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Well File
Revised: March 9, 2018

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

Status
PRELIMINARY
FINAL
REVISED

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

Date: 8/27/2018
API No. 30-045-26513
DHC No. 4062AZ
Lease No. NMSF078200B

Well Name
Riddle B

Well No.
5E

Unit Letter G	Section 23	Township 30N	Range 10W	Footage 1800' FNL & 1720' FEL	County, State San Juan, New Mexico
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Completion Date 8/12/2018	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: DK- 2%, MV- 98%

APPROVED BY	DATE	TITLE	PHONE
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DISTRICT III