

Submit 3 Copies To Appropriate District Office  
 District I - (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II - (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Rs., Aztec, NM 87410  
 District IV - (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

**State of New Mexico  
 Energy, Minerals and Natural Resources**

**Form C-103**

Revised July 18, 2013

**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

2. Name of Operator

**Hilcorp Energy Company**

3. Address of Operator

**382 Road 3100 Aztec, NM 87410**

4. Well Location

Unit Letter **O** Footage **675' FSL & 2075' FEL**

Section **07** Township **030N** Range **005W** **RIO ARRIBA COUNTY**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

**6244' GR**

**12. CHECK APPROPRIATE BOX(ES) 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:  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:

**10/2/2007**

Rig Released 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** 9/16/2024

**Type or print name**

Amanda Walker

**E-mail address:**

mwalker@hilcorp.com

**PHONE:** 346.237.2177

**APPROVED BY:**

**TITLE**

**DATE**

Conditions of Approval (if any):

<h1>Hilcorp Energy Company</h1> <h2>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: 9/16/2024 API No. 30-039-30255 DHC No. 5419 Lease No. FEE
Well Name <b>San Juan 30-5 Unit</b>						Well No. <b>78N</b>
Unit Letter <b>O</b>	Section <b>07</b>	Township <b>30N</b>	Range <b>05W</b>	Footage <b>675' FSL &amp; 2075' FEL</b>	County, State , <b>New Mexico</b>	
Completion Date <b>9/5/2024</b>		Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input checked="" type="checkbox"/>				
<b>JUSTIFICATION OF ALLOCATION:</b> 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>Mesaverde/Dakota</b> and the added formation to be commingled is the <b>Fruitland Coal</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. Hilcorp intends to continue to allocate the projected base production on the same fixed percentages to the following pools 77% MV and 23% DK.						
Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years. The Dakota and Mesaverde formations have historically never produced oil. If the well produces oil, it will be allocated 100% to the Fruitland Coal formation. <b>FC 100% MV 0%, DK 0% (No Change to Allocation from Approved DHC Application)</b>						
After 4 years oil will be reevaluated and adjust as needed based on average formation yields and new fixed gas allocation.						
NAME <b>X <i>Shane Smith</i></b>		DATE <b>09/16/2024</b>	TITLE <b>Operations/Regulatory Tech – Sr.</b>		PHONE <b>346-237-2177</b>	
For Technical Questions: Shane Smith		Reservoir Engineer		<a href="mailto:shane.smith@hilcorp.com">shane.smith@hilcorp.com</a>		

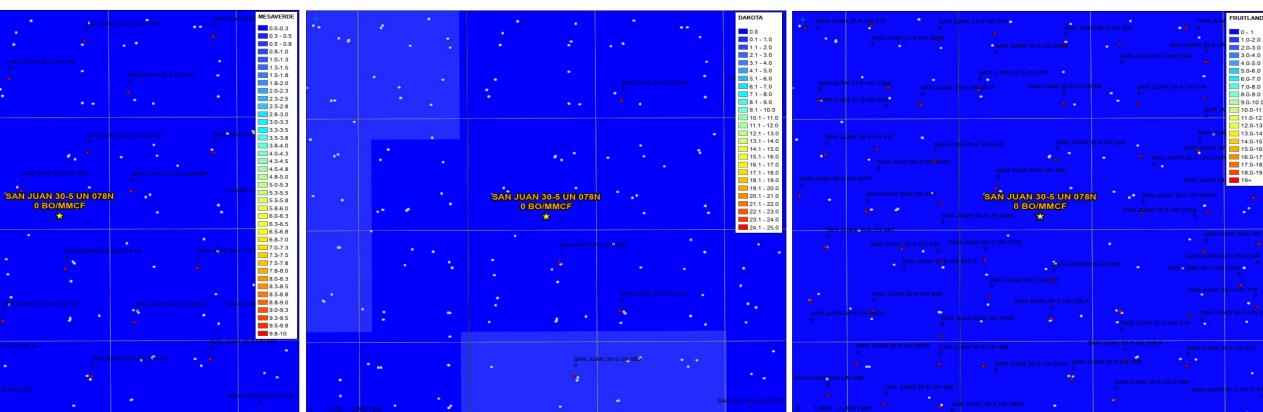
San Juan 30-5 Unit 78N Subtraction Allocation			3003930255
Date	MV, mcfd	DK, mcfd	
Sep-24	80.85	24.35	
Oct-24	80.57	24.27	
Nov-24	80.30	24.19	
Dec-24	80.03	24.11	
Jan-25	79.75	24.02	
Feb-25	79.49	23.94	
Mar-25	79.22	23.87	
Apr-25	78.95	23.78	
May-25	78.69	23.70	
Jun-25	78.42	23.62	
Jul-25	78.15	23.54	
Aug-25	77.88	23.46	
Sep-25	77.62	23.38	
Oct-25	77.35	23.30	
Nov-25	77.09	23.22	
Dec-25	76.83	23.14	
Jan-26	76.56	23.06	
Feb-26	76.31	22.99	
Mar-26	76.06	22.91	
Apr-26	75.80	22.83	
May-26	75.54	22.76	
Jun-26	75.28	22.68	
Jul-26	75.03	22.60	
Aug-26	74.77	22.52	
Sep-26	74.51	22.45	
Oct-26	74.26	22.37	
Nov-26	74.01	22.29	
Dec-26	73.76	22.22	
Jan-27	73.50	22.14	
Feb-27	73.26	22.07	
Mar-27	73.02	22.00	
Apr-27	72.77	21.92	
May-27	72.52	21.85	
Jun-27	72.27	21.77	
Jul-27	72.03	21.70	
Aug-27	71.78	21.62	
Sep-27	71.54	21.55	
Oct-27	71.29	21.48	
Nov-27	71.05	21.40	
Dec-27	70.81	21.33	
Jan-28	70.56	21.26	
Feb-28	70.33	21.18	
Mar-28	70.09	21.11	
Apr-28	69.85	21.04	
May-28	69.61	20.97	
Jun-28	69.38	20.90	
Jul-28	69.14	20.83	
Aug-28	68.90	20.76	

**Gas 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 and Mesaverde formations have historically never produced oil. If the well produces oil, it will be allocated 100% to the Fruitland Coal 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 (MMcfd)	% Oil Allocation
DK		527	0%
MV		134	0%
FRC		967	100%



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 383765

**CONDITIONS**

Operator:  HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 383765
	Action Type: [C-103] NOI General Sundry (C-103X)

**CONDITIONS**

Created By	Condition	Condition Date
andrew.fordyce	The production from the well shall be allocated to each pool as stipulated in the DHC Order.	12/19/2025