

Well Name: SAN JUAN 29-7 UNIT	Well Location: T29N / R7W / SEC 18 / NESE / 36.724709 / -107.604198	County or Parish/State: RIO ARRIBA / NM
Well Number: 81N	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF079514	Unit or CA Name: SAN JUAN 29-7 UNIT--DK, SAN JUAN 29-7 UNIT--MV	Unit or CA Number: NMNM78417A, NMNM78417B
US Well Number: 3003929703	Operator: HILCORP ENERGY COMPANY	

Notice of Intent

Sundry ID: 2885093

Type of Submission: Notice of Intent	Type of Action: Commingling (Subsurface)
Date Sundry Submitted: 12/03/2025	Time Sundry Submitted: 12:32
Date proposed operation will begin: 11/17/2025	

Procedure Description: Please find the attached preliminary subtraction allocation.

NOI Attachments

Procedure Description

SAN\_JUAN\_29\_7\_UNIT\_81N\_ALLOCATION\_20251203123215.pdf

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US Well Number: 3003929703	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: DAWN NASH-DEAL

Signed on: DEC 03, 2025 12:32 PM

Name: HILCORP ENERGY COMPANY

Title: Operations Regulatory Tech

Street Address: 1111 TRAVIS ST

City: HOUSTONState: TX

Phone: (505) 324-5132

Email address: DNASH@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: 12/04/2025

Signature: Kenneth Rennick

Form 3160-5  
(October 2024)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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.

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

5. Lease Serial No.  
NMSF079514

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 770023b. Phone No. (include area code)  
(713) 209-2400

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)  
SEC 18/T29N/R7W/NMP

7. If Unit of CA/Agreement, Name and/or No.  
SAN JUAN 29-7 UNIT--DK, SAN JUAN 29-7 UNIT--MV/NMNM78417A, NMNM78417

8. Well Name and No.  
SAN JUAN 29-7 UNIT/81N

9. API Well No. 3003929703

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

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				
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleate 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 find the attached preliminary subtraction allocation.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
DAWN NASH-DEAL / Ph: (505) 324-5132

Operations Regulatory Tech  
Title

(Electronic Submission)  
Signature

Date  
12/03/2025

THE SPACE FOR FEDERAL OR STATE OFFICE USE

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

Petroleum Engineer  
Title

12/04/2025  
Date

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.

FARMINGTON  
Office

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: NESE / 2180 FSL / 265 FEL / TWSP: 29N / RANGE: 7W / SECTION: 18 / LAT: 36.724709 / LONG: -107.604198 ( TVD: 0 feet, MD: 0 feet )

BHL: NESE / 2180 FSL / 265 FEL / TWSP: 29N / SECTION: / LAT: 36.724709 / LONG: 107.604198 ( TVD: 0 feet, MD: 0 feet )

<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: 12/3/2025  API No. 30-039-29703 DHC No. 5525 Lease No. NMSF079514	
Well Name SAN JUAN 29-7 UNIT					Well No. 81N	
Unit Letter <b>I</b>	Section <b>18</b>	Township <b>29N</b>	Range <b>07W</b>	Footage <b>2180' FSL &amp; 265' FEL</b>	County, State <b>RIO ARRIBA, New Mexico</b>	
Completion Date <b>11/17/2025</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 Mesaverde/Dakota and the added formation to be commingled is the Fruitland Coal/Pictured Cliffs. 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>PC 4%, FRC 4%, DK 92%, MV 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 DAWN NASH-DEAL		DATE 12/3/25		TITLE		PHONE
X <i>Dawn Nash Deal</i>				Operations/Regulatory Tech		346-237-2143
For Technical Questions: MARCUS HILL				Reservoir Engineer		marcus.hill@hilcorp.com

## San Juan 29-7 Unit 81N Subtraction Allocation

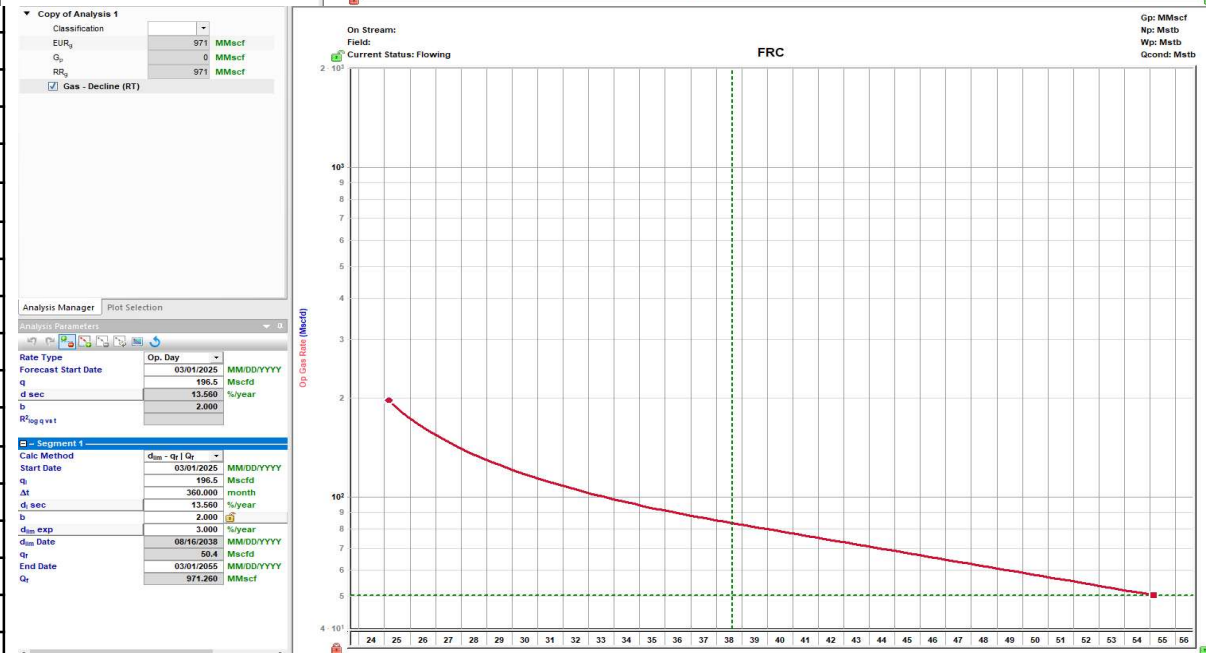
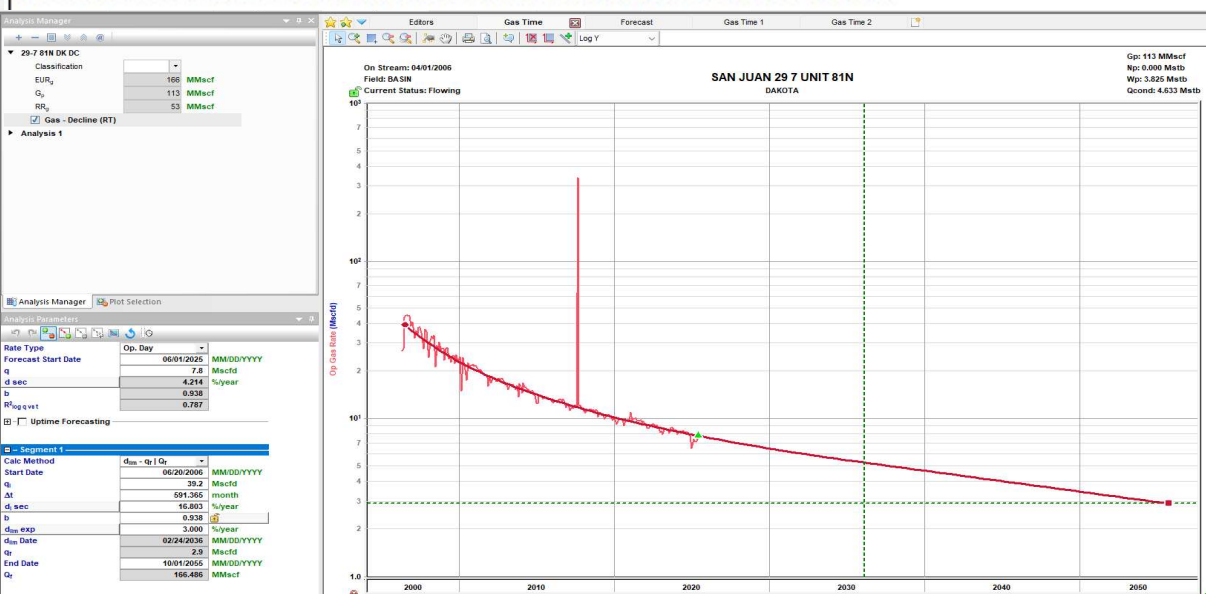
Date	MV Mcfd	DK Mcfd
Nov-25	144.7	7.61454
Dec-25	144.1	7.58722
Jan-26	143.6	7.55964
Feb-26	143.1	7.53358
Mar-26	142.6	7.50769
Apr-26	142.1	7.48111
May-26	141.6	7.4547
Jun-26	141.1	7.42848
Jul-26	140.6	7.40243
Aug-26	140.1	7.37614
Sep-26	139.6	7.35045
Oct-26	139.2	7.32493
Nov-26	138.7	7.29959
Dec-26	138.2	7.27441
Jan-27	137.7	7.24899
Feb-27	137.3	7.22496
Mar-27	136.8	7.20109
Apr-27	136.3	7.17656
May-27	135.9	7.1522
Jun-27	135.4	7.128
Jul-27	135	7.10395
Aug-27	134.5	7.07967
Sep-27	134	7.05594
Oct-27	133.6	7.03237
Nov-27	133.1	7.00894
Dec-27	132.7	6.98567
Jan-28	132.3	6.96217
Feb-28	131.8	6.93957
Mar-28	131.4	6.91711
Apr-28	131	6.89442
May-28	130.5	6.87188
Jun-28	130.1	6.84948
Jul-28	129.7	6.82722
Aug-28	129.3	6.80474
Sep-28	128.8	6.78276
Oct-28	128.4	6.76092
Nov-28	128	6.73921
Dec-28	127.6	6.71764
Jan-29	127.2	6.69585
Feb-29	126.8	6.67524
Mar-29	126.4	6.65476
Apr-29	126	6.63371
May-29	125.6	6.61279
Jun-29	125.2	6.59199
Jul-29	124.8	6.57132
Aug-29	124.4	6.55044
Sep-29	124	6.53002
Oct-29	123.7	6.50973

## Gas Allocation:

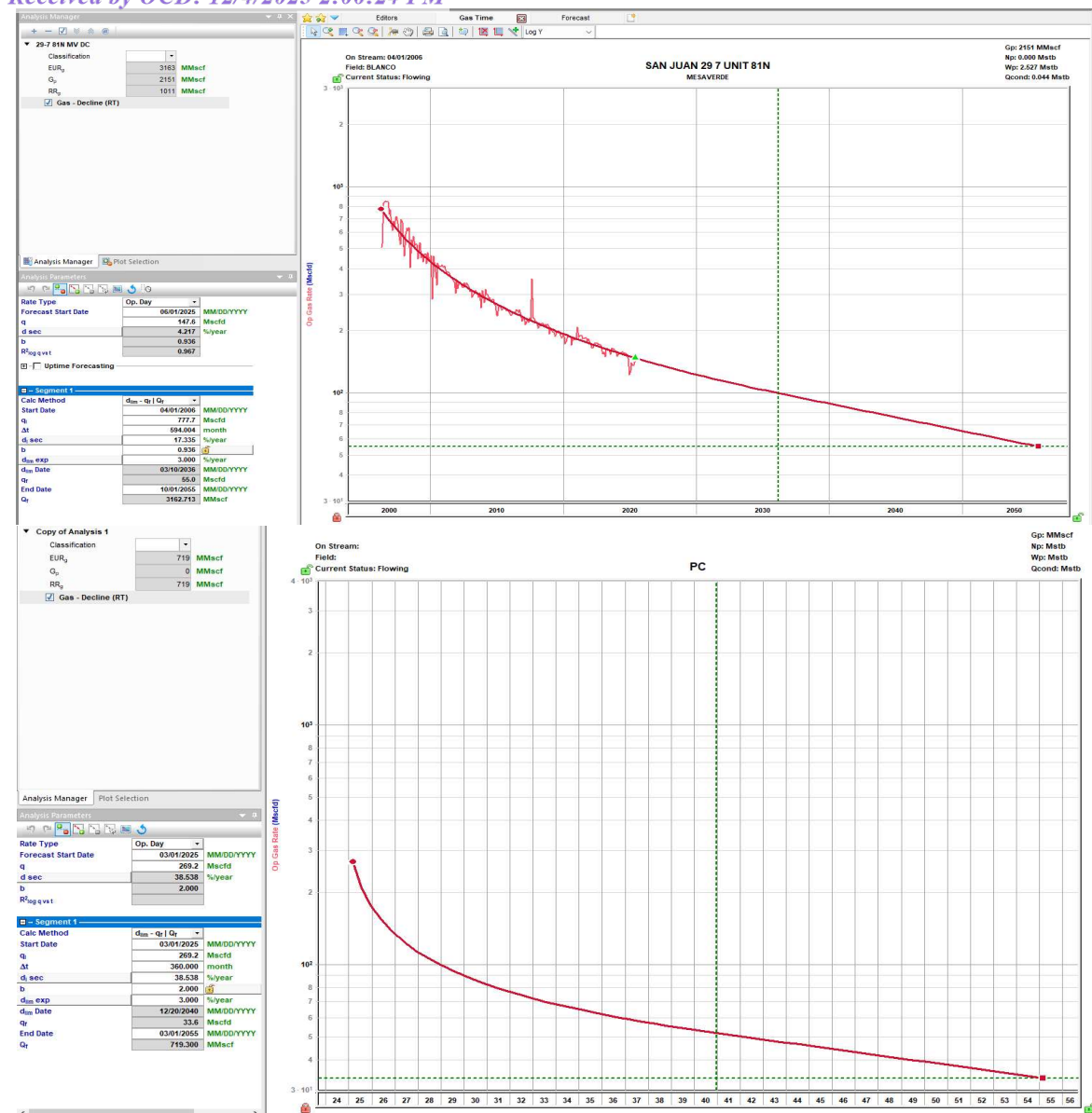
Production for the downhole commingle will be allocated using the subtraction method in agreement with local agencies. The base formations are the **Mesaverde and Dakota**. The added formations to be commingled are the **Fruitland Coal and Pictured Cliffs**. The subtraction method applies an average 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.

Formation	Forecasted Reserves (MMcf)	% Gas Allocation
FRC	971	57%
PC	719	43%

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.







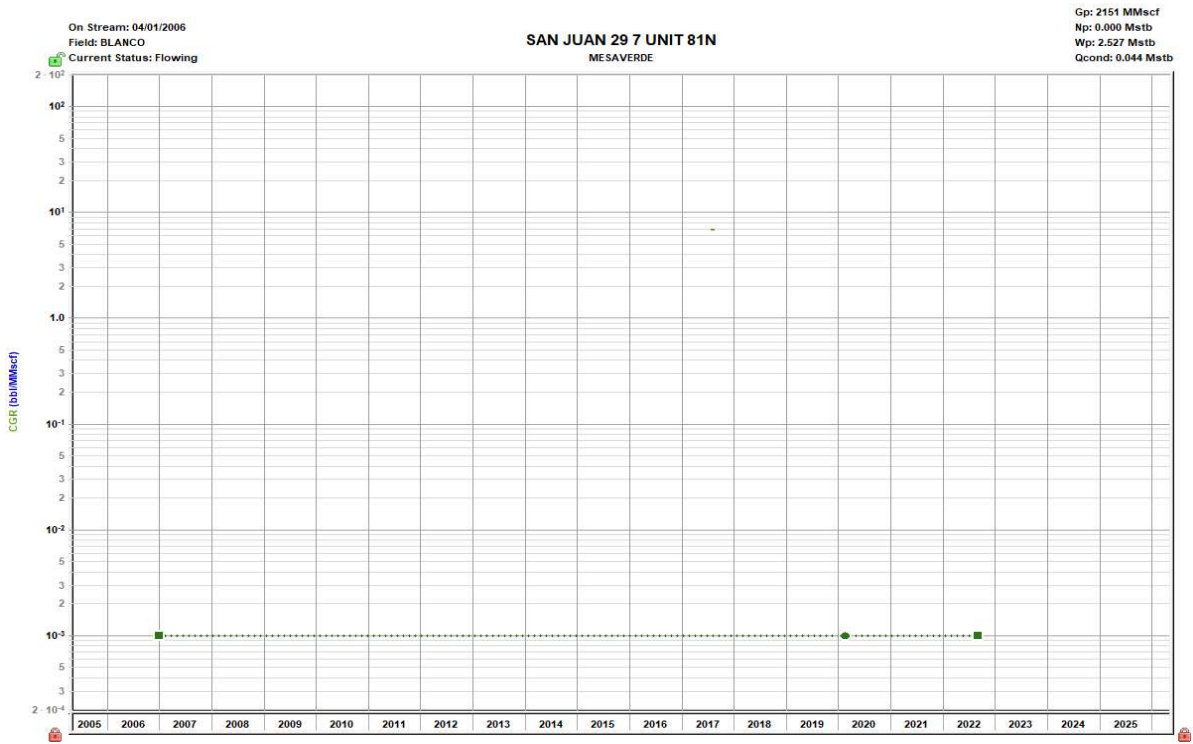
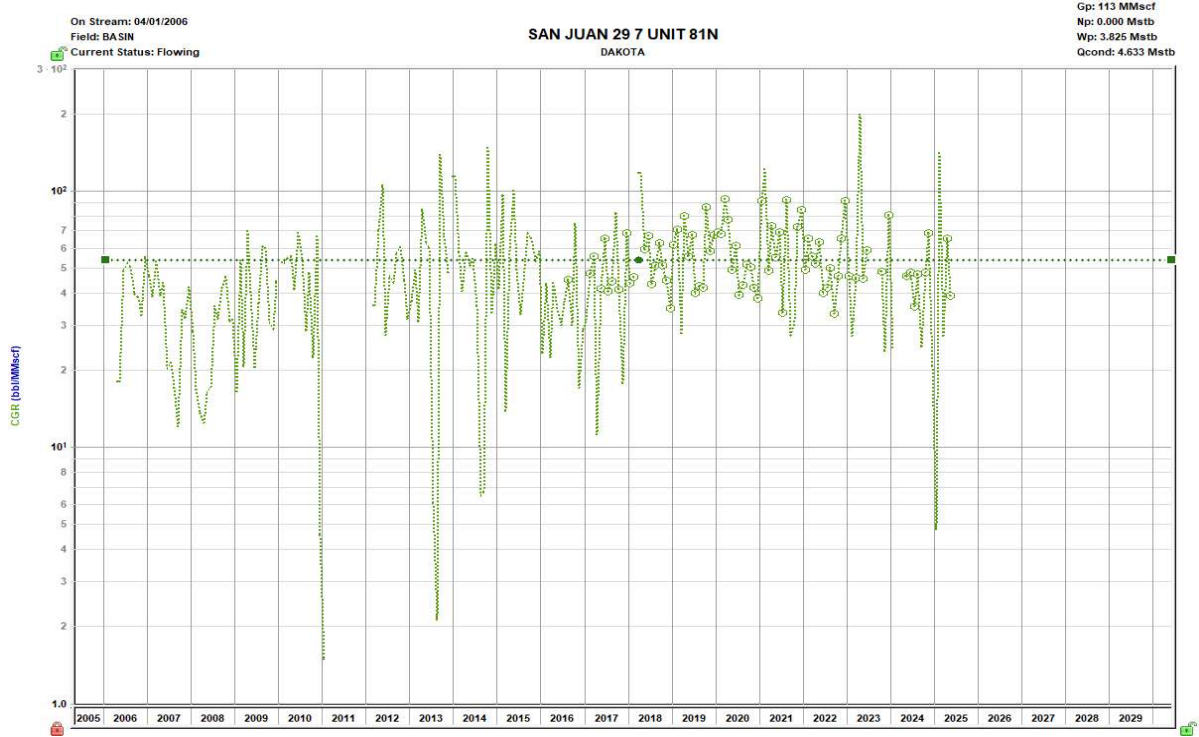
### Oil Allocation:

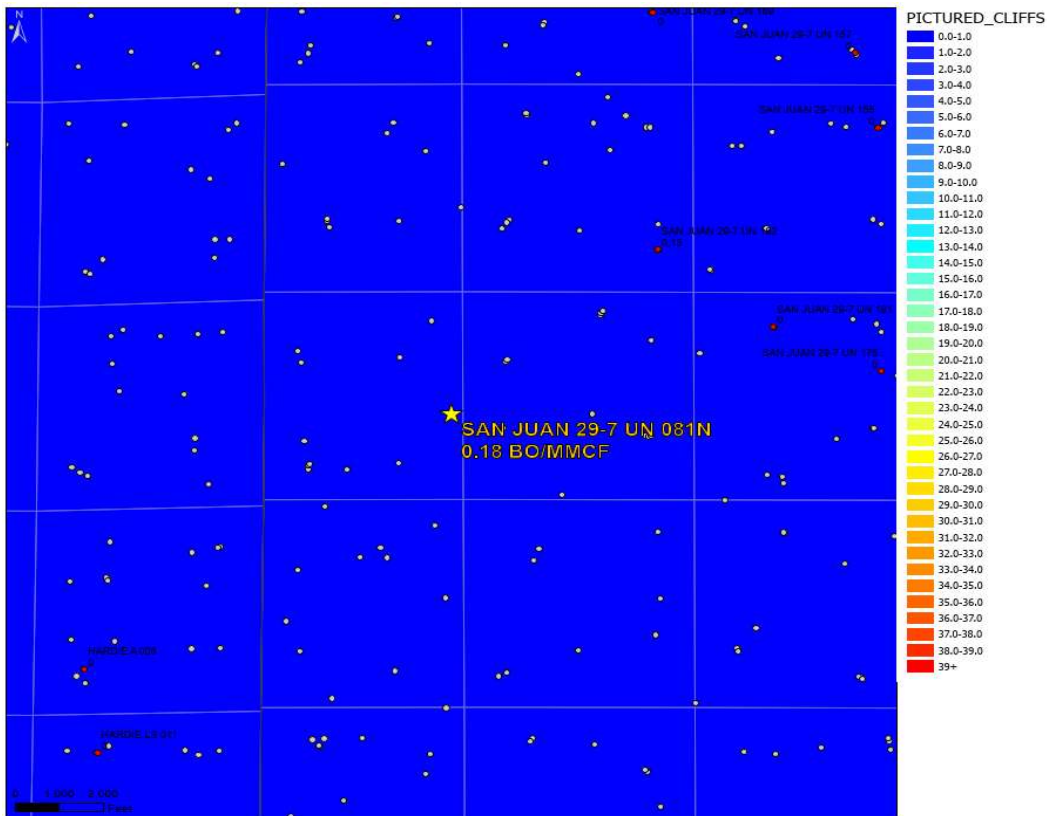
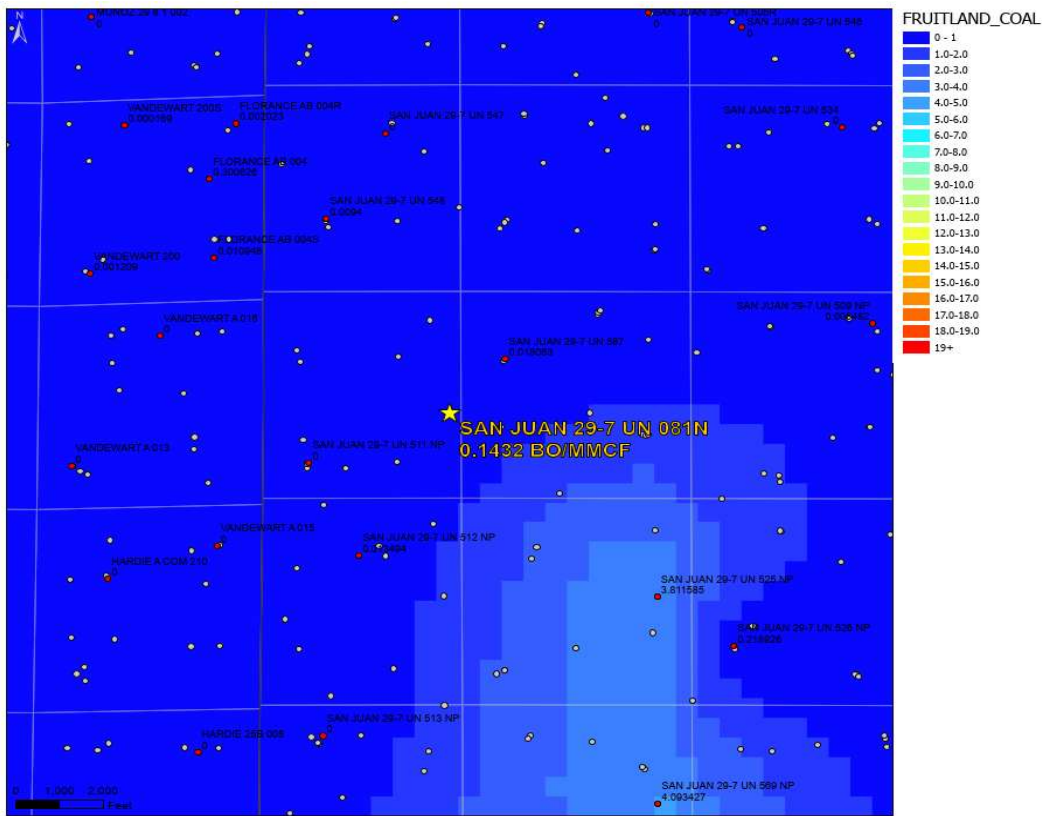
Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years.

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 or Forecasted Reserves (MMcf)	% Oil Allocation
DK	54.10	53	92%
MV	0.00	1011	0%
FRC	0.14	971	4%
PC	0.18	719	4%







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 531973

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 531973
	Action Type: [C-103] NOI General Sundry (C-103X)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	ACCEPTED FOR RECORD ONLY	12/5/2025
dmcclure	The production from the well shall be allocated to each pool as stipulated within the DHC Order.	12/5/2025