

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

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Well File
Revised: March 9, 2018

Status

PRELIMINARY ☒

FINAL ☐

REVISED ☐

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Date: 6/12/2019

API No. 30-039-20400

DHC No. DHC 4868

Lease No. NMSF079391

Federal

Well Name

San Juan 27-5 Unit

Well No.

#126

Unit Letter

K

Section

7

Township

T27N

Range

R05W

Footage

1650'FSL & 1550'FWL

County, State

Rio Arriba,
New Mexico

Completion Date

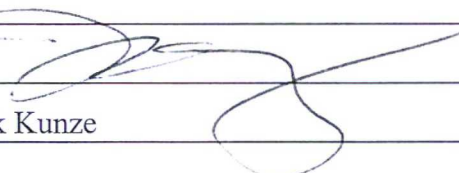
05/19/2019

Test Method

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: MV - 97%, DK - 3%

APPROVED BY	DATE	TITLE	PHONE
X 		Area Operations Manager	713-209-2449
Nick Kunze			

ACCEPTED FOR RECORD

AUG 01 2019

NMOCD

FARMINGTON FIELD OFFICE
BY: 