

<h1 style="margin: 0;">Hilcorp Energy Company</h1> <h2 style="margin: 0;">PRODUCTION ALLOCATION FORM</h2>						Distribution: BLM / NMOCD Original Accounting Well File Revised: September 25, 2019																	
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 checked="" type="checkbox"/> FINAL <input type="checkbox"/> REVISED <input type="checkbox"/>																	
						Date: 9/2/2021 API No. 30-039-20397 DHC No. DHC-4928 Lease No. NMSF079050C																	
Well Name San Juan 28-6 Unit						Well No. 155																	
Unit Letter L	Section 28	Township 28N	Range 6W	Footage 1550' FSL & 1190' FWL	County, State Rio Arriba, New Mexico																		
Completion Date 8/2/2021		Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input checked="" type="checkbox"/>																					
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- 41%, MV- 59%																							
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">NAME</th> <th style="width: 15%;">DATE</th> <th style="width: 35%;">TITLE</th> <th style="width: 20%;">PHONE</th> </tr> </thead> <tbody> <tr> <td>X <i>Kandis Roland</i></td> <td>9/2/2021</td> <td>Operations/Regulatory Tech – Sr.</td> <td>713-757-5246</td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>								NAME	DATE	TITLE	PHONE	X <i>Kandis Roland</i>	9/2/2021	Operations/Regulatory Tech – Sr.	713-757-5246								
NAME	DATE	TITLE	PHONE																				
X <i>Kandis Roland</i>	9/2/2021	Operations/Regulatory Tech – Sr.	713-757-5246																				

Well Name: SAN JUAN 28-6 UNIT	Well Location: T28N / R6W / SEC 28 / NWSW / 36.62927 / -107.47684	County or Parish/State: RIO ARRIBA / NM
Well Number: 155	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF079050C	Unit or CA Name: SAN JUAN 28-6 UNIT--DK	Unit or CA Number: NMNM78412C
US Well Number: 3003920397	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2632196

Type of Submission: Notice of Intent

Type of Action: Commingling (Subsurface)

Date Sundry Submitted: 09/02/2021

Time Sundry Submitted: 09:41

Date proposed operation will begin: 08/01/2021

Procedure Description: See Attached Production Allocations.

NOI Attachments

Procedure Description

SJ_28_6_Unit_155_Preliminary_Subtraction_Allocation_20210902094030.pdf

San_Juan_28_6_Unit_155_Production_Allocation_Back_up_20210902094030.pdf

Well Name: SAN JUAN 28-6 UNIT

Well Location: T28N / R6W / SEC 28 / NWSW / 36.62927 / -107.47684

County or Parish/State: RIO ARRIBA / NM

Well Number: 155

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMSF079050C

Unit or CA Name: SAN JUAN 28-6 UNIT--DK

Unit or CA Number: NMNM78412C

US Well Number: 3003920397

Well Status: Producing Gas Well

Operator: HILCORP ENERGY COMPANY

Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: KANDIS ROLAND

Signed on: SEP 02, 2021 09:40 AM

Name: HILCORP ENERGY COMPANY

Title: Operation Regulatory Tech

Street Address: 382 Road 3100

City: Farmington **State:** NM

Phone: (505) 599-3400

Email address: kroland@hilcorp.com

Field Representative

Representative Name:

Street Address:

City: **State:** **Zip:**

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Title: Petroleum Engineer

BLM POC Phone: 9708783846

BLM POC Email Address: krennick@blm.gov

Disposition: Approved

Disposition Date: 09/10/2021

Signature: Kenneth Rennick

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 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

CONDITIONS
 Action 47574

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 47574
	Action Type: [C-103] NOI General Sundry (C-103X)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	None	11/12/2021