

Area: «TEAM»

<h1 style="margin: 0;">Hilcorp Energy Company</h1> <h2 style="margin: 0;">PRODUCTION ALLOCATION FORM</h2>					Distribution: BLM 4 Copies Regulatory Accounting Well File Revised: March 9, 2006		
Commingle Type SURFACE <input type="checkbox"/> DOWNHOLE <input checked="" type="checkbox"/> Type of Completion NEW DRILL <input type="checkbox"/> RECOMPLETION <input checked="" type="checkbox"/> PAYADD <input type="checkbox"/> COMMINGLE <input type="checkbox"/>					Status PRELIMINARY <input type="checkbox"/> FINAL <input checked="" type="checkbox"/> REVISED <input type="checkbox"/>		
					Date: 12/12/22 API No. 30-045-21787 DHC No. DHC 2265-A Lease No. E-6288		
Well Name Koch State Com					Well No. 1A		
Unit Letter I	Section 36	Township T029N	Range R009W	Footage 2110' FSL & 620' FEL	County, State San Juan County, New Mexico		
Completion Date		Test Method HISTORICAL <input checked="" type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>					
FORMATION MESAVERDE		GAS 87 MCF		PERCENT 39%		CONDENSATE 97%	
PICTURED CLIFFS		38 MCF		17%		3%	
FRUITLAND COAL		102 MCF		44%		0%	
JUSTIFICATION OF ALLOCATION: Hilcorp Energy Company requests that production for the down hole commingle to be switched to a fixed percentage based allocation. The fixed percentage based allocation is calculated from average production rates. Oil allocated based on average formation yields in surrounding area and new fixed allocations.							
APPROVED BY <i>Kandis Roland</i>			DATE 12/12/2022		TITLE Operations/Regulatory Tech		PHONE 713-757-5246
X Kandis Roland							
For Technical Questions: Mohammad Shahvali			Reservoir Engineer		713-757-5271		

Dean R McClure

12/16/2022

Koch State Com 1A Fixed Allocation

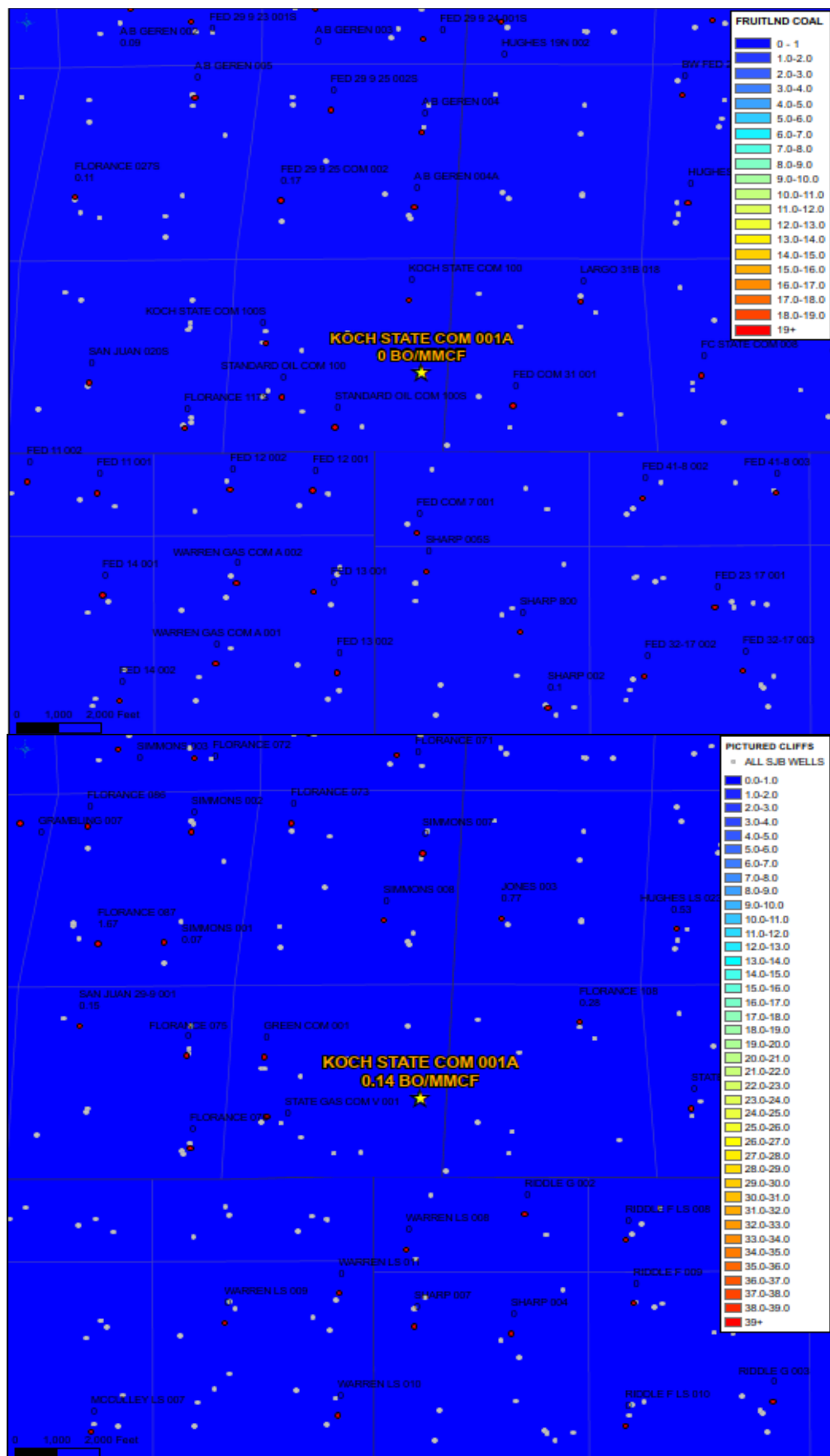
The Mesaverde, Pictured Cliffs and Fruitland Coal formations have been producing as a commingled well for the past four years under a subtraction allocation method that was applied after the well was recompleted into a new zone. Hilcorp requests that production for the downhole commingled well be switched to a fixed percentage based allocation.

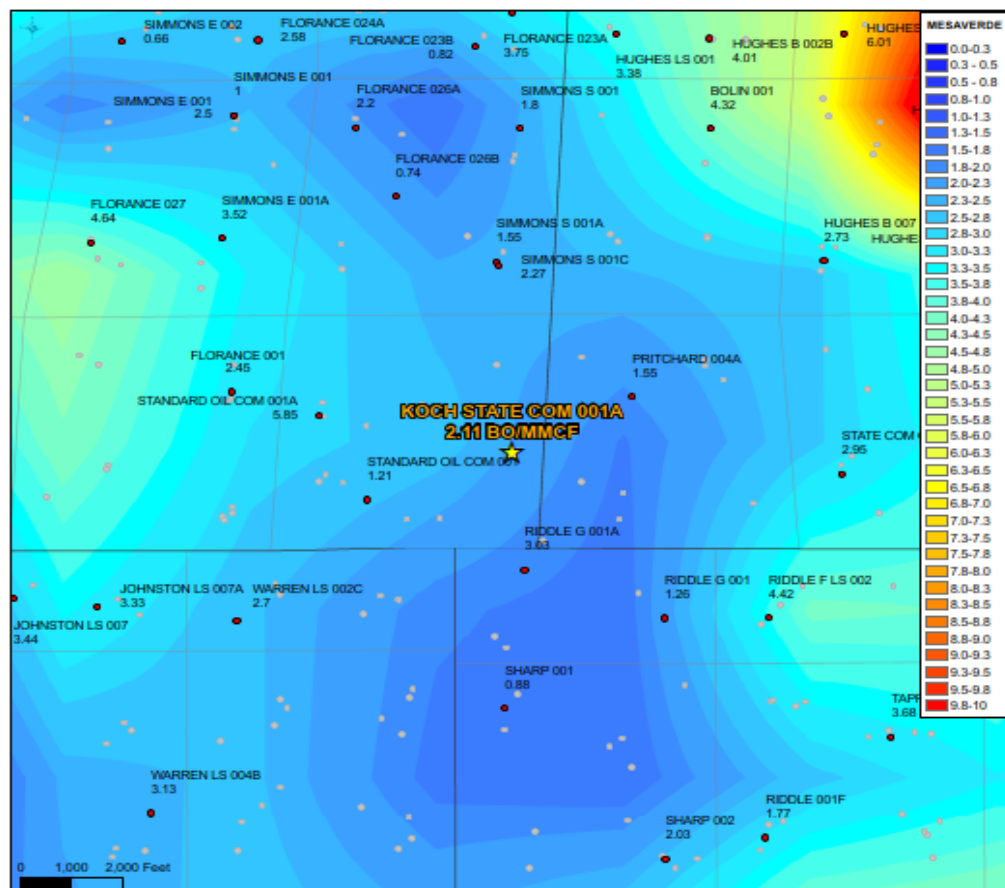
The new fixed percentage based allocation will be calculated from average production rates from the past twelve months.

Date	Gas Production			
	MV	PC	FC	Total
Oct-21	89.2	38.6	108.4	236.2
Nov-21	88.8	38.5	118.8	246.1
Dec-21	88.5	38.4	101.2	228.1
Jan-22	88.2	38.2	121.5	247.9
Feb-22	87.9	38.0	111.8	237.7
Mar-22	87.5	38.0	109.4	234.9
Apr-22	87.2	37.9	108.1	233.2
May-22	87.0	37.6	95.3	219.9
Jun-22	86.7	37.5	76.1	200.3
Jul-22	86.4	37.3	86.8	210.5
Aug-22	86.0	37.3	101.5	224.8
Sep-22	85.7	37.1	80.4	203.2
Averages	87	38	102	227
% of Total	39%	17%	44%	

Oil will be reallocated based on the average formation yields in surrounding area and new fixed allocations.

Formation	Yield		Avg Gas Rate	Oil Allocation
MV	2.11	bbl/mmscf	87.4	97%
PC	0.14	bbl/mmscf	37.9	3%
FC	0	bbl/mmscf	101.6	0%





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1625 N. French Dr., Hobbs, NM 88240
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District II
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1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

COMMENTS

Action 167896

COMMENTS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 167896
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

COMMENTS

Created By	Comment	Comment Date
dmcclure	Approved under Action ID: 166078	12/16/2022

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dmcclore	None	12/16/2022