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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: 04/08/2019

API No. 30-039-26699
DHC No. DHC 4007AZ
Lease No. NMSF-078496

Well Name
San Juan 28-7 Unit

Well No.
#133G

| Unit Letter | Section | Township | Range | Footage | County, State |
|-------------|---------|----------|-------|----------------------|------------------------|
| L | 35 | T028N | R07W | 2170' FSL & 320' FWL | Rio Arriba, New Mexico |

| Completion Date | Test Method |
|-----------------|--|
| 04/01/2019 | HISTORICAL <input type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> |

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- 93%, DK - 7%

| APPROVED BY | DATE | TITLE | PHONE |
|--------------------|--------|----------------------------|--------------|
| X | | | |
| X Cherylene Weston | 4-8-19 | Operations/Regulatory Tech | 505-564-0779 |
| Cherylene Weston | | | |

Dave Mankiewicz
AM 4/9/19

NMOCD
APR 15 2019
DISTRICT III