

Area: <TEAM>

<h1 style="margin: 0;">Hilcorp Energy Company</h1> <h2 style="margin: 0;">PRODUCTION ALLOCATION FORM</h2>					Distribution: BLM 4 Copies Regulatory Accounting Well File Revised: March 9, 2006
Commingle Type SURFACE <input type="checkbox"/> DOWNHOLE <input checked="" type="checkbox"/> Type of Completion NEW DRILL <input type="checkbox"/> RECOMPLETION <input type="checkbox"/> PAYADD <input type="checkbox"/> COMMINGLE <input checked="" type="checkbox"/>					Status PRELIMINARY <input type="checkbox"/> FINAL <input checked="" type="checkbox"/> REVISED <input type="checkbox"/>
					Date: 8/26/22 API No. 30-045-29893 DHC No. DHC3960 Lease No. NMSF078487C <p style="text-align: center;">Federal</p>
Well Name Sunray					Well No. 8M
Unit Letter P	Section 5	Township 29N	Range 8W	Footage 1005' FSL & 1110' FEL	County, State San Juan County, New Mexico
Completion Date 8/25/22	Test Method HISTORICAL <input checked="" type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>				
FORMATION	GAS	PERCENT	CONDENSATE	PERCENT	
DAKOTA	1 mcf	1%		1%	
MESAVERDE	56 mcf	99%		99%	
	57 mcf				
JUSTIFICATION OF ALLOCATION: Mesaverde and Dakota zones were metered separately before downhole commingle. Percentage based allocation is calculated from average production rates from the last twelve months. Well has not produced any oil in over 10 years. For that reason, oil percentages are based upon the gas allocation and are provided in the event the wellbore begins to producing oil at some point in the future.					
APPROVED BY		DATE	TITLE		PHONE
<i>XKandis Roland</i>			Operations/Regulatory Tech – Sr.		713-757-5246
Kandis Roland		8/26/22			

Dean R McClure

06/27/2023

Well Name: SUNRAY	Well Location: T29N / R8W / SEC 5 / SESE / 36.749354 / -107.692499	County or Parish/State: SAN JUAN / NM
Well Number: 8M	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078487C	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004529893	Well Status: Producing Gas Well	Operator: HILCORP ENERGY COMPANY

Notice of Intent

Sundry ID: 2689367

Type of Submission: Notice of Intent

Type of Action: Commingling (Subsurface)

Date Sundry Submitted: 08/26/2022

Time Sundry Submitted: 12:15

Date proposed operation will begin: 08/25/2022

Procedure Description: Please see attached production allocation.

NOI Attachments

Procedure Description

Sunray_8M_Production_Allocation_20220826121519.pdf

Well Name: SUNRAY

Well Location: T29N / R8W / SEC 5 / SESE / 36.749354 / -107.692499

County or Parish/State: SAN JUAN / NM

Well Number: 8M

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMSF078487C

Unit or CA Name:

Unit or CA Number:

US Well Number: 3004529893

Well Status: Producing Gas Well

Operator: HILCORP ENERGY COMPANY

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: KANDIS ROLAND

Signed on: AUG 26, 2022 12:15 PM

Name: HILCORP ENERGY COMPANY

Title: Operation Regulatory Tech

Street Address: 382 Road 3100

City: Farmington

State: NM

Phone: (505) 599-3400

Email address: kroland@hilcorp.com

Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742

BLM POC Email Address: krennick@blm.gov

Disposition: Approved

Disposition Date: 09/12/2022

Signature: Kenneth Rennick

Sunray 8M Fixed Allocation

The Mesaverde and the Dakota formations have been producing through dual strings and metered separately since the well was originally completed in 2000. Hilcorp commingled these zones and requests to allocate production using a fixed percentage based on the historical separately metered production volumes.

The new fixed percentage based allocation will be calculated from average production rates from the past twelve months.

Date	Gas Production		
	Dakota	Mesaverde	Total
Aug-21	0.0	67.6	67.6
Sep-21	0.0	58.9	58.9
Oct-21	0.0	66.9	66.9
Nov-21	0.0	93.4	93.4
Dec-21	0.0	68.1	68.1
Jan-22	0.0	65.9	65.9
Feb-22	0.0	54.1	54.1
Mar-22	0.0	64.3	64.3
Apr-22	0.0	62.7	62.7
May-22	5.0	35.7	40.7
Jun-22	0.0	18.4	18.4
Jul-22	0.0	24.6	24.6
Averages	0.4	56.7	57.1
% of Total	1%	99%	

Well has not produced any oil in over 10 years. For that reason, oil percentages are based upon the gas allocation and are provided in the event the wellbore begins to producing oil at some point in the future.

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 233377

CONDITIONS

Operator: BURLINGTON RESOURCES OIL & GAS COMPANY LP 600 W Illinois Ave Midland, TX 79701	OGRID: 14538
	Action Number: 233377
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
dmcclore	None	6/27/2023