

Form 3160-5
(June 2019)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well

Oil Well Gas Well Other

8. Well Name and No.

2. Name of Operator

9. API Well No.

3a. Address

3b. Phone No. (include area code)

10. Field and Pool or Exploratory Area

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)

11. Country or Parish, State

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Title

Signature

Date

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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.

(Instructions on page 2)

Additional Information

Location of Well

0. SHL: NENE / 825 FNL / 825 FEL / TWSP: 30N / RANGE: 11W / SECTION: 25 / LAT: 36.78775 / LONG: -107.936142 (TVD: 0 feet, MD: 0 feet)

BHL: NENE / 825 FNL / 825 FEL / TWSP: 30N / SECTION: / LAT: 36.78775 / LONG: 107.936142 (TVD: 0 feet, MD: 0 feet)

<h1 style="margin: 0;">Hilcorp Energy Company</h1> <h2 style="margin: 0;">PRODUCTION ALLOCATION FORM</h2>					Distribution: BLM / NMOCD Original Accounting Well File Revised: September 25, 2019
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"/>					Status PRELIMINARY <input checked="" type="checkbox"/> FINAL <input type="checkbox"/> REVISED <input type="checkbox"/> Date: 7/22/2024 API No. 30-045-20985 DHC No. 5365 Lease No. NMSF078198
Well Name Nye SRC					Well No. 15
Unit Letter A	Section 25	Township 30N	Range 11W	Footage 825' FNL & 825' FEL	County, State San Juan, New Mexico
Completion Date 7/12/2024	Test Method 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 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(s). After 3 years production will stabilize. A production average will be gathered during the 4 th year and will be utilized to create a fixed percentage based allocation.					
Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years. MV 77%, DK 23% (No Change to Allocation from Approved DHC Application)					
After 4 years oil will be reevaluated and adjust as needed based on average formation yields and new fixed gas allocation.					
NAME		DATE		TITLE	
Amanda Walker		7/22/2024			
X 				Operations/Regulatory Tech – Sr.	
				346-237-2177	
For Technical Questions: Sikandar Khan				Reservoir Engineer	
				sikandar.khan@hilcorp.com	

NYE SRC 015 Subtraction Allocation

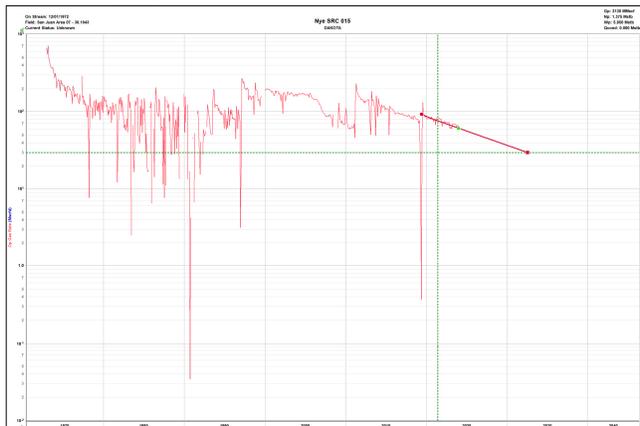
3004520985

Date	DK - Mcfd
Jul-24	63.5
Aug-24	63
Sep-24	62.6
Oct-24	62.2
Nov-24	61.8
Dec-24	61.4
Jan-25	61
Feb-25	60.6
Mar-25	60.2
Apr-25	59.9
May-25	59.5
Jun-25	59.1
Jul-25	58.7
Aug-25	58.3
Sep-25	58
Oct-25	57.6
Nov-25	57.2
Dec-25	56.9
Jan-26	56.5
Feb-26	56.1
Mar-26	55.8
Apr-26	55.4
May-26	55.1
Jun-26	54.7
Jul-26	54.4
Aug-26	54
Sep-26	53.7
Oct-26	53.4
Nov-26	53
Dec-26	52.7
Jan-27	52.3
Feb-27	52
Mar-27	51.7
Apr-27	51.4
May-27	51
Jun-27	50.7
Jul-27	50.4
Aug-27	50.1
Sep-27	49.7
Oct-27	49.4
Nov-27	49.1
Dec-27	48.8
Jan-28	48.5
Feb-28	48.2
Mar-28	47.9
Apr-28	47.6
May-28	47.3
Jun-28	47

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.

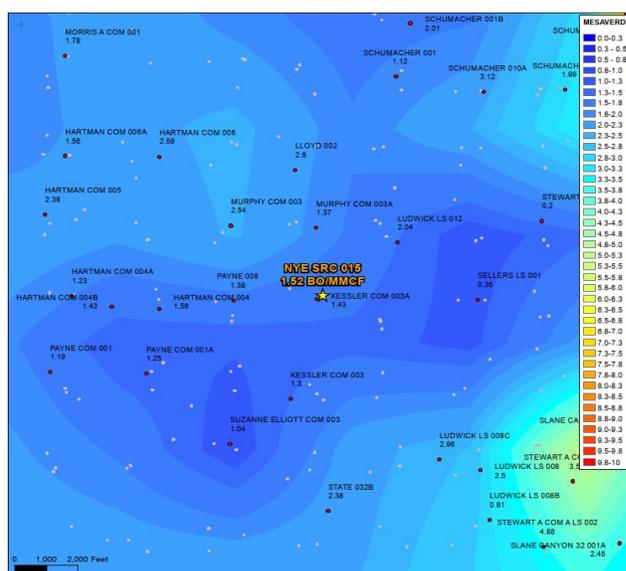
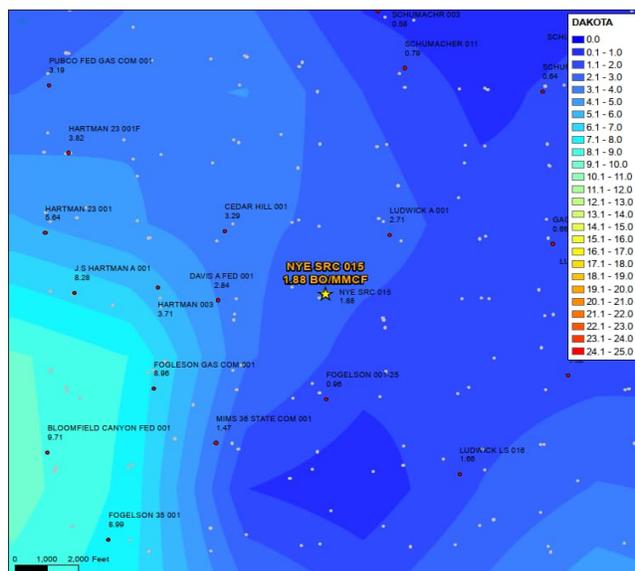


Oil Allocation:

Oil production will be allocated based on average formation yields from offset wells and will be a fixed rate for 4 years.

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	1.88	146	23%
MV	1.52	600	77%



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 367934

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 367934
	Action Type: [C-103] NOI General Sundry (C-103X)

CONDITIONS

Created By	Condition	Condition Date
dmcclore	ACCEPTED FOR RECORD ONLY	8/1/2024
dmcclore	The production from the well shall be allocated to each pool as stipulated within the DHC Order.	8/1/2024