

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

AUG 06 2019

DISTRICT III

Date: 11/13/2018

API No. 30-039-30120
 DHC No. DHC 4029AZ
 Lease No. NMSF079049
 Federal

Well Name
San Juan 28-6 Unit

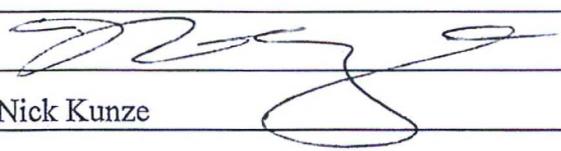
Well No.
#205E

Unit Letter	Section	Township	Range	Footage	County, State
A	9	T27N	R06W	20'FNL & 370'FEL	Rio Arriba, New Mexico

Completion Date	Test Method
11/11/2018	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: MV- 88%, DK- 12%

APPROVED BY	DATE	TITLE	PHONE
X 		Area Operations Manager	713-209-2449
Nick Kunze			

ACCEPTED FOR RECORD

AUG 01 2019

NMOCD

FARMINGTON FIELD OFFICE
 By: 