
Jun-29	90.57241
Jul-29	90.30336
Aug-29	90.03071

Gas Allocation:

Production for the downhole commingle will be allocated using the subtraction method in agreement with local agencies. The base formation is the **Mesaverde** and the added formation to be commingled is the **Fruitland Coal**. 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 4th year and will be utilized to create a fixed percentage based allocation.

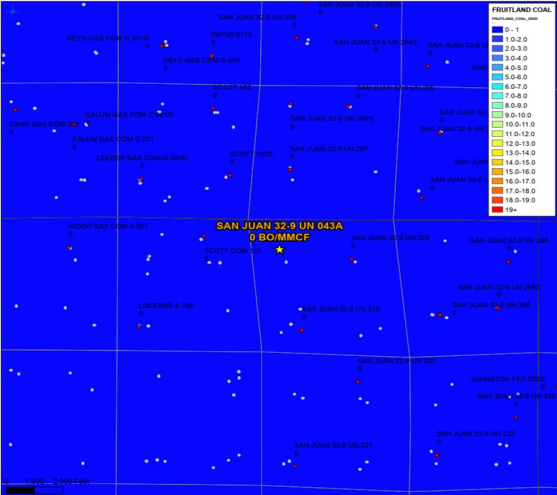
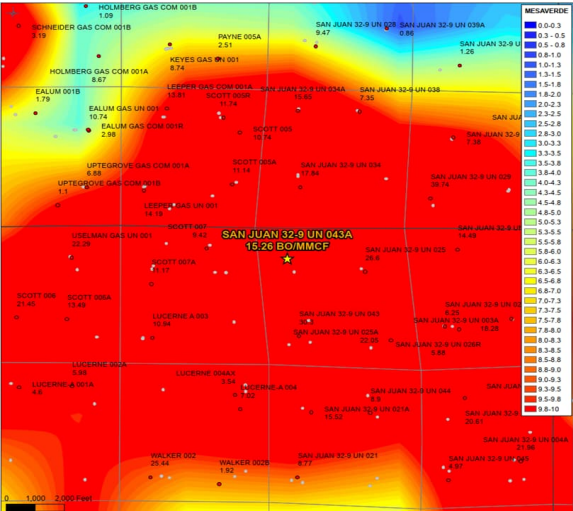


Oil Allocation:

Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years.

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
MV	15.26	739	100.0%
FRC	0	1086	0.0%



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 509666

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 509666
	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