

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

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

Status
PRELIMINARY
FINAL
REVISED

Commingle Type
SURFACE DOWNHOLE
Type of Completion
NEW DRILL RECOMPLETION PAYADD COMMINGLE

NMOC
MAY 18 2018
DISTRICT 111

Date: **5/11/2018**
API No. **30-039-20430**
DHC No. **DHC-2513-A**
Lease No. **NMSF-078640**
Federal

Well Name
San Juan 28-7 Unit

Well No.
155

Unit Letter K	Section 22	Township T027N	Range R07W	Footage 1650' FSL & 1650' FWL
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County, State
**Rio Arriba,
New Mexico**

Completion Date 3/25/2018	Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input checked="" type="checkbox"/>
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JUSTIFICATION OF ALLOCATION: Hilcorp requests that production for the downhole commingle be allocated using the subtraction method. The base formation is the Basin 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. MV- 90%, DK- 10%

APPROVED BY	DATE	TITLE	PHONE
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