

ConocoPhillips

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 Well File

Revised: March 9, 2006

PRODUCTION ALLOCATION FORM

 Farmington Field
 Bureau of Land Management

 Status
 PRELIMINARY ☒
 FINAL ☐
 REVISED ☐

 Commingle Type
 SURFACE ☐ DOWNHOLE ☒

Date: 4/12/13

 Type of Completion
 NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

API No. 30-039-26794

DHC No. DHC530AZ

Lease No. SF-078835

OIL CONS. DIV DIST. 3
Federal

 Well Name
 San Juan 28-7 Unit

APR 30 2013

 Well No.
 #253M

Unit Letter	Section	Township	Range	Footage
P	7	T027N	R007W	1155' FSL & 1260' FEL

 County, State
 Rio Arriba County,
 New Mexico

Completion Date

4/1/2013

Test Method

 HISTORICAL ☐ FIELD TEST ☐ PROJECTED ☐ OTHER ☒

JUSTIFICATION OF ALLOCATION: ConocoPhillips requests that production for the downhole commingle be allocated using the subtraction method. The base formation is the Dakota and the added formation to be commingled is the Mesaverde. The subtraction method applies an average monthly production forecast to the base formation(s) using historic production. All production from this well exceeding the forecast will be allocated to the new formation(s). A fixed percentage based allocation will be submitted after the fourth year of production. See attached documents for production forecast.

Oil production will be allocated based on average formation yields from offset wells. Condensate Allocation: MV-30%,DK-70%

APPROVED BY	DATE	TITLE	PHONE
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NMCCD