

Well Name: SAN JUAN 30-5 UNIT	Well Location: T30N / R5W / SEC 35 / NENE / 36.77402 / -107.32069	County or Parish/State: RIO ARRIBA / NM
Well Number: 101	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM012332	Unit or CA Name: SAN JUAN 30-5 UNIT--DK	Unit or CA Number: NMNM78419B
US Well Number: 3003923147	Operator: HILCORP ENERGY COMPANY	

Notice of Intent

Sundry ID: 2798976

Type of Submission: Notice of Intent	Type of Action: Commingling (Subsurface)
Date Sundry Submitted: 07/03/2024	Time Sundry Submitted: 12:03
Date proposed operation will begin: 06/01/2024	

Procedure Description: Attached please find the Preliminary Subtraction Allocation for the recently recompleted well.

NOI Attachments

Procedure Description

SJ_30_5_Unit_101_Preliminary_Subtraction_Allocation_Form_20240703120325.pdf

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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: AMANDA WALKER

Signed on: JUL 03, 2024 12:03 PM

Name: HILCORP ENERGY COMPANY

Title: Operations/Regulatory Technician

Street Address: 1111 TRAVIS ST

City: HOUSTONState: TX

Phone: (346) 237-2177

Email address: MWALKER@HILCORP.COM

Field

Representative Name:

Street Address:

City:State:Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: MATTHEW H KADE

BLM POC Title: Petroleum Engineer


BLM POC Phone: 5055647736

BLM POC Email Address: MKADE@BLM.GOV

Disposition: Approved

Disposition Date: 07/09/2024

Signature: Matthew Kade

<h1 style="text-align: center;">Hilcorp Energy Company</h1> <h2 style="text-align: center;">PRODUCTION ALLOCATION FORM</h2>						Distribution: BLM / NMOCD Original Accounting Well File Revised: September 25, 2019	
						Status PRELIMINARY <input checked="" type="checkbox"/> FINAL <input type="checkbox"/> REVISED <input type="checkbox"/>	
Commingle Type SURFACE <input type="checkbox"/> DOWNHOLE <input checked="" type="checkbox"/> Type of Completion NEW DRILL <input type="checkbox"/> RECOMPLETION <input checked="" type="checkbox"/> PAYADD <input type="checkbox"/> COMMINGLE <input type="checkbox"/>						Date: 7/3/2024 API No. 30-039-23147 DHC No. DHC 5372 Lease No. NMSF012332	
Well Name San Juan 30-5 Unit						Well No. 101	
Unit Letter A	Section 35	Township 30N	Range 05W	Footage 820' FNL & 1050' FEL	County, State Rio Arriba, New Mexico		
Completion Date 6/15/2024		Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input checked="" type="checkbox"/>					
<p>JUSTIFICATION OF ALLOCATION: Hilcorp requests that production for the downhole commingle be allocated using the subtraction method in agreement with local agencies. 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). After 3 years production will stabilize. A production average will be gathered during the 4th year and will be utilized to create a fixed percentage based allocation.</p> <p>Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years. MV 100%, DK 0% (No Change to Allocation from Approved DHC Application)</p> <p>After 4 years oil will be reevaluated and adjust as needed based on average formation yields and new fixed gas allocation.</p>							
NAME		DATE		TITLE		PHONE	
Amanda Walker		7/3/2024					
				Operations/Regulatory Tech – Sr.		346-237-2177	
For Technical Questions: Shane Smith				Reservoir Engineer		shane.smith@hilcorp.com	

San Juan 30-5 Unit 101 Subtraction Allocation

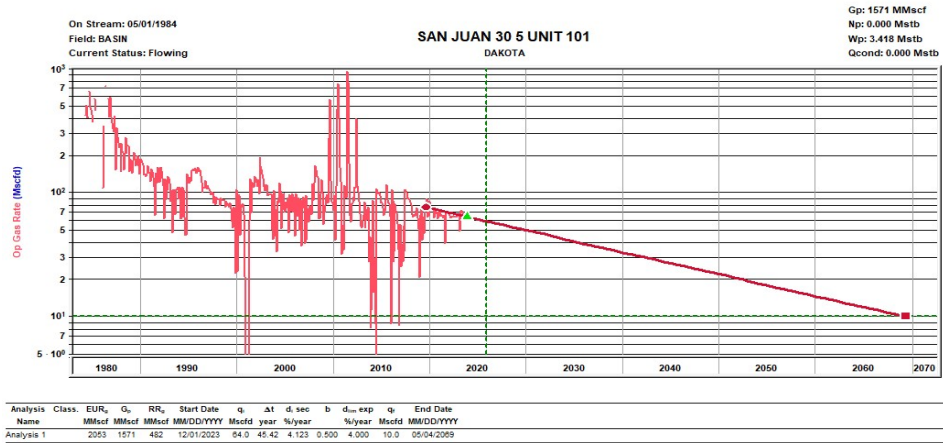
3003923147

Date	Mcf
Jun-24	62.53
Jul-24	62.31
Aug-24	62.09
Sep-24	61.87
Oct-24	61.66
Nov-24	61.44
Dec-24	61.23
Jan-25	61.02
Feb-25	60.81
Mar-25	60.61
Apr-25	60.4
May-25	60.19
Jun-25	59.98
Jul-25	59.78
Aug-25	59.57
Sep-25	59.37
Oct-25	59.16
Nov-25	58.96
Dec-25	58.76
Jan-26	58.56
Feb-26	58.37
Mar-26	58.17
Apr-26	57.98
May-26	57.78
Jun-26	57.58
Jul-26	57.39
Aug-26	57.19
Sep-26	56.99
Oct-26	56.8
Nov-26	56.6
Dec-26	56.41
Jan-27	56.22
Feb-27	56.03
Mar-27	55.85
Apr-27	55.66
May-27	55.47
Jun-27	55.28
Jul-27	55.09
Aug-27	54.9
Sep-27	54.71
Oct-27	54.53
Nov-27	54.34
Dec-27	54.16
Jan-28	53.97
Feb-28	53.79
Mar-28	53.61
Apr-28	53.43
May-28	53.24

Gas Allocation:

Production for the downhole commingle will be allocated using the subtraction method in agreement with local agencies. 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 using historic production. All production from this well exceeding the forecast will be allocated to the new formation.

After 3 years production will stabilize. A production average will be gathered during the 4th year and will be utilized to create a fixed percentage based allocation.

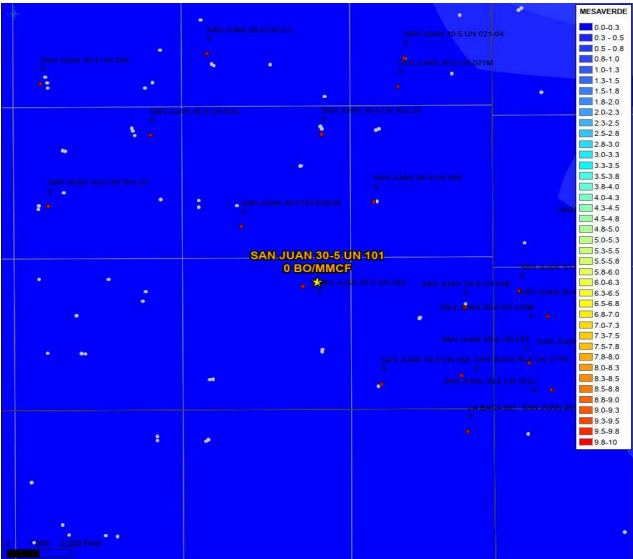
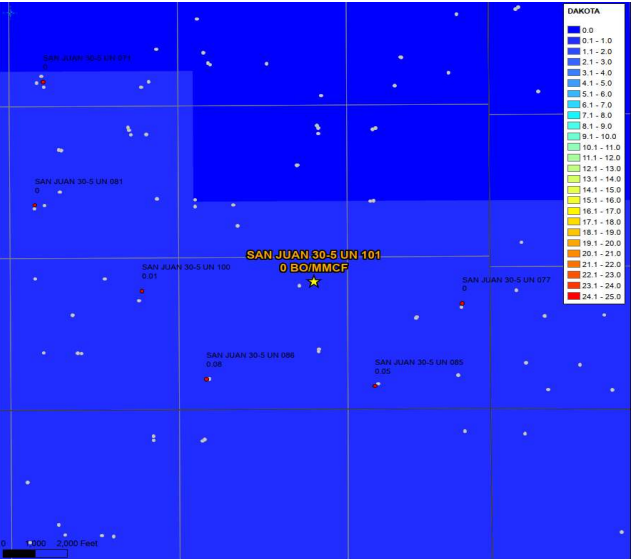


Oil Allocation:

Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years. The Dakota formation has historically never produced oil. If the well produces and oil, it will be allocated 100% to the Mesaverde formation.

After 4 years oil will be reevaluated and adjusted as needed based on average formation yields and new fixed gas allocation.

Formation	Yield (bbl/MM)	Remaining Reserves (MMcf)	% Oil Allocation
DK	0	482	0%
MV	0	880	100%



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 362256

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 362256
	Action Type: [C-103] NOI General Sundry (C-103X)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	ACCEPTED FOR RECORD ONLY	7/16/2024
dmcclure	The production from the well shall be allocated to each pool as stipulated within the DHC Order.	7/16/2024