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Well File

Revised: March 9, 2006

PRODUCTION ALLOCATION FORM

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☒ RECOMPLETION ☐ PAYADD ☐ COMMINGLE ☐

Status

PRELIMINARY ☒FINAL ☐REVISED ☐

Date: 12/5/12

API No. 30-045-35337

DHC No. DHC3717AZ

Lease No. SF-078097

Federal

Well Name

Heaton LS

Well No.

#1M

Unit Letter

Surf- O

Section

28

Township

T031N

Range

R011W

Footage

625' FSL & 1308' FEL

County, State

San Juan County,

BH- P

28

T031N

R011W

724' FSL & 692' FEL

New Mexico

Completion Date

11/5/2012

Test Method

HISTORICAL ☐ FIELD TEST ☒ PROJECTED ☐ OTHER ☐

FORMATION

GAS

PERCENT

CONDENSATE

PERCENT

MESAVERDE

58%

46%

DAKOTA

42%

54%

OIL CONS. DIV DIST. 3

DEC 11 2012

JUSTIFICATION OF ALLOCATION: These percentages are based upon compositional gas analysis tests from the Mesaverde and Dakota formations during completion operations. Subsequent allocations will be submitted every three months after the first delivery date. Allocation splits will keep changing until the gas analysis mole fractions stabilize. Condensate percentages are based upon the formation yields.

APPROVED BY

DATE

TITLE

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