

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

Distribution:
BLM / NMOCD Original
Accounting
Well File
Revised: September 25, 2019

Status
PRELIMINARY ☒
FINAL ☐
REVISED ☐

Date: **8/16/2021**

API No. **30-039-20865**
DHC No. **DHC-4957**
Lease No. **NMSF078497A**

Commingle Type
SURFACE ☐ DOWNHOLE ☒

Type of Completion
NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Well Name
San Juan 28-7 Unit

Well No.
220

Unit Letter	Section	Township	Range	Footage	County, State
N	22	28N	7W	1080' FSL & 2480' FWL	Rio Arriba, New Mexico

Completion Date	Test Method
7/25/2021	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- 2%, MV- 97%

NAME	DATE	TITLE	PHONE
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