

Well Name: LIVELY	Well Location: T29N / R8W / SEC 17 / NWSW / 36.72437 / -107.704535	County or Parish/State: SAN JUAN / NM
Well Number: 10N	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078414A	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004534446	Operator: HILCORP ENERGY COMPANY	

Notice of Intent

Sundry ID: 2876726

Type of Submission: Notice of Intent

Type of Action: Commingling (Subsurface)

Date Sundry Submitted: 10/01/2025

Time Sundry Submitted: 03:07

Date proposed operation will begin: 09/30/2025

Procedure Description: Please see attached subtraction allocation.

NOI Attachments

Procedure Description

Lively_10N_Preliminary_Subtraction_Allocation_20251001150728.pdf

Well Name: LIVELY

Well Location: T29N / R8W / SEC 17 /
NWSW / 36.72437 / -107.704535

County or Parish/State: SAN
JUAN / NM

Well Number: 10N

Type of Well: CONVENTIONAL GAS
WELL

Allottee or Tribe Name:

Lease Number: NMSF078414A

Unit or CA Name:

Unit or CA Number:

US Well Number: 3004534446

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: OCT 01, 2025 03:07 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

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: 10/10/2025

Signature: Kenneth Rennick

Form 3160-5
(October 2024)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0220
Expires: October 31, 2027

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. NMSF078414A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
HILCORP ENERGY COMPANY

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

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

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)
SEC 17/T29N/R8W/NMP

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

8. Well Name and No.
LIVELY/10N

9. API Well No. 3004534446

10. Field and Pool or Exploratory Area
BLANCO MESAVERDE/BASIN DAKOTA

11. Country or Parish, State
SAN JUAN/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 recomplete 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 recompletion 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 attached subtraction allocation.

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 10/01/2025

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by KENNETH G RENNICK / Ph: (505) 564-7742 / Approved	Title Petroleum Engineer	Date 10/10/2025
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)

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: 10/01/2025 API No. 30-045-34446 DHC No. 2752-AZ Lease No. NMSF078414A	
Well Name LIVELY						Well No. 10N	
Unit Letter L	Section 17	Township 029N	Range 008W	Footage 2335 FSL & 740 FWL	County, State SAN JUAN, New Mexico		
Completion Date 9/30/2025		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 Dakota. 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. (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 64%, DK 36% (No Change from Approved DHC) After 4 years oil will be reevaluated and adjusted as needed based on average formation yields and new fixed gas allocation.							
NAME		DATE		TITLE		PHONE	
X <i>Cherylene Weston</i>							
Cherylene Weston		10/1/2025		Operations/Regulatory Tech – Sr.		713-289-2615	
For Technical Questions: Sikandar Khan				Reservoir Engineer		Sikandar.khan@hilcorp.com	

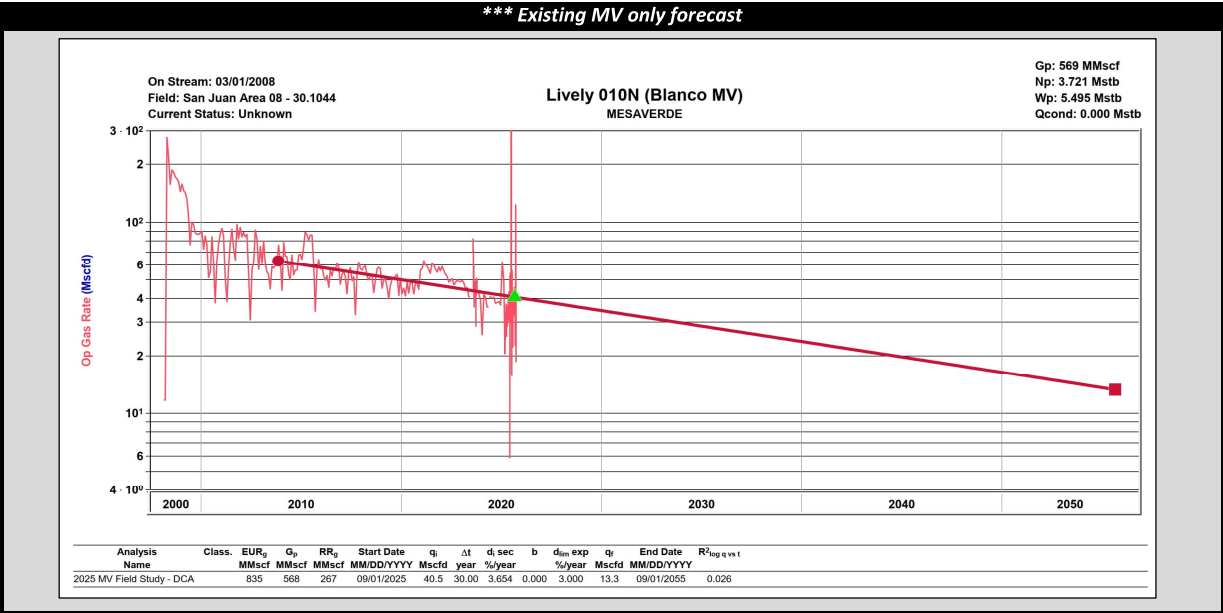
MV FORECAST	
Date	MCFD
9/1/2025	40.45
10/1/2025	40.33
11/1/2025	40.20
12/1/2025	40.08
1/1/2026	39.95
2/1/2026	39.83
3/1/2026	39.71
4/1/2026	39.59
5/1/2026	39.46
6/1/2026	39.34
7/1/2026	39.22
8/1/2026	39.10
9/1/2026	38.97
10/1/2026	38.85
11/1/2026	38.73
12/1/2026	38.61
1/1/2027	38.49
2/1/2027	38.38
3/1/2027	38.26
4/1/2027	38.14
5/1/2027	38.02
6/1/2027	37.90
7/1/2027	37.79
8/1/2027	37.67
9/1/2027	37.55
10/1/2027	37.43
11/1/2027	37.32
12/1/2027	37.20
1/1/2028	37.09
2/1/2028	36.97
3/1/2028	36.86
4/1/2028	36.74
5/1/2028	36.63
6/1/2028	36.52
7/1/2028	36.40
8/1/2028	36.29
9/1/2028	36.18
10/1/2028	36.06
11/1/2028	35.95
12/1/2028	35.84
1/1/2029	35.73
2/1/2029	35.62
3/1/2029	35.51
4/1/2029	35.40
5/1/2029	35.29
6/1/2029	35.18
7/1/2029	35.07
8/1/2029	34.96
9/1/2029	34.86

LIVELY 10N - Subtraction Allocation

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 **DAKOTA**. 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.

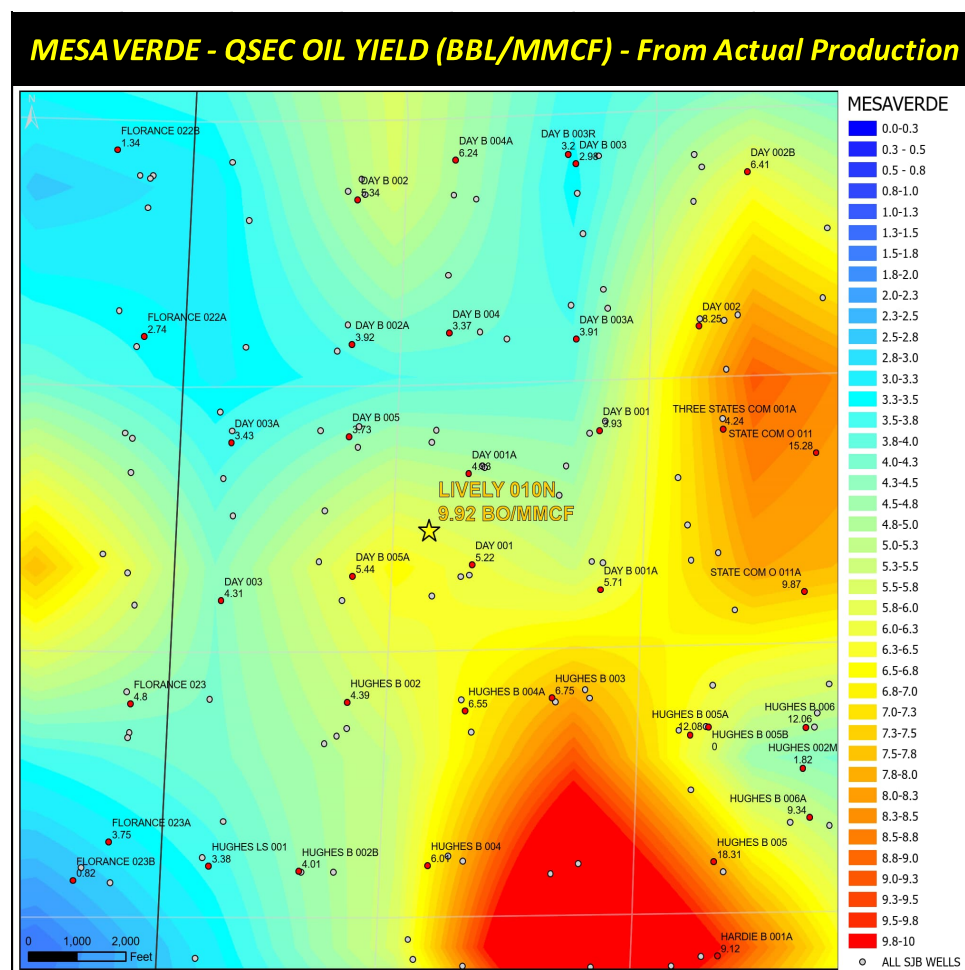
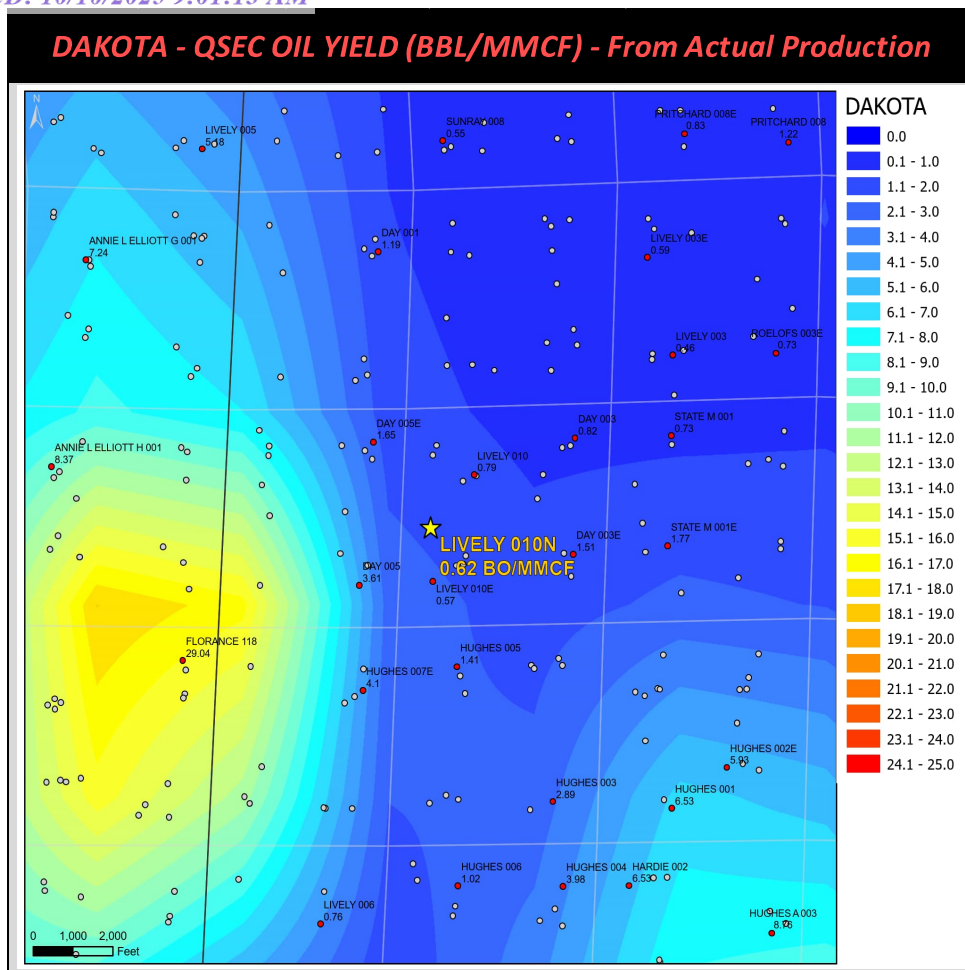


OIL ALLOCATION

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 re-evaluated and adjusted as needed based on average formation yields and new fixed gas allocation.

Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Oil Allocation
DK	9.92	184	36%
MV	12.01	267	64%



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 514030

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 514030
	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