

RECEIVED

NOV 08 2012

BURLINGTON
RESOURCESFarmington Field Office
Bureau of Land Management

PRODUCTION ALLOCATION FORM

Distribution:
BLM 4 Copies
Regulatory
Accounting
Well File
Revised: March 9, 2006Status
PRELIMINARY ☐
FINAL ☒
REVISED ☐Commingle Type
SURFACE ☐ DOWNHOLE ☒
Type of Completion
NEW DRILL ☒ RECOMPLETION ☐ PAYADD ☐ COMMINGLE ☐

Date: 11/2/2012

API No. 30-039-30611
DHC No. DHC4515
Lease No. SF-079403
FederalWell Name
San Juan 27-5 UnitWell No:
#128N

Unit Letter	Section	Township	Range	Footage	County, State
Sur- I	27	T027N	R005W	1509' FSL & 940' FEL	Rio Arriba County,
BH- I	27	T027N	R005W	1270' FSL & 937' FEL	New Mexico

Completion Date	Test Method
8/31/2012	HISTORICAL <input type="checkbox"/> FIELD TEST <input checked="" type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>

FORMATION	GAS	PERCENT	CONDENSATE	PERCENT
MESAVERDE	1455 MCFD	69%		69%
MANCOS	297 MCFD	14%	OIL CONS. DIV DIST. 3 NOV 16 2012	14%
DAKOTA	371 MCFD	17%		17%
	2123			

JUSTIFICATION OF ALLOCATION: These percentages are based upon isolated flow tests from the Mesaverde, Mancos & Dakota formations during completion operations. Initial Oil allocation will be the same as the gas initial allocation until the first liquid sale is completed. After completing the first liquid sale and using known Dakota and Mesaverde liquid yields from offset Stand Alone wells a system of linear equations will be solved for Mancos liquid yield, and that Mancos liquid yield will be used in conjunction with the Mesaverde and Dakota liquid yields to calculate the oil allocations. The oil allocation will be calculated in a way that is a function of individual formation Gas production and Individual formation liquid yields.

APPROVED BY	DATE	TITLE	PHONE
<i>Joe Hermit</i>	11-13-12	Geo	564-7740
X <i>[Signature]</i>	11/5/12	Engineer	505-599-4076
Bill Akwari			
X <i>Kandis Roland</i>	11/2/12	Engineering Tech.	505-326-9743
Kandis Roland			