State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Secretary Adrienne Sandoval, Director Oil Conservation Division



January 9, 2020

POOL/LEASE COMMINGLING

Administrative Order PLC-632

Hilcorp Energy Company Attention: Nick Kunze 382 Road 3100, Aztec, NM 87410

Pursuant to your application received on November 26, 2019, Hilcorp Energy Company ("Operator") is hereby authorized to surface commingle gas production from the pools, wells, and associated leases identified in Exhibit A and incorporated by reference into this Order. The wells are located in Section 27, Township 29 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.

This administrative order does NOT authorize any commingling of oil production.

Gas production for the San Juan 29-5 Unit 14F (30-039-29830) shall be allocated by an allocation meter prior to any commingling.

Gas production for the San Juan 29-5 Unit 14 (30-039-07546) shall be allocated using the subtraction method. Gas production allocated to the San Juan 29-5 Unit 14 (30-039-07546) shall be equal to the total commingled gas production minus the gas production allocated to the San Juan 29-5 Unit 14F (30-039-29830).

The commingled gas production from the wells shall be gathered at the central tank battery ("CTB") described in Exhibit A and shall be measured at the custody transfer meter described in Exhibit A.

The allocation meters shall be calibrated in accordance with Division Rule 19.15.12.10(C)(2) NMAC.

This approval is subject to like approval from the Bureau of Land Management before commencing commingling operations.

Adrienne Sandoval

Director

AS/dm

cc: OCD – Engineering Bureau

OCD – Aztec District Office Bureau of Land Management

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: PLC-632

Date: 01/09/20

Operator: Hilcorp Energy Company

Central Tank Battery: San Juan Unit 14

Central Tank Battery Location: Section 27, Township 29 North, Range 5 West, NMPM

Gas Custody Transfer Meter Location: Section 27, Township 29 North, Range 5 West, NMPM

Pools

Pool Name

Pool Code

Pool Name

Pool Code

BLANCO-MESAVERDE (PRORATED GAS) 72319

BASIN DAKOTA (PRORATED GAS) 71599

Leases

NM 011349A

Wells				
Well API	Well Name	Location	Pool Code	Train
30-039-29830	San Juan 29 5 Unit 14F	H-27-29N-05W	72319	
30-039-29830	San Juan 29 5 Unit 14F	H-27-29N-05W	71599	
30-039-07546	San Juan 29 5 Unit 14	G-27-29N-05W	72319	