

NMOCD

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DISTRICT III  
Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

Distribution:  
NMOCD Original  
BLM 5 Copies  
Accounting  
Farmington Field Office  
Bureau of Land Management  
Well File  
Revised: March 9, 2018

Status  
PRELIMINARY   
FINAL   
REVISED

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

Date: 5/20/19  
API No. 30-045-11892  
DHC No. 4912  
Lease No. NMSF078146

Well Name  
NEWBERRY A

Well No.  
2

Unit Letter Section Township Range Footage  
K 09 31N 12W 1750' FSL & 1550'  
FWL

County, State  
San Juan,  
New Mexico

Completion Date Test Method  
5/7/2019 HISTORICAL  FIELD TEST  PROJECTED  OTHER

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- 40%, MV- 60%**

APPROVED BY	DATE	TITLE	PHONE
X <i>Amanda Walker</i>		Operations/Regulatory Tech – Sr.	505.324.5122
Amanda Walker	5/20/2019		

*Royalty interest is common.*

APPROVED  
*Ju Lopez*  
3/30/18

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