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# BURLINGTON RESOURCES

SEP 10 2012

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Well File

Revised: March 9, 2006

## PRODUCTION ALLOCATION FORM

Status

PRELIMINARY ☐FINAL ☒REVISED ☐

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☒ RECOMPLETION ☐ PAYADD ☐ COMMINGLE ☐

Date: 8/29/2012

API No. 30-045-35330

DHC No. DHC4539AZ

Lease No. NM-03566

Surface: Federal

Well Name

Stewart LS

Well No.

#8N

Unit Letter

Surf - F

BH - D

Section

28

28

Township

T030N

T030N

Range

R010W

R010W

Footage

1599' FNL &amp; 1788' FWL

1272' FNL &amp; 970' FWL

County, State

San Juan County,

New Mexico

Completion Date

8/15/2012

Test Method

HISTORICAL ☐ FIELD TEST ☒ PROJECTED ☐ OTHER ☐

RCVD SEP 17 '12

OIL CONS. DIV.

DIST. 3

FORMATION

MESAVERDE

GAS

408 MCFD

PERCENT

20%

CONDENSATE

PERCENT

20%

MANCOS

572 MCFD

29%

29%

DAKOTA

1023 MCFD

51%

51%

2003

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

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