

Hilcorp Energy Company

PRODUCTION ALLOCATION FORM

Distribution:
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Accounting
Well File
Revised: March 9, 2018

Status
PRELIMINARY
FINAL
REVISED

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

Date: 5/14/2019

API No. 30-045-23647
DHC No. 4933
Lease No. FEE

Well Name
Harper

Well No.
2E

Unit Letter	Section	Township	Range	Footage	County, State
H	14	31N	12W	1780' FNL & 930' FEL	San Juan, New Mexico

Completion Date: **5/4/2019**
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- 66%, MV- 34%**

APPROVED BY	DATE	TITLE	PHONE
<i>[Signature]</i>	5/30/19	GEOLOGIST DISTRICT #3	505-334-6178 x114
X <i>[Signature]</i>	5/14/19	Operations/Regulatory Tech – Sr.	505.324.5122
Amanda Walker			