

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

OIL CONS. DIV DIST. 3

JAN 22 2018

Distribution:
BLM 4 Copies
Regulatory
Accounting
Well File
Revised: March 9, 2006

Status
PRELIMINARY ☒
FINAL ☐
REVISED ☐

Date: 1/9/2018

API No. 30-045-25702
DHC No. DHC 3965AZ
Lease No. SF-077865
Federal

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Well Name

Albright

Well No.

#11

Unit Letter

I

Section

22

Township

T029N

Range

R010W

Footage

1862' FSL & 860' FEL

County, State

San Juan,
New Mexico

Completion Date

12/22/2017

Test Method

HISTORICAL ☐ FIELD TEST ☐ PROJECTED ☐ OTHER ☒

JUSTIFICATION OF ALLOCATION: Hilcorp requests that production for the downhole commingle be allocated using the subtraction method. The base formation is the Gallup 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. MV- 18%, GP- 82%

APPROVED BY

DATE

TITLE

PHONE

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1/16/2018

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RECEIVED

JAN 10 2018

NMOCD

Farmington Field Office
Bureau of Land Management