

<div style="font-size: 2em; font-weight: bold; margin-bottom: 10px;">RECEIVED</div> <div style="font-size: 1.5em; font-weight: bold; margin-bottom: 10px;">OCT 22 2013</div> <div style="font-size: 2.5em; font-weight: bold; margin-bottom: 10px;">BURLINGTON</div> <div style="font-size: 2.5em; font-weight: bold; margin-bottom: 10px;">RESOURCES</div> <div style="font-size: 1.2em; margin-bottom: 10px;">Farmington Field Office Bureau of Land Management</div> <div style="font-size: 1.2em; font-weight: bold;">PRODUCTION ALLOCATION FORM</div>						Distribution: BLM 4 Copies Regulatory Accounting Well File Revised: March 9, 2006	
Commingle Type SURFACE <input type="checkbox"/> DOWNHOLE <input checked="" type="checkbox"/> Type of Completion NEW DRILL <input checked="" type="checkbox"/> RECOMPLETION <input type="checkbox"/> PAYADD <input type="checkbox"/> COMMINGLE <input type="checkbox"/>						Status PRELIMINARY <input checked="" type="checkbox"/> FINAL <input type="checkbox"/> REVISED <input checked="" type="checkbox"/> 2 nd Allocation	
Well Name Huerfanito Unit						Date: 10/17/13 API No. 30-045-34872 DHC No. DHC3141AZ Lease No. SF-078135 <div style="text-align: center; font-weight: bold;">Federal</div>	
Unit Letter Surf- L	Section 1	Township T026N	Range R009W	Footage 1432' FSL & 382' FWL	County, State San Juan County, New Mexico		
Completion Date 7/10/2013		Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input checked="" type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>					
FORMATION MESAVERDE		GAS		PERCENT 68%		CONDENSATE 75%	
DAKOTA				32%		25%	
				OIL CONS. DIV DIST. 3			
				OCT 25 2013			
JUSTIFICATION OF ALLOCATION: Second 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.							
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Kandis Roland							

NMOCD