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Well File
Revised: March 9, 2018

Hilcorp Energy Company

Farmington Field Office
Bureau of Land Management

PRODUCTION ALLOCATION FORM

Status
PRELIMINARY
FINAL
REVISED

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

Date: 6/21/2019
API No. 30-045-24390
DHC No. 4961
Lease No. NMSF078543

Well Name
San Juan 32-7 Unit

Well No.
62

Unit Letter M	Section 27	Township 32N	Range 07W	Footage 970' FSL & 805' FWL	County, State San Juan, New Mexico
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Completion Date 5/24/2019	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- 0%, MV- 100%**

APPROVED BY	DATE	TITLE	PHONE
Amanda Walker <i>A Walker</i>	6/21/2019	Operations/Regulatory Tech – Sr.	505.324.5122

ACCEPTED FOR RECORD

NMOCD

JUL 32 2019

DISTRICT III

NMOCD

JUL 11 2019

FARMINGTON FIELD OFFICE
BY: *[Signature]*