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Revised: March 9, 2018

# Hilcorp Energy Company

## PRODUCTION ALLOCATION FORM

Farmington Field Office  
Bureau of Land Management

Status:  
PRELIMINARY   
FINAL   
REVISED

Commingle Type  
SURFACE  DOWNHOLE   
Type of Completion  
NEW DRILL  RECOMPLETION  PAYADD  COMMINGLE

Date: 7/25/2018  
API No. 30-045-33773  
DHC No. DHC 4035AZ  
Lease No. NMSF078580  
Federal

Well Name  
**Woodriver**

Well No.  
**#2B**

Unit Letter <b>E</b>	Section <b>09</b>	Township <b>T30N</b>	Range <b>R08W</b>	Footage <b>1755' FNL &amp; 805' FWL</b>	County, State <b>San Juan, New Mexico</b>
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Completion Date <b>7/7/2018</b>	Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input checked="" type="checkbox"/>
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JUSTIFICATION OF ALLOCATION: Hilcorp requests that production for the downhole commingle be allocated using the subtraction method. The base formation is the Dakota and the added formation to be commingled is the Mesaverde. 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). A fixed percentage based allocation will be submitted after the fourth year of production. See attached documents for production forecast.

Oil production will be allocated based on average formation yields from offset wells: MV- 54%, DK- 46%

APPROVED BY	DATE	TITLE	PHONE
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JUL 30 2018

DISTRICT III

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