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ConocoPhillipsFarmington Field Office
Bureau of Land Management**PRODUCTION ALLOCATION FORM**Distribution:
BLM 4 Copies
Regulatory
Accounting
Well File

Revised: March 9, 2006

Status
PRELIMINARY ☐
FINAL ☒
REVISED ☐Commingle Type
SURFACE ☐ DOWNHOLE ☒
Type of Completion
NEW DRILL ☒ RECOMPLETION ☐ PAYADD ☐ COMMINGLE ☐

Date: 11/2/2012

API No. 30-045-35252

DHC No. DHC4474

Lease No. SF-081240

Federal

Well Name

Horton

Well No.

#1B

Unit Letter	Section	Township	Range	Footage
Sur-I	35	T032N	R011W	1426' FSL & 773' FEL
BH- O	35	T032N	R011W	978' FSL & 1887' FEL

County, State
**San Juan County,
New Mexico**

Completion Date

8/29/2012

Test Method

HISTORICAL ☐ FIELD TEST ☒ PROJECTED ☐ OTHER ☐

FORMATION	GAS	PERCENT	CONDENSATE	PERCENT
MESAVERDE	851 MCFD	43%	OIL CONS. DIV DIST. 3 NOV 16 2012	43%
MANCOS	283 MCFD	14%		14%
DAKOTA	841 MCFD	43%		43%
	1975			

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
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