

ID NO. 514157

DHC - 5539

RECEIVED: 10/10/25	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Hilcorp Energy Company **OGRID Number:** 372171
Well Name: Chamberlin 1A **API:** 30-045-22844
Pool: Basin Fruitland Coal / Blanco Pictured Cliffs / Blanco Mesaverde **Pool Code:** 71629, 72359, 72319

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Cherylene Weston

Print or Type Name

Cherylene Weston

Signature

10/03/2025
Date

713-289-2614
Phone Number

cweston@hilcorp.com
e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised August 1, 2011

District II
811 S. First St., Artesia, NM 88210

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
 Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Hilcorp Energy Company 382 Road 3100, Aztec, NM 87410

Operator Address

CHAMBERLIN 1A F-14-T32N-R12W SAN JUAN, NM
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 372171 Property Code 318879 API No. 30-045-22844 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Basin Fruitland Coal (Gas)	Blanco Pictured Cliffs (Gas)	Blanco-Mesaverde (Prorated Gas)
Pool Code	71629	72359	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Est. 2290' - 2682'	Est. 2683' - 2864'	4238' - 5300'
Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift	Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	325 psi	366 psi	509 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1135 BTU	1133 BTU	1187 BTU
Producing, Shut-In or New Zone	NEW ZONE	NEW ZONE	Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates:	Date: Rates:	Date: 7/1/2025 Rates: Oil - 0 bbl Gas - 1796 mcf Water - 0 bbl
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % %	Oil Gas % %	Oil Gas % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes _____ No X
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes X No _____

Are all produced fluids from all commingled zones compatible with each other? Yes X No _____

Will commingling decrease the value of production? Yes _____ No X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes _____ No _____

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Cherylene Weston TITLE Operations/Regulatory Tech-Sr. DATE 10/03/2025

TYPE OR PRINT NAME Cherylene Weston TELEPHONE NO. (713) 289-2615

E-MAIL ADDRESS cweston@hilcorp.com

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-192
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

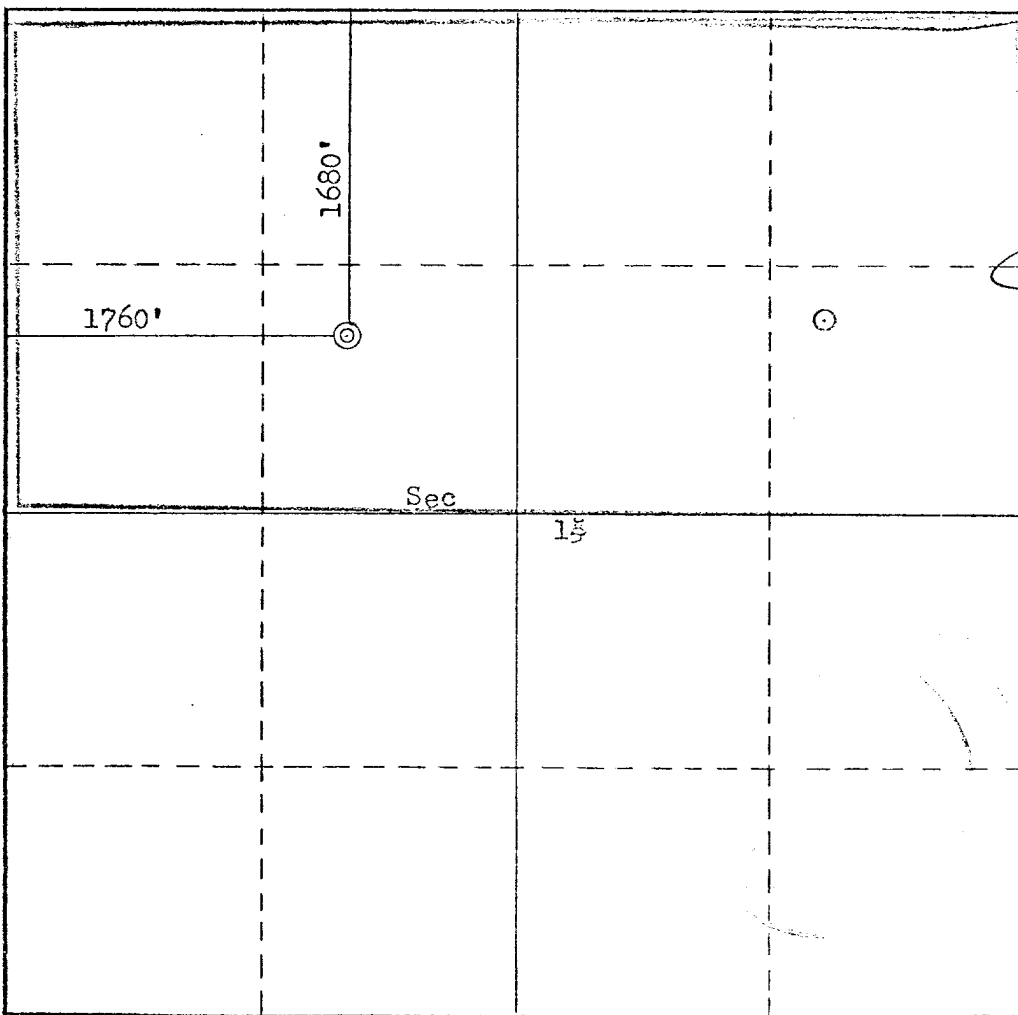
Operator Aztec Oil & Gas Company			Lease Chamberlain		Well No. 1A
Unit Letter F	Section 14	Township 32N	Range 12W	County San Juan	
Actual Footage Location of Well: 1680 feet from the North line and 1760 feet from the West line					
Ground Level Elev. 6202	Producing Formation Mesa Verde		Pool Blanco	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name: *[Signature]*
Position: District Production Mgr.

Company: Aztec Oil & Gas Company

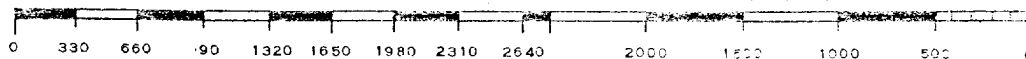
Date: December 14, 1977

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: October 29, 1977

Registered Professional Engineer and/or Land Surveyor:
[Signature]
Fred B. Kerr, Jr.

Certificate No. 3950



Chamberlin 1A - Production Allocation

These zones are proposed to be commingled because the application of dual completions impedes the ability to produce the shallow zone without artificial lift and the deeper zones with reduced artificial lift efficiency. All horizons will require artificial lift due to low bottomhole pressure (BHP) and permeability.

The BHPs of all zones, producing and non-producing, were estimated based upon basin wide Moving-Domain Material Balance models that have proven to approximate the pressure in the given reservoir well in this portion of the basin, in conjunction with shut-in pressure build-ups. These models were constructed incorporating reservoir dynamics, physics, historic production and observed pressure data. Historic commingling operations have proven reservoir fluids are compatible.

Production Allocation Method – Subtraction

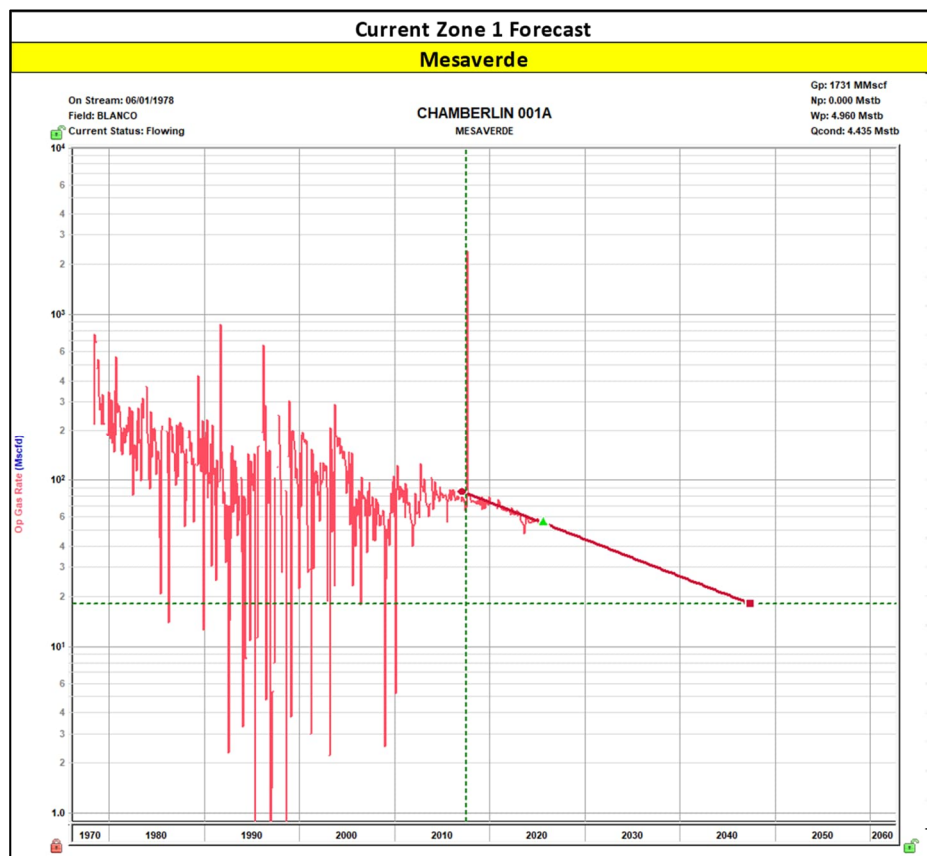
Gas Allocation:

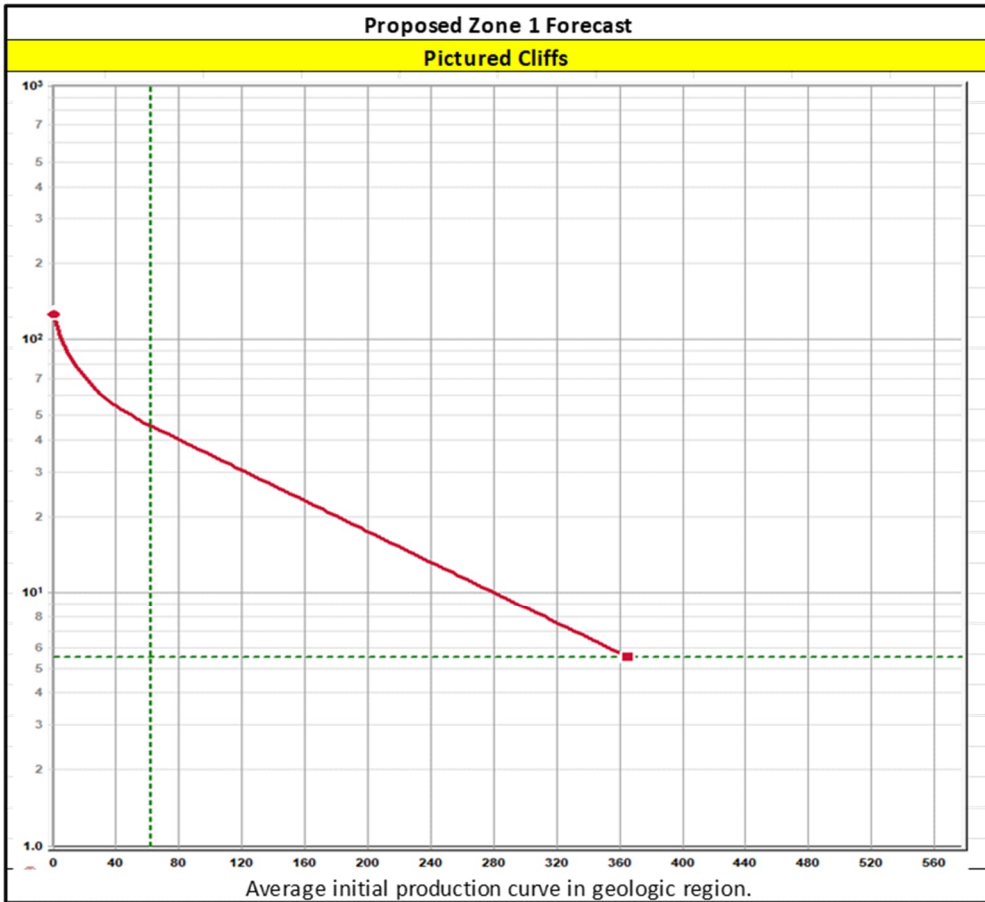
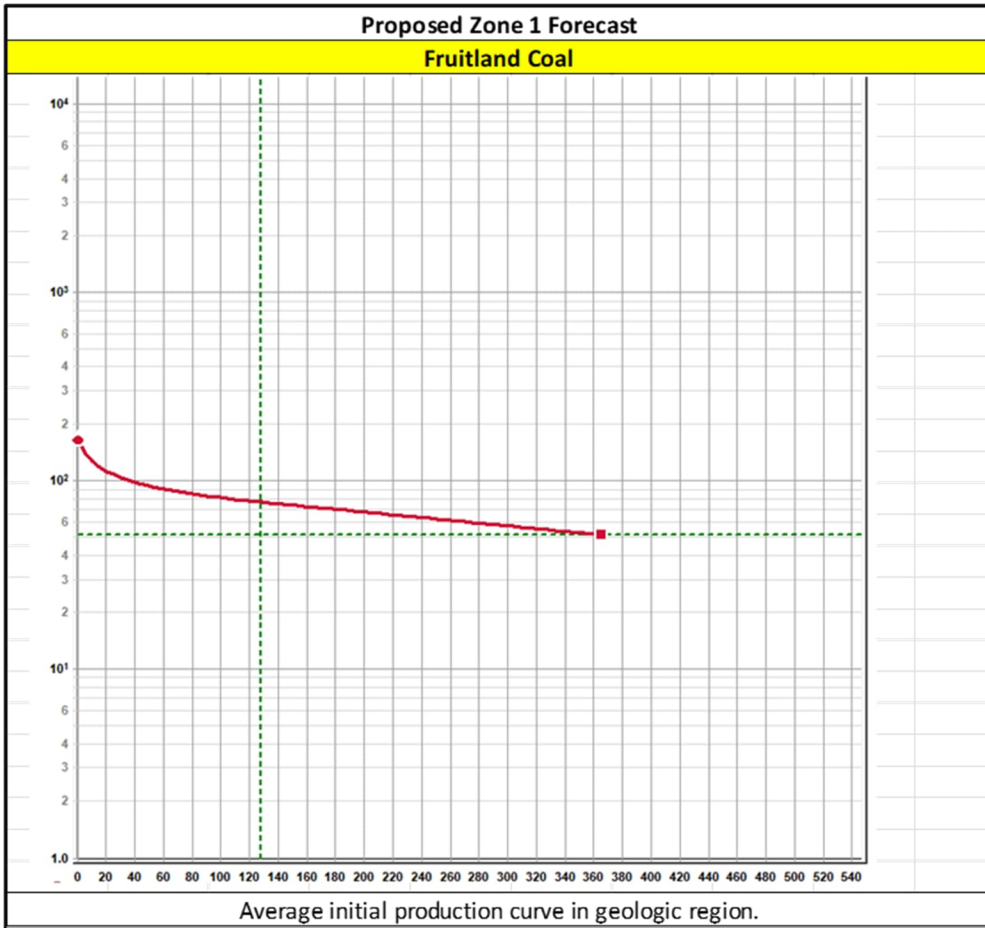
Production for the downhole commingle will be allocated using the subtraction method in agreement with local agencies. The base formation is the **Mesaverde** and the added formation to be commingled is the **Fruitland Coal/Pictured Cliffs**. The subtraction method applies an average monthly production forecast to the base formation using historic production. All production from this well exceeding the base formations forecast will be allocated to the new formation.

New zones will be allocated using a fixed allocation. Forecasted rates for FRC/PC are based on offsets type curve. The maps show the standalone offsets that were used for type-curves. The split between FRC/PC is based on the ratio of forecasted reserves as shown in the table below.

Formation	Remaining Reserves (MMcf)	% Gas Allocation
Fruitland Coal	829	73%
Pictured Cliffs	301	27%

After 3 years production will stabilize. A production average will be gathered during the 4th year and will be utilized to create a fixed percentage-based allocation.

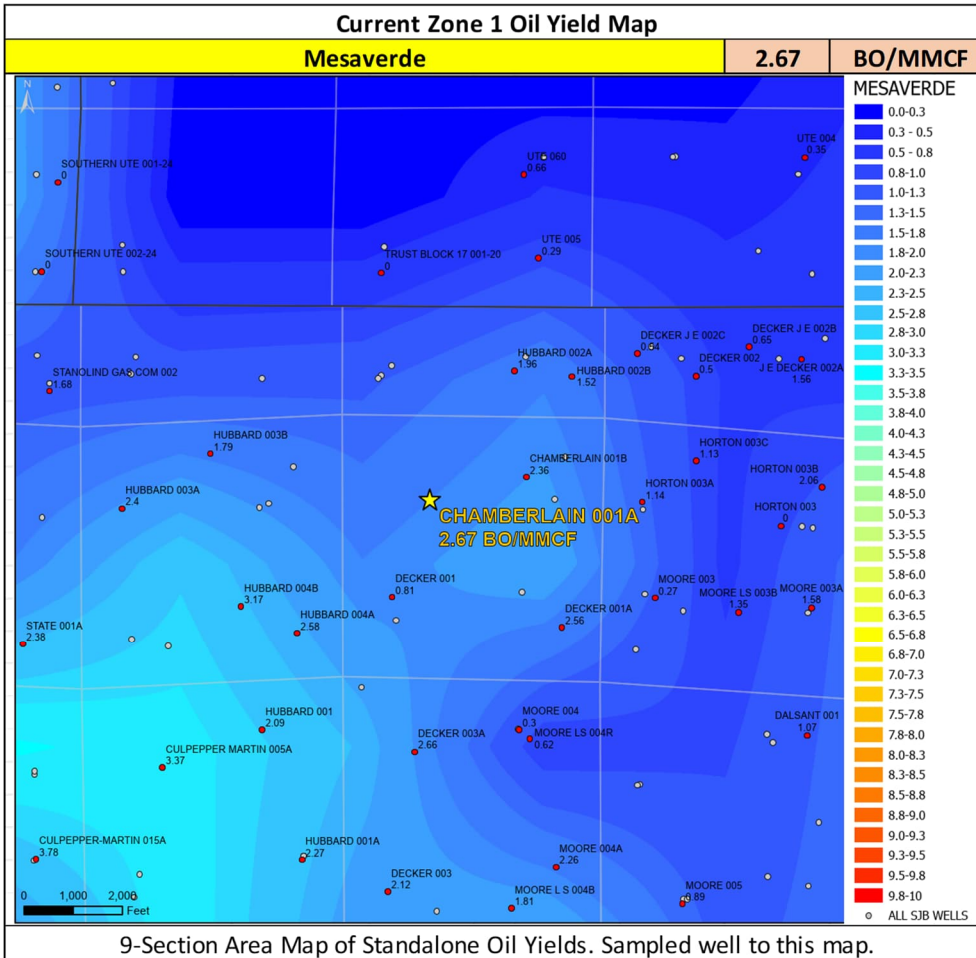


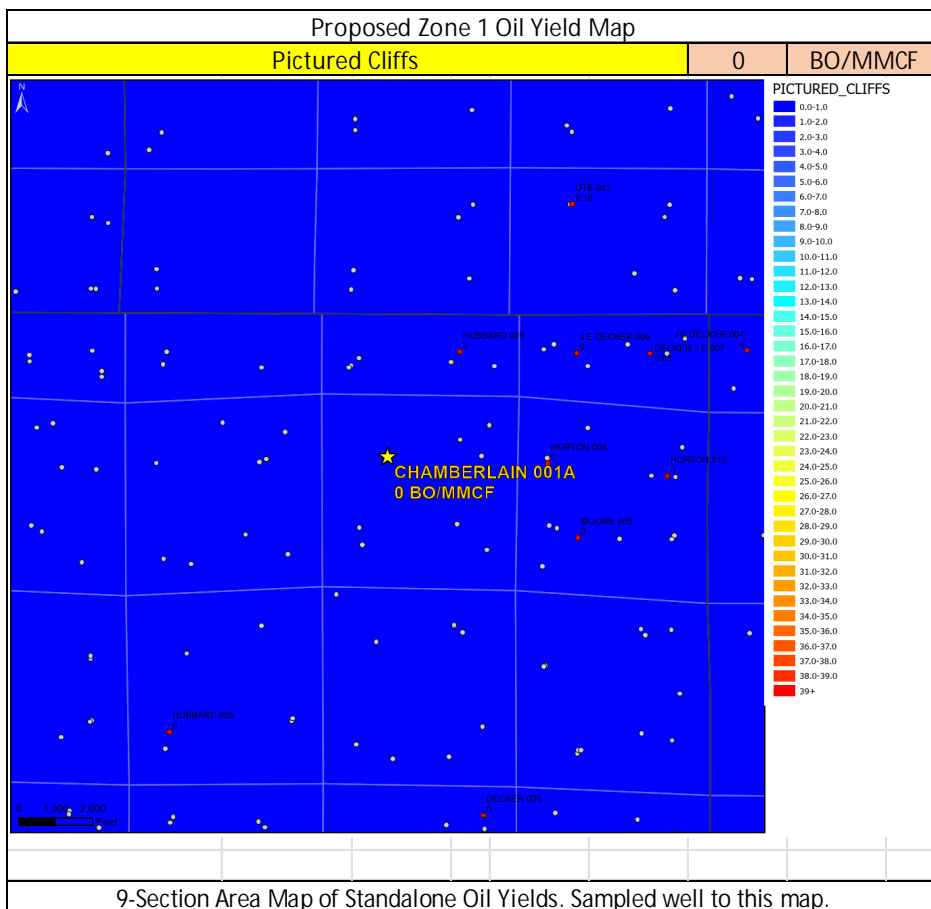
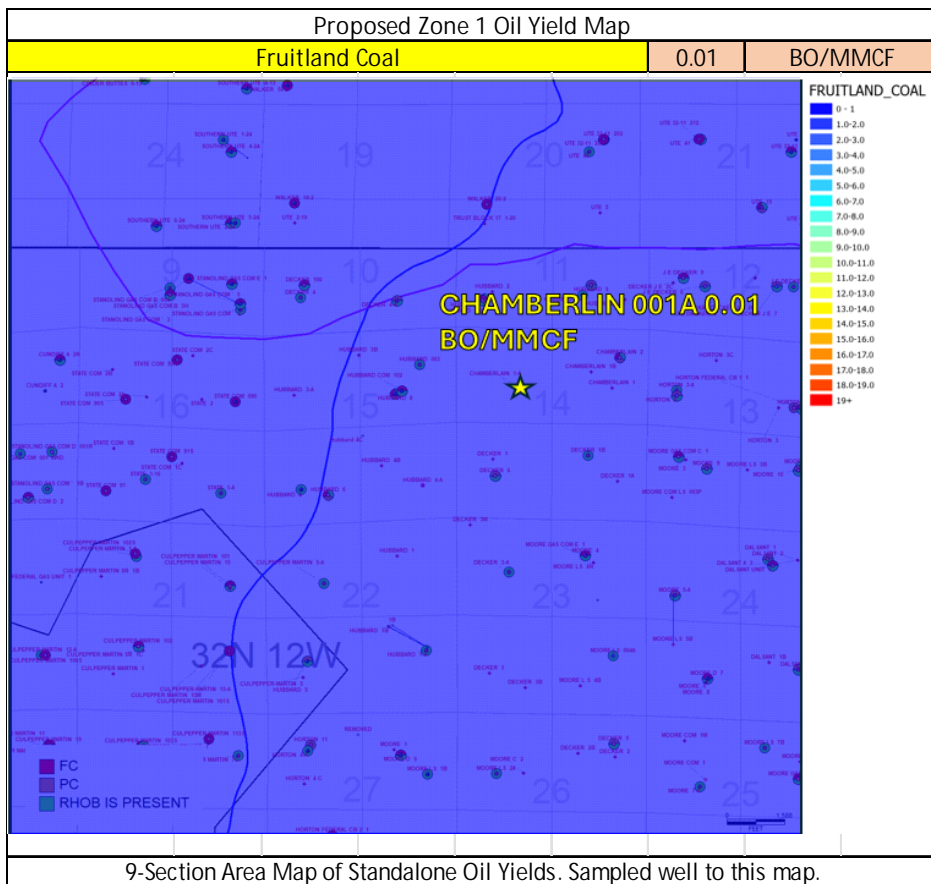


Oil Allocation:

Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years. After 4 years oil will be reevaluated and adjusted as needed based on average formation yields and new fixed gas allocation.

Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Oil Allocation
MV	2.67	266	99%
FRC	0.01	829	1%
PC	0	301	0%





Supplemental Information:

Shut in pressures were calculated for operated offset standalone wells in each of the zones being commingled in the well in question via the following process:

- 1) Wells were shut in for 24 hours
- 2) Echometer was used to obtain a fluid level
- 3) Shut in BHP was calculated for the proposed commingled completion

List of wells used to calculate BHPs for the Project:

3004530884	Hubbard 100	FRC
3004511423	Decker 1	MV
3004525660	Hubbard 7	PC

I believe each of the reservoirs to be continuous and in a similar state of depletion at this well and at each of the wells from which the pressures are being derived.

The near wellbore shut-in bottom hole pressures of the above reservoirs are much lower than the calculated far-field stabilized reservoir pressured due to the low permeability of the reservoirs. Based on pressure transient analysis performed in the San Juan Basin, it would take 7-25 years for shut-in bottom hole pressures to build up to the calculated far-field reservoir pressure. Our observation is that even for areas of high static reservoir pressures, the low permeability of the reservoir rock results in rapid depletion of the near-fracture region, quickly enough that the wells are unable to produce without the aid of a plunger. Given low permeabilities and low wellbore flowing pressures in the above reservoirs, loss of reserves due to cross-flow is not an issue during producing or shut-in periods. Given low shut-in bottom hole pressures, commingling the above reservoirs in this well will not result in shut-in or flowing wellbore pressures in excess of any commingled pool's fracture parting pressure. The pressures provided in the C-107A are based on shut-in bottom hole pressures of offset standalone wells which match expected near-wellbore shut-in bottom hole pressures of this proposed commingled completion.

Note: BTU Data taken from standalone completions in the zone of interest within a 2 mile radius of the well. A farther radius is used if there is not enough data for a proper statistical analysis.

Water Compatibility in the San Juan Basin

- The San Juan basin has productive siliciclastic reservoirs (Pictured Cliffs, Blanco Mesaverde, Basin Dakota, etc.) and a productive coalbed methane reservoir (Basin Fruitland Coal).
- These siliciclastic and coalbed methane reservoirs are commingled extensively throughout the basin in many different combinations with no observed damage from clay swelling due to differing formation waters.
- The samples below all show fresh water with low TDS.
- Data taken from standalone completions in the zone of interest within a 2 Mile radius of the well. A farther radius is used if there is not enough data for a proper statistical analysis.

Well Name	API
CHAMBERLIN 1A	3004522844

FRC Offset (2.5 miles)		MV Offset (1.9 miles)		PC Offset (1.6 miles)	
	3004527484		3004511799		3004523350
	MOORE GAS COM B 1		CULPEPPER MARTIN SRC 5		DALSANT 2
(CationBarium)	0.7	(CationBarium)	0	(CationBarium)	0
(CationBoron)	0	(CationBoron)	0	(CationBoron)	0
(CationBarium)	0.7	(CationBarium)	0	(CationBarium)	0
(CationBoron)	0	(CationBoron)	0	(CationBoron)	0
(CationCalcium)	18.42	(CationCalcium)	0.64	(CationCalcium)	2.57
(CationIron)	26.67	(CationIron)	25	(CationIron)	0.95
(CationMagnesium)	5.17	(CationMagnesium)	0.93	(CationMagnesium)	0.2
(CationManganese)	5.17	(CationManganese)	0.93	(CationManganese)	0.2
(CationPhosphorus)	0	(CationPhosphorus)	0	(CationPhosphorus)	0
(CationPotassium)	0	(CationPotassium)	0	(CationPotassium)	0
(CationStrontium)	0	(CationStrontium)	0	(CationStrontium)	0
(CationSodium)	1499.62	(CationSodium)	1752.44	(CationSodium)	792.55
(CationSilica)	0	(CationSilica)	0	(CationSilica)	0
(CationZinc)	0	(CationZinc)	0	(CationZinc)	0
(CationAluminum)	0	(CationAluminum)	0	(CationAluminum)	0
(CationCopper)	0	(CationCopper)	0	(CationCopper)	0
(CationLead)	0	(CationLead)	0	(CationLead)	0
(CationLithium)	0	(CationLithium)	0	(CationLithium)	0
(CationNickel)	0	(CationNickel)	0	(CationNickel)	0
(CationCobalt)	0	(CationCobalt)	0	(CationCobalt)	0
(CationChromium)	0	(CationChromium)	0	(CationChromium)	0
(CationSilicon)	0	(CationSilicon)	0	(CationSilicon)	0
(CationMolybdenum)	0	(CationMolybdenum)	0	(CationMolybdenum)	0
(AnionChloride)	1424.57	(AnionChloride)	930.02	(AnionChloride)	61.07
(AnionCarbonate)	0	(AnionCarbonate)	0	(AnionCarbonate)	0
(AnionBicarbonate)	200.41	(AnionBicarbonate)	366.6	(AnionBicarbonate)	513.24
(AnionBromide)	0	(AnionBromide)	0	(AnionBromide)	0
(AnionFluoride)	0	(AnionFluoride)	0	(AnionFluoride)	0
(AnionHydroxyl)	0	(AnionHydroxyl)	0	(AnionHydroxyl)	0
(AnionNitrate)	0	(AnionNitrate)	0	(AnionNitrate)	0
(AnionPhosphate)	0	(AnionPhosphate)	0	(AnionPhosphate)	0
(AnionSulfate)	550	(AnionSulfate)	0	(AnionSulfate)	0
(phField)	7.09	(phField)	6.96	(phField)	8.16
(phCalculated)	0	(phCalculated)	0	(phCalculated)	0
(TempField)	0	(TempField)	0	(TempField)	0
(TempLab)	0	(TempLab)	0	(TempLab)	0
(OtherFieldAlkalinity)	0	(OtherFieldAlkalinity)	0	(OtherFieldAlkalinity)	0
(OtherSpecificGravity)	0	(OtherSpecificGravity)	0	(OtherSpecificGravity)	0
(OtherTDS)	4023.39	(OtherTDS)	4075.83	(OtherTDS)	1910.9
(OtherCaCO3)	0	(OtherCaCO3)	0	(OtherCaCO3)	0
(OtherConductivity)	0	(OtherConductivity)	0	(OtherConductivity)	0
(DissolvedCO2)	295	(DissolvedCO2)	1000	(DissolvedCO2)	540
(DissolvedO2)	0	(DissolvedO2)	0	(DissolvedO2)	0
(DissolvedH2S)	0	(DissolvedH2S)	0	(DissolvedH2S)	0
(GasPressure)	0	(GasPressure)	0	(GasPressure)	0
(GasCO2)	2.5	(GasCO2)	10	(GasCO2)	6
(GasCO2PP)	0	(GasCO2PP)	0	(GasCO2PP)	0
(GasH2S)	0	(GasH2S)	0	(GasH2S)	0
(GasH2SPP)	0	(GasH2SPP)	0	(GasH2SPP)	0
(PitzerCaCO3_70)	0	(PitzerCaCO3_70)	0	(PitzerCaCO3_70)	0
(PitzerBaSO4_70)	0	(PitzerBaSO4_70)	0	(PitzerBaSO4_70)	0
(PitzerCaSO4_70)	0	(PitzerCaSO4_70)	0	(PitzerCaSO4_70)	0
(PitzerSrSO4_70)	0	(PitzerSrSO4_70)	0	(PitzerSrSO4_70)	0
(PitzerFeCO3_70)	0	(PitzerFeCO3_70)	0	(PitzerFeCO3_70)	0
(PitzerCaCO3_220)	0	(PitzerCaCO3_220)	0	(PitzerCaCO3_220)	0
(PitzerBaSO4_220)	0	(PitzerBaSO4_220)	0	(PitzerBaSO4_220)	0
(PitzerCaSO4_220)	0	(PitzerCaSO4_220)	0	(PitzerCaSO4_220)	0

Gas Compatibility in the San Juan Basin

- The San Juan basin has productive siliciclastic reservoirs (Pictured Cliffs, Blanco Mesaverde, Basin Dakota, etc.) and a productive coalbed methane reservoir (Basin Fruitland Coal).
 - These siliciclastic and coalbed methane reservoirs are commingled extensively throughout the basin in many different combinations with no observed damage from clay swelling due to differing formation waters or gas composition.
 - The samples below all show offset gas analysis variability by formation is low.
 - Data taken from standalone completions in the zone of interest within a 2 mile radius of the well. A farther radius is used if there is not enough data for a proper statistical analysis.

Well Name	API
CHAMBERLIN 1A	3004522844

FRC Offset (0.9 miles)		MV Offset (0.4 miles)		PC Offset (0.5 miles)	
--	3004528617	--	3004511423	--	3004525660
--	MOORE GAS COM E 1	--	DECKER 1	--	HUBBARD 7
N2	0.86	N2	0.19	N2	0.48
CO2	0.76	CO2	1.36	CO2	0.42
C1	88.18	C1	81.39	C1	89.85
C2	5.82	C2	9.04	C2	4.78
C3	3.12	C3	4.57	C3	2.84
IC4	0.6	IC4	0.74	IC4	0.57
NC4	0.36	NC4	1.11	NC4	0.61
IC5	0.13	IC5	0.4	IC5	0.24
NC5	0.06	NC5	0.31	NC5	0.15
C6_PLUS	0	C6_PLUS	0	C6_PLUS	0
C7	0	C7	0	C7	0
C8	0	C8	0	C8	0
C9	0	C9	0	C9	0
C10	0	C10	0	C10	0
AR	0	AR	0	AR	0
CO	0	CO	0	CO	0
H2	0	H2	0	H2	0
O2	0	O2	0	O2	0
H2O	0	H2O	0	H2O	0
H2S	0	H2S	0	H2S	0
HE	0	HE	0	HE	0
C_O_S	0	C_O_S	0	C_O_S	0
CH3SH	0	CH3SH	0	CH3SH	0
C2H5SH	0	C2H5SH	0	C2H5SH	0
CH2S3_2CH3S	0	CH2S3_2CH3S	0	CH2S3_2CH3S	0
CH2S	0	CH2S	0	CH2S	0
C6HV	0	C6HV	0	C6HV	0
CO2GPM	0	CO2GPM	0	CO2GPM	0
N2GPM	0	N2GPM	0	N2GPM	0
C1GPM	0	C1GPM	0	C1GPM	0
C2GPM	1.56	C2GPM	0	C2GPM	0
C3GPM	0.86	C3GPM	0	C3GPM	0
ISOC4GPM	0.2	ISOC4GPM	0	ISOC4GPM	0
NC4GPM	0.12	NC4GPM	0	NC4GPM	0
ISOC5GPM	0.05	ISOC5GPM	0	ISOC5GPM	0
NC5GPM	0.02	NC5GPM	0	NC5GPM	0
C6_PLUSGPM	0.05	C6_PLUSGPM	0	C6_PLUSGPM	0

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Form C-101
Revised July 18, 2013

Energy Minerals and Natural Resources

Oil Conservation Division

AMENDED REPORT

1220 South St. Francis Dr.

Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Hilcorp Energy Company 382 Road 3100 Aztec, NM 87410		² OGRID Number 372171
		³ API Number 30-045-22844
⁴ Property Code 318879	⁵ Property Name Chamberlin	⁶ Well No. 1A

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
F	14	32N	12W		1680	N	1760	W	San Juan

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

Pool Name Basin Fruitland Coal / Blanco Pictured Cliffs	Pool Code 71629 / 72359
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Additional Well Information

¹¹ Work Type A	¹² Well Type G	¹³ Cable/Rotary	¹⁴ Lease Type P	¹⁵ Ground Level Elevation 6202'
¹⁶ Multiple Y	¹⁷ Proposed Depth 2290' - 2864'	¹⁸ Formation Basin FRC / Blanco PC	¹⁹ Contractor	²⁰ Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC

Casing/Cement Program: Additional Comments

--

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/>, if applicable. Signature: Cherylene Weston	OIL CONSERVATION DIVISION	
	Approved By:	
Printed name: Cherylene Weston	Title:	
Title: Operations Regulatory Tech Sr	Approved Date:	Expiration Date:
E-mail Address: cweston@hilcorp.com		
Date: 9/8/2025	Phone: 713-289-2615	Conditions of Approval Attached

Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116 Online Phone Directory Visit: https://www.emnrd.nm.gov/ocd/contact-us/	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	<p style="text-align: right;">C-102</p> Revised July 9, 2024 Submit Electronically via OCD Permitting			
		Submittal Type: <table border="1" style="width:100%; border-collapse: collapse;"> <tr><td><input type="checkbox"/> Initial Submittal</td></tr> <tr><td><input type="checkbox"/> Amended Report</td></tr> <tr><td><input type="checkbox"/> As Drilled</td></tr> </table>	<input type="checkbox"/> Initial Submittal	<input type="checkbox"/> Amended Report	<input type="checkbox"/> As Drilled
<input type="checkbox"/> Initial Submittal					
<input type="checkbox"/> Amended Report					
<input type="checkbox"/> As Drilled					

WELL LOCATION INFORMATION

API Number 30-045-22844	Pool Code 71629	Pool Name Basin Fruitland Coal (Gas)
Property Code 318879	Property Name Chamberlin	Well Number 1A
OGRID No. 372171	Operator Name Hilcorp Energy Company	Ground Level Elevation 6202'
Surface Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL F	Section 14	Township 032N	Range 012W	Lot	Ft. from N/S 1680 N	Ft. from E/W 1760 W	Latitude 36.9890175	Longitude -108.0679398	County San Juan
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Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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Dedicated Acres 320.00 – N/2	Infill or Defining Well Parent	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code C
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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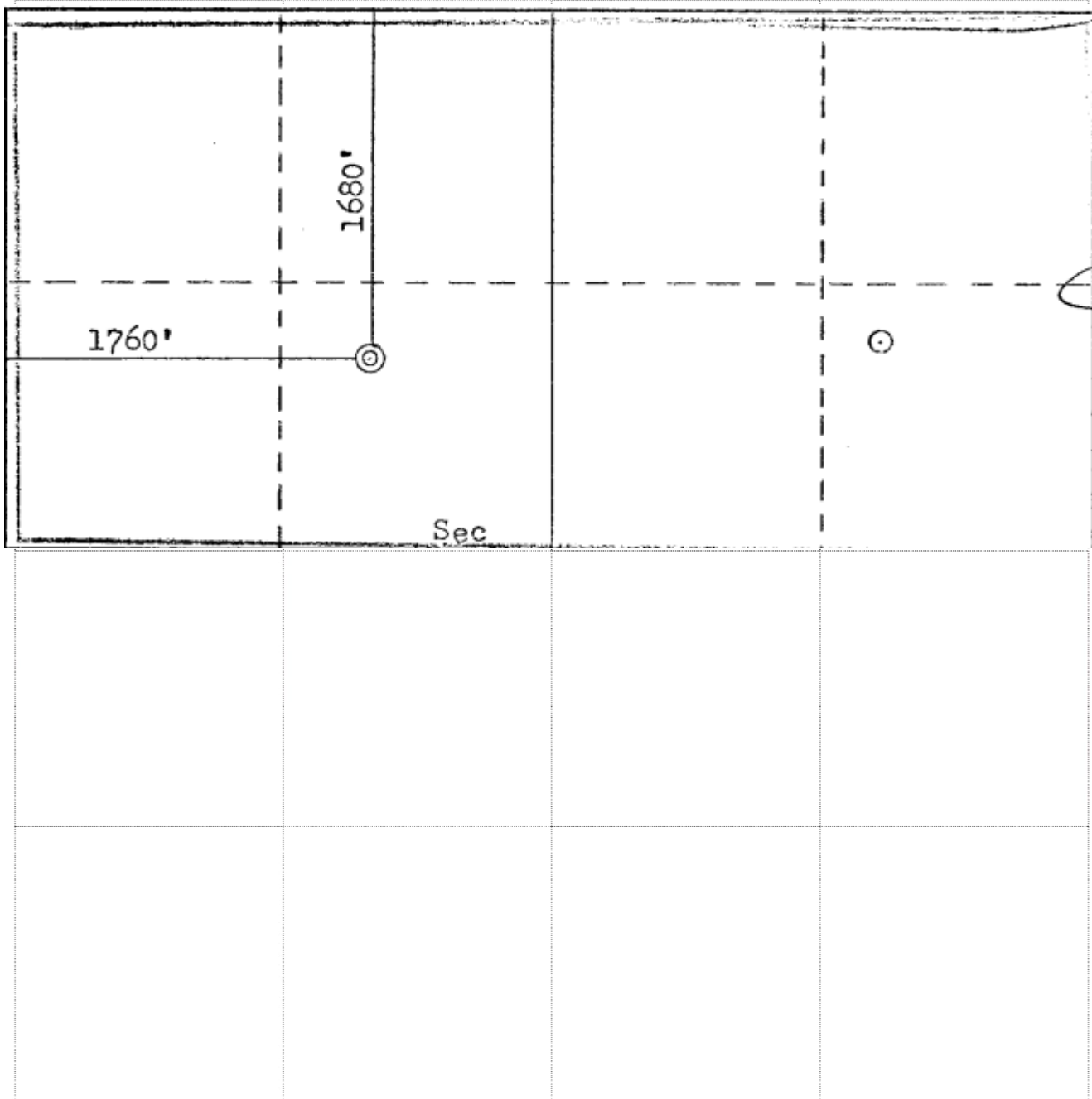
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation: 6202'
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<p>OPERATOR CERTIFICATIONS</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="font-size: 1.2em; color: blue;">Cherylene Weston</p> <p>Signature Date 8/22/2025</p> <hr/> <p>Cherylene Weston, Operations/Regulatory Tech-Sr.</p> <p>Printed Name</p> <hr/> <p>cweston@hilcorp.com</p> <p>Email Address</p>	<p>SURVEYOR CERTIFICATIONS</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p style="text-align: center;">Fred B. Kerr, Jr.</p> <hr/> <p>Signature and Seal of Professional Surveyor</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>Certificate Number 3950</td> <td>Date of Survey 10/29/1977</td> </tr> </table>	Certificate Number 3950	Date of Survey 10/29/1977
Certificate Number 3950	Date of Survey 10/29/1977		

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Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116 Online Phone Directory Visit: https://www.emnrd.nm.gov/ocd/contact-us/	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	C-102 Revised July 9, 2024 Submit Electronically via OCD Permitting			
		Submittal Type: <table border="1" style="width:100%; border-collapse: collapse;"> <tr><td><input type="checkbox"/> Initial Submittal</td></tr> <tr><td><input type="checkbox"/> Amended Report</td></tr> <tr><td><input type="checkbox"/> As Drilled</td></tr> </table>	<input type="checkbox"/> Initial Submittal	<input type="checkbox"/> Amended Report	<input type="checkbox"/> As Drilled
<input type="checkbox"/> Initial Submittal					
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<input type="checkbox"/> As Drilled					

WELL LOCATION INFORMATION

API Number 30-045-22844	Pool Code 72359	Pool Name Blanco Pictured Cliffs (Gas)
Property Code 318879	Property Name Chamberlin	Well Number 1A
OGRID No. 372171	Operator Name Hilcorp Energy Company	Ground Level Elevation 6202'
Surface Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

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UL F	Section 14	Township 032N	Range 012W	Lot	Ft. from N/S 1680 N	Ft. from E/W 1760 W	Latitude 36.9890175	Longitude -108.0679398	County San Juan
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Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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Dedicated Acres 160.00 – NW/4	Infill or Defining Well Parent	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code C
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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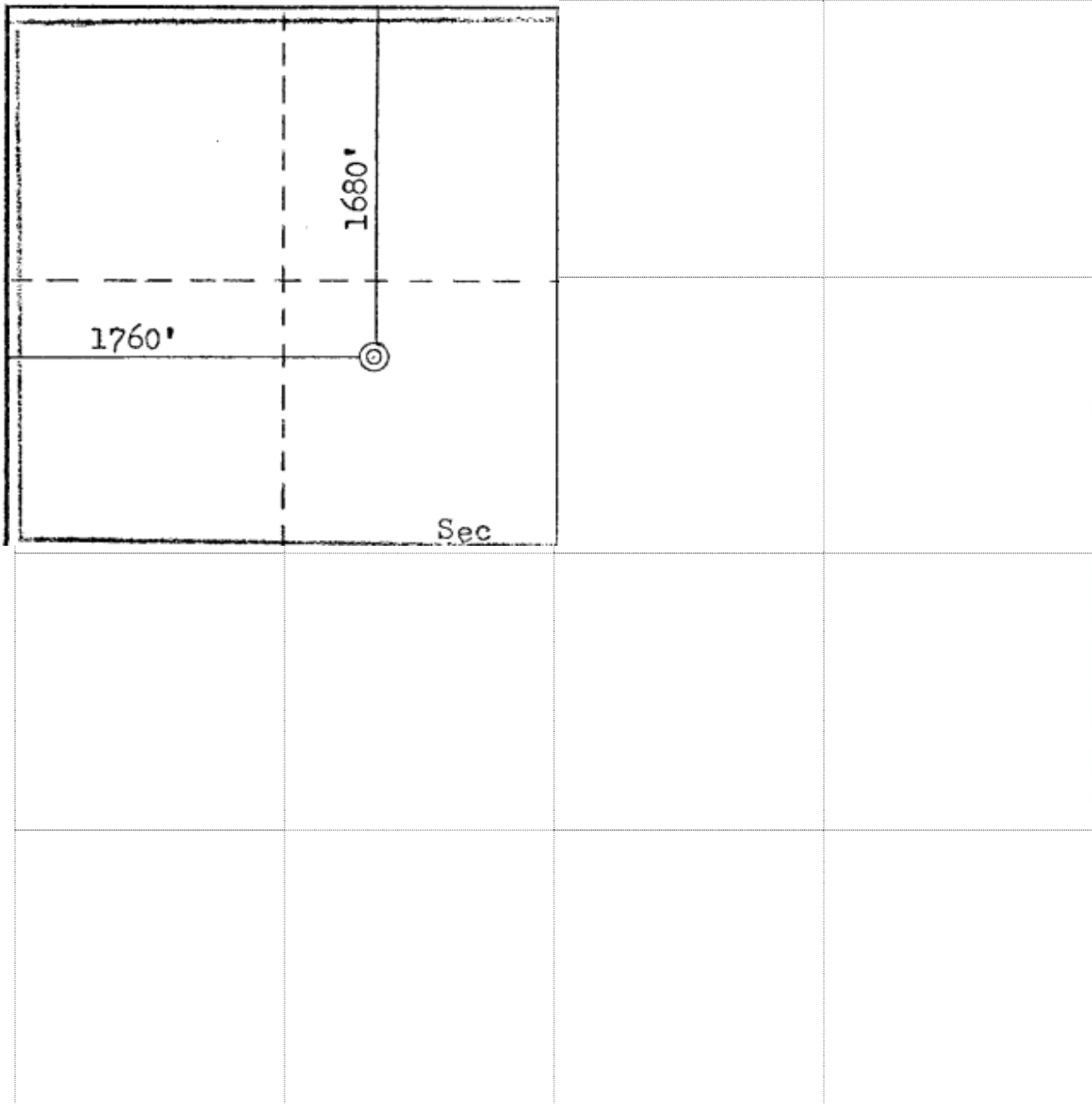
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation: 6202'
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HILCORP ENERGY COMPANY
Chamberlin #1A
PICTURED CLIFFS/FRUITLAND COAL RECOMPLETE SUNDRY
API 3004522844

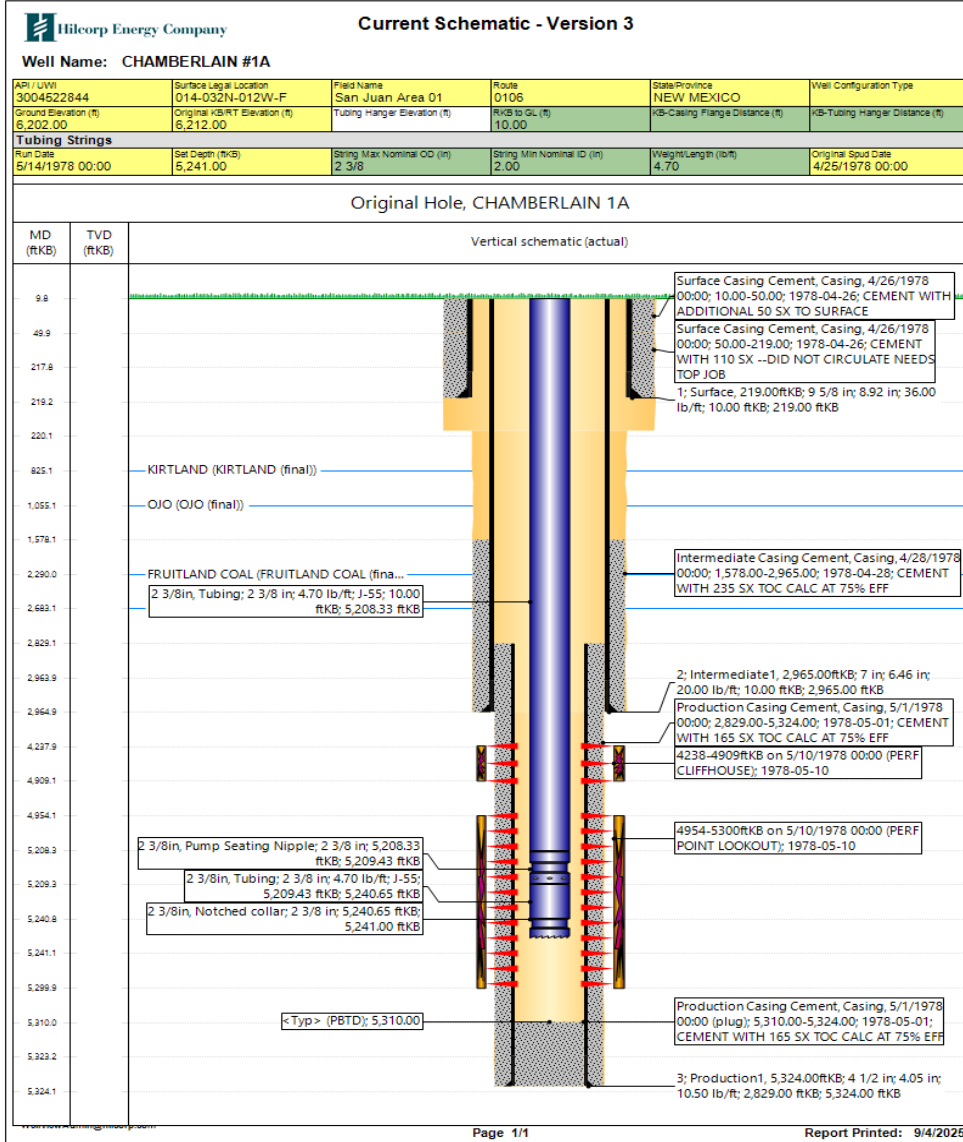
JOB PROCEDURES

1. MIRU workover rig and associated equipment; NU and test BOP.
2. TOOH with tubing.
3. Set a plug within 50' of the top **Mesaverde** perforation (**4,238'**) for zonal isolation.
4. Load hole with fluid. RU WL and run CBL to verify TOC. Review results with operations engineer and regulatory agencies.
5. **Perform MIT on casing with NMOCD witness** (notify NMOCD 24+ hours before test) and submit results to regulatory group.
6. **If frac'ing down casing:** pressure test casing to frac pressure.
7. RU WL. Perforate the **Pictured Cliffs**. Top perforation @ **2,683'**, bottom perforation @ **2,864'**.
8. **If frac'ing down frac string:** RIH w/ frac string and packer.
9. ND BOP, NU frac stack. Pressure test frac stack to frac pressure. Pressure test frac string (if applicable) to frac pressure. RDMO.
10. RU stimulation crew. Frac the **Pictured Cliffs** in one or more stages. Set plugs in between stages, if necessary.
11. Perforate the **Fruitland Coal**. Top Perforation @ **2,290'**, bottom perforation @ **2,682'**.
12. Frac the **Fruitland Coal** in one or more stages. Set plugs in between stages, if necessary.
13. MIRU workover rig and associated equipment; NU and test BOP.
14. **If frac was performed down frac string:** POOH w/ frac string and packer.
15. TIH with mill and clean out to isolation plug.
16. Mill out isolation plugs. Cleanout to PBTD. TOOH with cleanout assembly.
17. TIH and land production tubing. Flowback the well. Return well to production as a **Fruitland Coal/Pictured Cliffs/Mesaverde** producer.



HILCORP ENERGY COMPANY
Chamberlain #1A
PICTURED CLIFFS/FRUITLAND COAL RECOMPLETE SUNDRY

Chamberlain #1A - CURRENT WELLBORE SCHEMATIC





HILCORP ENERGY COMPANY
Chamberlain #1A
PICTURED CLIFFS/FRUITLAND COAL RECOMPLETE SUNDRY

Chamberlain #1A - PROPOSED WELLBORE SCHEMATIC

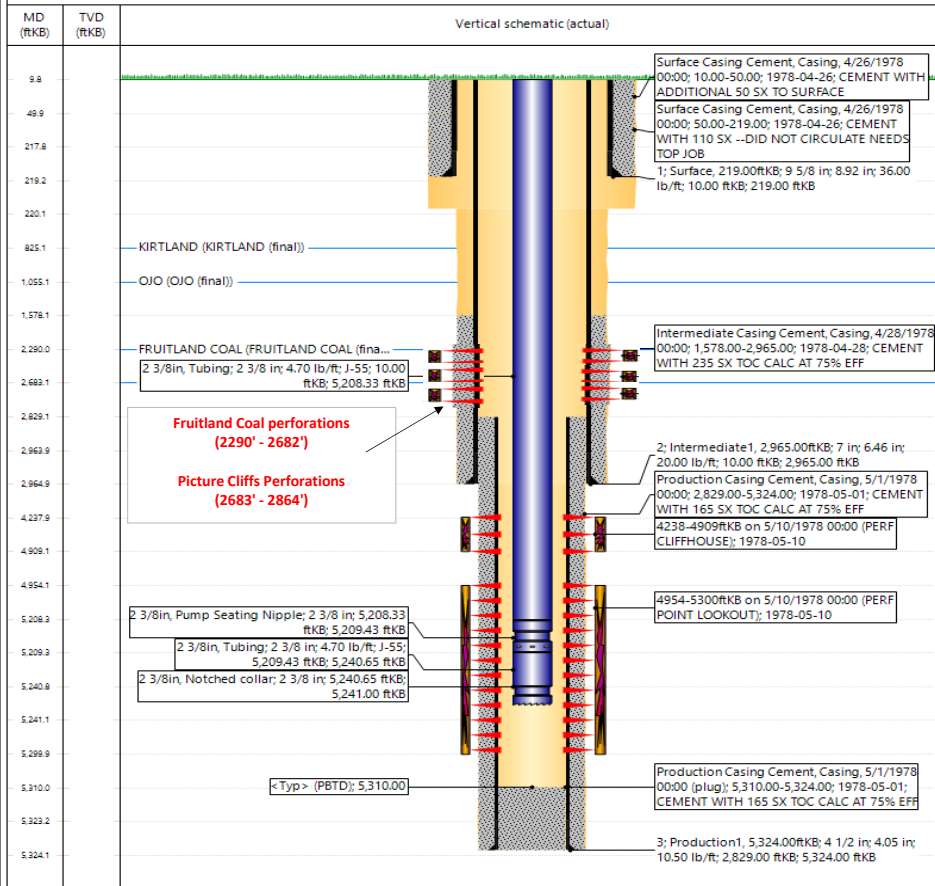
Hilcorp Energy Company

PROPOSED SCHEMATIC

Well Name: **CHAMBERLAIN #1A**

API / UWI 3004522844	Surface Legal Location 014-032N-012W-F	Field Name San Juan Area 01	Route 0106	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 6,202.00	Original R/BRT Elevation (ft) 6,212.00	Tubing Hanger Elevation (ft)	RKB to GC (ft) 10.00	R/B-Casing Flange Distance (ft)	R/B-Tubing Hanger Distance (ft)
Tubing Strings		String Max Nominal OD (in) 2 3/8	String Min Nominal ID (in) 2.00	Weight/Length (lb/ft) 4.70	Original Spud Date 4/25/1978 00:00

Original Hole, CHAMBERLAIN 1A



State of New Mexico
 Energy, Minerals and Natural Resources Department

Submit Electronically
 Via E-permitting

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description Effective May 25, 2021

I. Operator: Hilcorp Energy Company **OGRID:** 372171 **Date:** 09/08/2025

II. Type: Original Amendment due to 19.15.27.9.D(6)(a) NMAC 19.15.27.9.D(6)(b) NMAC Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Chamberlin 1A	3004522844	F-14-32N-12W	1680' FNL, 1760' FWL	0 bbl/d	270 mcf/d	3 bbl/d

IV. Central Delivery Point Name: Ignacio Processing Plant [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Chamberlin 1A	3004522844					<u>2026</u>

VI. Separation Equipment: Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan

EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system will will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator does does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

Attach Operator’s plan to manage production in response to the increased line pressure.

XIV. Confidentiality: Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will select one of the following:

Well Shut-In. Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:	Cherylene Weston
Printed Name:	Cherylene Weston
Title:	Operations/Regulatory Tech-Sr.
E-mail Address:	cweston@hilcorp.com
Date:	09/08/2025
Phone:	713-289-2615

OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)

Approved By:
Title:
Approval Date:
Conditions of Approval:

VI. Separation Equipment:

Hilcorp Energy Company (HEC or Operator) production facilities include separation equipment designed to efficiently separate gas from liquid phases to optimize gas capture based on projected and estimated volumes from the targeted pool of our recomplete project. HEC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the recomplete to optimize gas capture and send gas to sales or flare based on analytical composition. HEC operates facilities that are typically one-well facilities. Production separation equipment is upgraded prior to well being completed, if determined to be undersized or inadequate. This equipment is already on-site and tied into our sales gas lines prior to the recomplete operations.

VII. Operational Practices:

1. Subsection (A) Venting and Flaring of Natural Gas
 - o HEC understands the requirements of NMAC 19.15.27.8 which outlines that the venting and flaring of natural gas during drilling, completion or production operations that constitutes waste as defined in 19.15.2 are prohibited.
2. Subsection (B) Venting and Flaring during drilling operations
 - o This gas capture plan isn't for a well being drilled.
3. Subsection (C) Venting and flaring during completion or recompletion
 - o Flowlines will be routed for flowback fluids into a completion or storage tank and if feasible under well conditions, flare rather than vent and commence operation of a separator as soon as it is technically feasible for a separator to function.
 - o At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
4. Subsection (D) Venting and flaring during production operations
 - o At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
 - o Monitor manual liquid unloading for wells on-site or in close proximity (<30 minutes' drive time), take reasonable actions to achieve a stabilized rate and pressure at the earliest practical time, and take reasonable actions to minimize venting to the maximum extent practicable.
 - o HEC will not vent or flare except during the approved activities listed in NMAC 19.15.27.8 (D) 1-4.
5. Subsection (E) Performance standards
 - o All tanks and separation equipment are designed for maximum throughput and pressure to minimize waste.
 - o If a flare is utilized during production operations it will have a continuous pilot and is located more than 100 feet from any known well or storage tanks.
 - o At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.

6. Subsection (F) Measurement or estimation of vented and flared natural gas
 - o Measurement equipment is installed to measure the volume of natural gas flared from process piping.
 - o When measurement isn't practicable, estimation of vented and flared natural gas will be completed as noted in 19.15.27.8 (F) 5-6.

VIII. Best Management Practices:

1. Operator has adequate storage and takeaway capacity for wells it chooses to recomplete as the flowlines at the sites are already in place and tied into a gathering system.
2. Operator will flare rather than vent vessel blowdown gas when technically feasible during active and/or planned maintenance to equipment on-site.
3. Operator combusts natural gas that would otherwise be vented or flared, when technically feasible.
4. Operator will shut in wells in the event of a takeaway disruption, emergency situation, or other operations where venting or flaring may occur due to equipment failures.



October 8, 2025

Mailed Certified with Electronic Return Receipt

To: All Interest Owners

RE: Application to Downhole Commingle Production
Well: Chamberlin 001A
API: 30-045-22844
Section 14, Township 32 North, Range 12 West
San Juan County, New Mexico

Ladies and Gentlemen:

Hilcorp Energy Company (“Hilcorp”), as Operator of the subject well, has filed application with the New Mexico Oil Conservation Division (“NMOCD”) for approval to downhole commingle production from the **Basin Fruitland Coal** and **Blanco Pictured Cliffs**, two formations that Hilcorp soon intends to perforate, with existing production from the **Blanco Mesaverde** formation. This letter and the application copy enclosed serve to provide you, an owner in one or more of the aforementioned formations, with written notice as prescribed by Subsection C of 19.15.12.11 New Mexico Administrative Code.

No action is required by you unless you wish to pursue a formal protest.

Any objections or requests for hearing must be submitted to the NMOCD’s Santa Fe office, in writing, within twenty (20) days from the date the NMOCD receives the subject application.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Carson Parker Rice'.

Carson Parker Rice
Landman
713.757.7108
carice@hilcorp.com

CPR:dpk
Enclosures

Certified Number	Sender	Recipient	Date Mailed	Delivery Status
92148969009997901850873957	Dani Kuzma	, BONANZA CREEK MINERALS LLC, ATTN RICHARD D HUGHES MANAGER, ALBUQUERQUE, NM, 87113 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850873964	Dani Kuzma	, BRIAN DOWNING GIBSON, , SANTA FE, NM, 87502 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850873971	Dani Kuzma	, BUCK WYNNE WOOLLEY JR DECD TRUST, MARY J WOOLLEY TRUSTEE, BANDON, OR, 97411 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850873988	Dani Kuzma	, DONNA GOETTING, TENANT IN COMMON, LENEXA, KS, 66227 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850873995	Dani Kuzma	, ELIZABETH BEARD TANKSLEY, , ALPINE, TX, 79831 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874008	Dani Kuzma	, ELIZABETH H WHITE FAMILY TRUST, LINDA PAYNE TRUSTEE, DALLAS, TX, 75378-0099 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Facility October 9, 2025 Signature Pending
92148969009997901850874015	Dani Kuzma	, GEORGE ANN SCHARHAG, , SANTA FE, NM, 87504 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874022	Dani Kuzma	, GURDON RANSOM MILLER III, , FORESTVILLE, CA, 95436 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874039	Dani Kuzma	, HERBERT KOKERNOT LEA, , CHICKAMAUGA, GA, 30707 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874046	Dani Kuzma	, JACOB RUSSEL WAHLBERG AND JAFFA, DUGAN WAHLBERG 2009 TRUST, ARCATA, CA, 95518 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874053	Dani Kuzma	, JAMES THOMAS LEA, , CHATTANOOGA, TN, 37408 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874060	Dani Kuzma	, KARA ELIZABETH LEA, , CHATTANOOGA, TN, 37403 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874077	Dani Kuzma	, KATHERINE LEA MORAN, , HOUSTON, TX, 77077 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Facility October 10, 2025 Signature Pending
92148969009997901850874084	Dani Kuzma	, KIM H NASH, , ARROYO SECO, NM, 87514 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874091	Dani Kuzma	, MABEL GLENN HAM REVOC TRUST, KURT A SOMMER TRUSTEE, SANTA FE, NM, 87504-1984 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending

92148969009997901850874107	Dani Kuzma	, MARY TANKSLEY CRIDDLE, , ALPINE, TX, 79830 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874114	Dani Kuzma	, MICHAEL ALLEN SMITH, , FREDERICK, MD, 21704 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874121	Dani Kuzma	, MICHAEL SCOTT LEA, , GOLDEN, CO, 80403 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874138	Dani Kuzma	, OFFICE OF NATURAL RESOURCES, , FARMINGTON, NM, 87402 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874145	Dani Kuzma	, PAUL ARTHUR TANKSLEY, , FAIR OAKS, TX, 78015 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874152	Dani Kuzma	, SAN JUAN BASIN TRUST, , BARTLESVILLE, OK, 74006-7500 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874169	Dani Kuzma	, SHARYN PERKINS, TENANT IN COMMON, KANSAS CITY, MO, 64157 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874176	Dani Kuzma	, SPEEREX LIMITED PARTNERSHIP, , GREENVILLE, SC, 29615-6199 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874183	Dani Kuzma	, W THOMAS BEARD III, , ALPINE, TX, 79831- 0668 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending
92148969009997901850874190	Dani Kuzma	, WOOLLEY FAMILY TRUST DTD 3/2/2005, URSULA M WOOLLEY TRUSTEE, WASHINGTON, DC, 20008 Code: CHAMBERLIN 1A DHC	10/9/2025	Arrived at USPS Regional Origin Facility October 9, 2025 Signature Pending

BALLANTINE COMMUNICATIONS

Campaign No. 31315
 Today's Date 9 Oct 2025
 P.O. Number _____
 Sales Rep Odette Capistrano-Zenizo

This is a quote for approval, not an invoice. Advanced payments may be accepted.

bill-to

Hilcorp Energy Company
 1111 Travis Street
 HOUSTON, TX 77002
 Tel: 832 839-4570
 Account No: 109863

advertiser

Hilcorp Energy Company
 1111 Travis Street
 HOUSTON, TX 77002
 Tel: 832 839-4570
 Account No: 109863

campaign summary

Description Chamberlin 1A DHC
 Start Date 10/13/2025
 End Date 10/13/2025
 Currency _____

cost summary

Base Amount \$75.10
 Adjustments \$14.50
 Gross Amount \$89.60
 Agency Commission \$0.00
 Net Amount \$89.60
 Estimated Tax \$7.34
Total \$96.94

Pre-Payment Details

Pre-Payment Amount	Pre-Payment Date	Pre-Payment Card No.
--------------------	------------------	----------------------

No Pre-Payments on this order

print lines

Line No.	Product	Description	Issue / Run Date	Quantity	Rate	Adjusted Rate	Amount
64840	Tri-City Record	TCR Private Legal	10/13/2025	1	89.60	75.10	89.60
---	ADJUSTMENT -				<u>TCR Legal Affidavit Charge</u>	<u>8.00</u>	
---	ADJUSTMENT -				<u>TCR Legal Online Charge</u>	<u>6.50</u>	

31315
Notice by Hilcorp Energy Company for Downhole Commingling, San Juan County, New Mexico.
 Pursuant to Paragraph (2) of Subsection C of 19.15.12.11 NMAC, Hilcorp Energy Company, as Operator, has

Line No.	Product	Description	Issue / Run Date	Quantity	Rate	Adjusted Rate	Amount
		<p>filed form C-107A with the New Mexico Energy, Minerals and Natural Resources Department – Oil Conservation Division (NMOCD) seeking administrative approval to downhole commingle new production from the Basin-Fruitland Coal Pool (71629) and Blanco Pictured Cliffs Pool (72359) with existing production from the Blanco Mesaverde Pool (72319) in the State Com SRC 1A well (API No. 30-045-22844) located in Unit F, Section 14, Township 32 North, Range 12 West, NMPM, San Juan County, New Mexico. Commingling will not reduce the value of production. Allocation method to be determined upon completion of this project. This notice is intended for certain unlocatable royalty interest owners in the aforementioned well for which certified mail delivery is not possible. Should you (the interest owner for which this notice is intended) have an objection, you are required to respond within twenty (20) days from the date of this publication. Please mail your objection letter, referencing the well details above, to the New Mexico Oil Conservation Division’s Santa Fe office.</p>					
		<p>Published in Tri-City Record October 13, 2025</p>					

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION FOR DOWNHOLE COMMINGLING
SUBMITTED BY HILCORP ENERGY COMPANY**

ORDER NO. DHC-5539

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Hilcorp Energy Company (“Applicant”) submitted a complete application (“Application”) to downhole commingle the pools described in Exhibit A (“the Pools”) within the well bore of the well identified in Exhibit A (“the Well”).
2. Applicant proposed a method to allocate the oil and gas production from the Well to each of the Pools that is satisfactory to the OCD and protective of correlative rights.
3. Applicant has certified that all produced fluids from all the Pools are compatible with each other.
4. Applicant has certified that downhole commingling the Pools will not decrease the value of the oil and gas production.
5. To the extent that ownership is diverse, Applicant identified all owners of interest in the Pools, provided evidence a copy of the Application was given to each person, and those persons either submitted a written waiver or did not file an objection to the Application.
6. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.

CONCLUSIONS OF LAW

7. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-6, 70-2-11, 70-2-12, 70-2-16, 70-2-17, and 19.15.12 NMAC.
8. The downhole commingling of the Pools is common, or Applicant has provided evidence that the fluids are compatible and will not damage the Pools in accordance with 19.15.12.11(A)(1) NMAC.
9. The bottom perforation of the lower zone is within one hundred fifty percent (150%) of the depth of the top perforation in the upper zone or Applicant has provided evidence that the proposed commingling of the Pools shall not result in shut-in or flowing well bore pressure in excess of the commingled pool’s fracture parting pressure in accordance with 19.15.12.11(A)(3) NMAC.

10. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.11(A)(8) NMAC.
11. To the extent that ownership is diverse, Applicant identified all owners of interest in the Pools and provided evidence the application was given to those persons in accordance with 19.15.12.11(C)(1)(b) NMAC.
12. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to downhole commingle the Pools described in Exhibit A within the well bore of the well identified in Exhibit A.
2. Applicant shall allocate oil and gas production to the new pool(s) equal to the total oil and gas production from the Well minus the projected oil and gas production from the current pool(s) as described in Exhibit A until a different plan to allocate oil and gas production is approved by OCD.

Applicant shall calculate the oil and gas production average during the fourth year after the commencement of commingling, which shall be used to establish a fixed percentage of the total oil and gas production that shall be allocated to each of the Pools ("fixed percentage allocation plan"). No later than ninety (90) days after the fourth year, Applicant shall submit a Form C-103 to the OCD Engineering Bureau that includes the fixed percentage allocation plan and all data used to determine it. If Applicant fails to do so, this Order shall terminate on the following day. If OCD denies the fixed percentage allocation plan, this Order shall terminate on the date of such action. If OCD approves the percentage allocation plan with or without modifications, then the approved percentage allocation plan shall be used to determine oil and gas allocation starting on the date of such action until the Well is plugged and abandoned.

Applicant shall allocate a fixed percentage of the oil production from the Well to each of the Pools until a different plan to allocate oil production is approved by OCD. Of the oil production from the Well:

- a. one percent (1%) shall be allocated to the Basin Fruitland Coal pool (pool ID: 71629);
- b. zero percent (0%) shall be allocated to the Blanco Picture Cliffs pool (pool ID: 72359); and
- c. ninety nine percent (99%) shall be allocated to the Blanco Mesaverde pool (pool ID: 72319).

Applicant shall allocate gas production to the new pool(s) equal to the total gas production from the Well minus the projected gas production from the current pool(s) until a different plan to allocate gas production is approved by OCD. The new pool(s) are:

- a. the Basin Fruitland Coal pool (pool ID: 71629); and
- b. the Blanco Pictured Cliffs pool (pool ID: 72359).

The current pool(s) are:

- a. the Blanco Mesaverde pool (pool ID: 72319);

Until a different plan to allocate gas production is approved by OCD, of the gas production allocated to the new pools:

- a. seventy three percent (73%) shall be allocated to the Basin Fruitland Coal pool (pool ID: 71629); and
- b. twenty seven percent (27%) shall be allocated to the Blanco Picture Cliffs pool (pool ID: 72359).


Applicant shall calculate the oil and gas production average during the fourth year after the commencement of commingling, which shall be used to establish a fixed percentage of the total oil and gas production that shall be allocated to each of the Pools (“fixed percentage allocation plan”). No later than ninety (90) days after the fourth year, Applicant shall submit a Form C-103 to the OCD Engineering Bureau that includes the fixed percentage allocation plan and all data used to determine it. If Applicant fails to do so, this Order shall terminate on the following day. If OCD denies the fixed percentage allocation plan, this Order shall terminate on the date of such action. If OCD approves the percentage allocation plan with or without modifications, then the approved percentage allocation plan shall be used to determine oil and gas allocation starting on the date of such action until the Well is plugged and abandoned.

3. If an alteration is made to the Well or a condition within the Well changes which may cause the allocation of production to the Pools as approved within this Order to become inaccurate, then no later than sixty (60) days after that event, Applicant shall submit Form C-103 to the OCD Engineering Bureau describing the event and include a revised allocation plan. If OCD denies the revised allocation plan, this Order shall terminate on the date of such action.
4. If any of the pools being commingled is prorated, or the Well’s production has been restricted by an OCD order in any manner, the allocated production from each producing pool in the commingled well bore shall not exceed the top oil or gas allowable rate for a well in that pool or rate restriction applicable to the well.
5. If the Well is deepened, then no later than forty-five (45) days after the Well is deepened, Applicant shall conduct and provide logs to OCD that are sufficient for OCD to determine which pool(s) each new completed interval of the Well will produce from.
6. If the downhole commingling of the Pools reduces the value of the oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new downhole commingling application to OCD to amend this Order to remove the pool that caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
7. If a completed interval of the Well is altered from what is submitted within the Application as identified in Exhibit A, then no later than sixty (60) days after the alteration, Applicant

shall submit Form C-103 to the OCD Engineering Bureau detailing the alteration and completed interval.

8. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
9. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



Gerasimos Razatos for Albert Chang

DATE: 2/24/2026

**ALBERT CHANG
DIVISION DIRECTOR**

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **DHC-5539**

Operator: **Hilcorp Energy Company**

Well Name: **Chamberlin Well No. 1A**

Well API: **30-045-22844**

Upper Zone	Pool Name: Basin Fruitland Coal	Current:	New: X
	Pool ID: 71629	Oil: 1.0%	Gas: 73.0%
	Allocation: Subtraction	Top: 2,290	Bottom: 2,682

Intermediate Zone	Pool Name: Blanco Pictured Cliffs	Current:	New: X
	Pool ID: 72359	Oil: 0.0%	Gas: 27.0%
	Allocation: Subtraction	Top: 2,683	Bottom: 2,864

Bottom of Interval within 150% of Upper Zone's Top of Interval: **YES**

Lower Zone	Pool Name: Blanco Mesa-verde	Current: X	New:
	Pool ID: 72319	Oil: 99.0%	Gas: Subt
	Allocation: Subtraction	Top: 4,238	Bottom: 5,300

Bottom of Interval within 150% of Upper Zone's Top of Interval: **NO**

Top of Queen Formation:

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oecd/contact-us>

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

CONDITIONS

Action 514157

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 514157
	Action Type: [C-107] Down Hole Commingle (C-107A)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	2/18/2026