

Well Name: ATLANTIC COM B	Well Location: T31N / R10W / SEC 23 / SWNW / 36.88591 / -107.856644	County or Parish/State: SAN JUAN / NM
Well Number: 8A	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM013688	Unit or CA Name: BASIN FRUITLAND COAL	Unit or CA Number: NMNM112663, NMNM73298
US Well Number: 3004522252	Operator: HILCORP ENERGY COMPANY	

Notice of Intent

Released to Imaging: 12/19/2025 12:07:35 PM

Sundry ID: 2849309

Type of Submission: Notice of Intent

Type of Action: Commingling (Subsurface)

Date Sundry Submitted: 04/24/2025

Time Sundry Submitted: 10:26

Date proposed operation will begin: 07/15/2024

Procedure Description: Please see attached preliminary subtraction allocation.

NOI Attachments

Procedure Description

Atlantic_Com_B_8A_Preliminary_Subtraction_Allocation_20250424102535.pdf

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SWNW / 36.88591 / -107.856644

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JUAN / NM

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WELL

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Unit or CA Name: BASIN FRUITLAND
COAL

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NMNM112663, NMNM73298

US Well Number: 3004522252

Operator: HILCORP ENERGY
COMPANY

Operator

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

Operator Electronic Signature: CHERYLENE WESTON

Signed on: APR 24, 2025 10:25 AM

Name: HILCORP ENERGY COMPANY

Title: Operations/Regulatory Tech - Sr

Street Address: 1111 TRAVIS STREET

City: HOUSTON

State: TX

Phone: (713) 289-2615

Email address: CWESTON@HILCORP.COM

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Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Phone: 5055647742

Disposition: Approved

Signature: Kenneth Rennick

BLM POC Title: Petroleum Engineer

BLM POC Email Address: krennick@blm.gov

Disposition Date: 04/25/2025

<h1 style="text-align: center;">Hilcorp Energy Company</h1> <h2 style="text-align: center;">PRODUCTION ALLOCATION FORM</h2>						Distribution: BLM / NMOCD Original Accounting Well File Revised: September 25, 2019	
						Status PRELIMINARY <input checked="" type="checkbox"/> FINAL <input type="checkbox"/> REVISED <input type="checkbox"/>	
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"/>						Date: 4/24/2025 API No. 30-045-22252 DHC No. DHC-5377 Lease No. NMNM013688	
Well Name ATLANTIC COM B						Well No. 8A	
Unit Letter E	Section 23	Township 031N	Range 010W	Footage 1825 FNL & 1100 FWL	County, State SAN JUAN, New Mexico		
Completion Date 7/15/2024		Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input checked="" type="checkbox"/>					
<p>JUSTIFICATION OF ALLOCATION: Hilcorp requests that production for the downhole commingle 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. The subtraction method applies an average monthly production forecast to the base formation using historic production. All production from this well exceeding the forecast will be allocated to the new formation. 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. (No Change from Approved DHC)</p> <p>Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years: MV 59%, FRC 41%. Change from Approved DHC - Original oil allocation used incorrect EUR for remaining gas in MV, calculated off total well EUR, not remaining gas EUR.</p> <p>After 4 years oil will be reevaluated and adjusted as needed based on average formation yields and new fixed gas allocation.</p>							
NAME		DATE		TITLE		PHONE	
X <i>Cherylene Weston</i>							
Cherylene Weston		4/24/2025		Operations/Regulatory Tech – Sr.		713-289-2615	
For Technical Questions: Griffin Selby				Reservoir Engineer		346-237-2071	

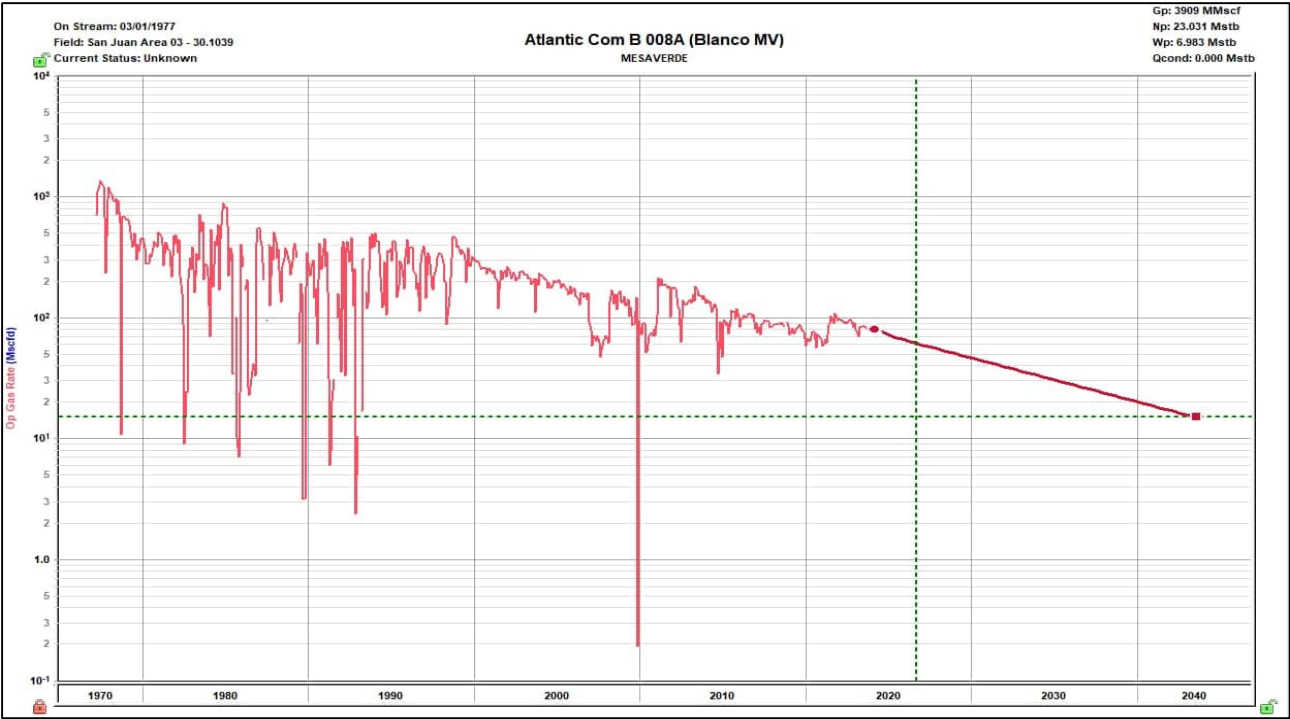
Atlantic Com B 8A Subtraction Allocation - 3004522252

	MV
Date	Mcfd
Jul-24	73.5
Aug-24	72.9
Sep-24	72.3
Oct-24	71.6
Nov-24	71
Dec-24	70.4
Jan-25	69.7
Feb-25	69.2
Mar-25	68.6
Apr-25	68
May-25	67.4
Jun-25	66.8
Jul-25	66.2
Aug-25	65.6
Sep-25	65
Oct-25	64.5
Nov-25	63.9
Dec-25	63.3
Jan-26	62.8
Feb-26	62.2
Mar-26	61.7
Apr-26	61.2
May-26	60.6
Jun-26	60.1
Jul-26	59.6
Aug-26	59.1
Sep-26	58.5
Oct-26	58
Nov-26	57.5
Dec-26	57
Jan-27	56.5
Feb-27	56
Mar-27	55.6
Apr-27	55.1
May-27	54.6
Jun-27	54.1
Jul-27	53.6
Aug-27	53.2
Sep-27	52.7
Oct-27	52.2
Nov-27	51.8
Dec-27	51.3
Jan-28	50.9
Feb-28	50.4
Mar-28	50
Apr-28	49.6
May-28	49.1
Jun-28	48.7
Jul-28	48.3
Aug-28	47.8

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 the added formation to be commingled is the Fruitland Coal. The subtraction method applies an average monthly production forecast to the base formation using historic production. All production from this well exceeding the forecast will be allocated to the new formation.

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.

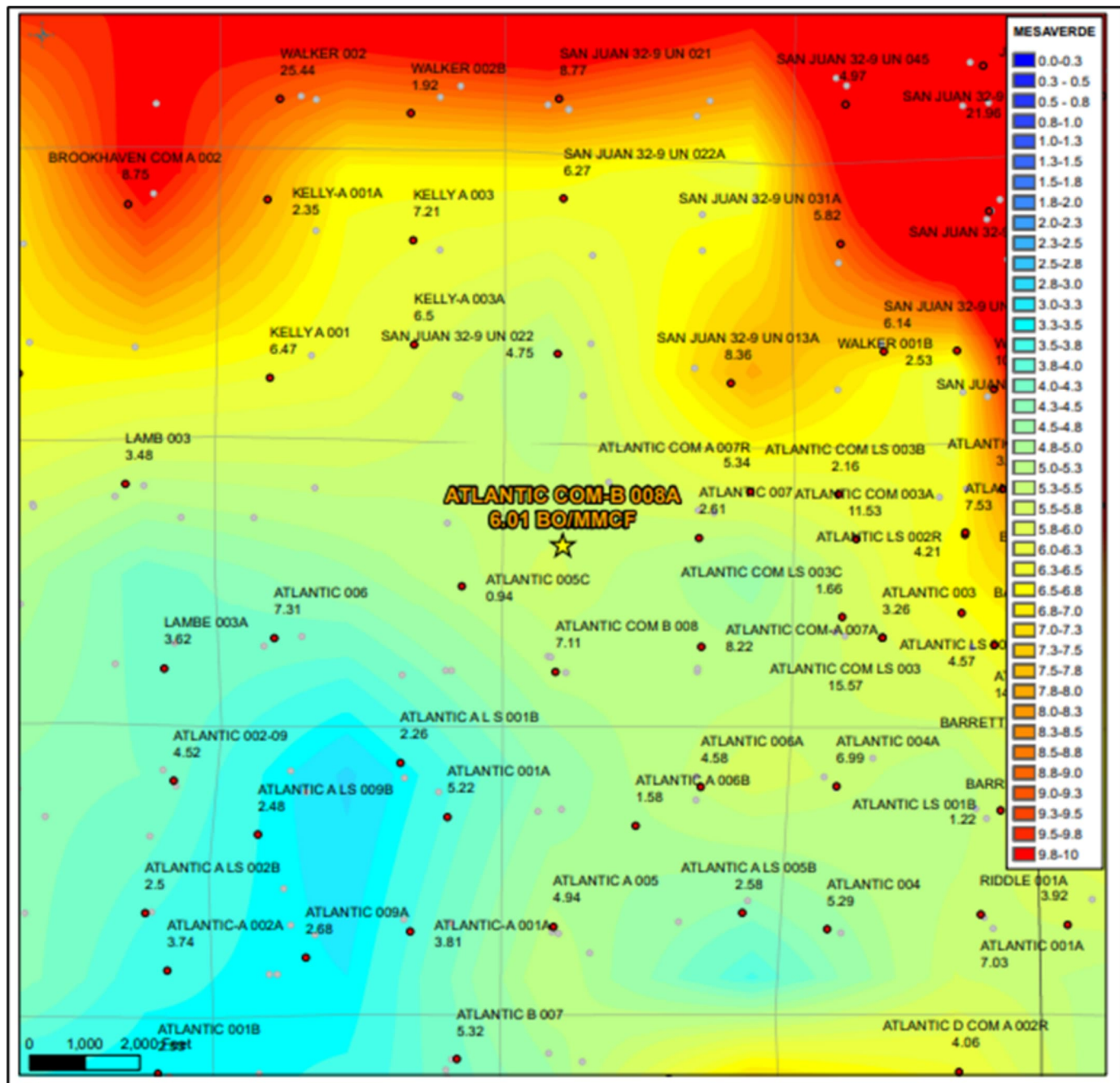


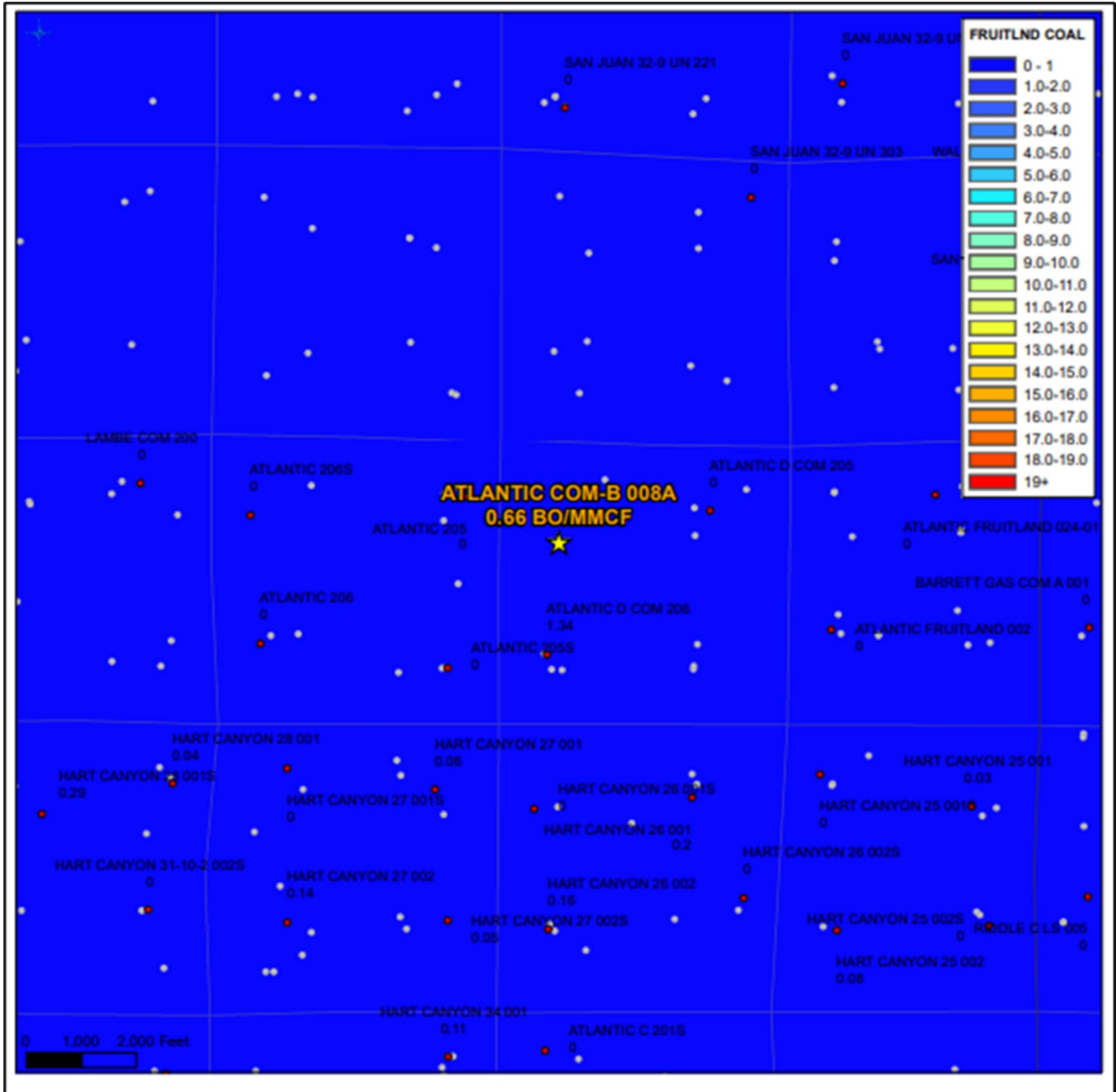
Oil Allocation:

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	6.01	254	59%
FRC	0.66	1575	41%
			100%





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

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/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 455715

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 455715
	Action Type: [C-103] NOI General Sundry (C-103X)

CONDITIONS

Created By	Condition	Condition Date
andrew.fordyce	The production from the well shall be allocated to each pool as stipulated in the DHC Order.	12/19/2025