

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

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Accounting
Well File

Revised: March 9, 2018

Status
PRELIMINARY ☒
FINAL ☐
REVISED ☐

Date: 11/19/2018

API No. 30-045-26401

DHC No. 4082AZ

Lease No. Federal

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Well Name

Riddle B

Well No.

10E

Unit Letter

O

Section

27

Township

30N

Range

10W

Footage

1180' FSL & 1460' FEL

County, State

**San Juan,
New Mexico**

Completion Date

10/22/2018

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 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- 7%, MV- 93%

APPROVED BY

DATE

TITLE

PHONE

Joe Heath

12-18-18

Geo

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X *Priscilla Shorty*

11/19/18

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NMOCD

DEC 21 2018

DISTRICT III

NMOCD