

<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: left;"> <p><b>RECEIVED</b></p> <p><b>OCT 18 2013</b></p> <p>Farmington Field Office Bureau of Land Management</p> </div> <div style="text-align: center;"> <p><b>BURLINGTON</b></p> <p><b>RESOURCES</b></p> </div> </div> <p style="text-align: center; margin-top: 10px;"><b>PRODUCTION ALLOCATION FORM</b></p>						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 type="checkbox"/> FINAL <input checked="" type="checkbox"/> REVISED <input type="checkbox"/> Date: <b>9/20/13</b> API No. <b>30-045-35177</b> DHC No. <b>DHC3464AZ</b> Lease No. <b>NM-03195-A</b> <p style="text-align: center;"><b>Federal</b></p>																									
Well Name <b>Sullivan</b>						Well No. <b>#1N</b>																									
Unit Letter <b>Sur- G</b> <b>BH- B</b>	Section <b>07</b> <b>07</b>	Township <b>T030N</b> <b>T030N</b>	Range <b>R010W</b> <b>R010W</b>	Footage <b>1650' FNL &amp; 2597' FEL</b> <b>702' FNL &amp; 2028' FEL</b>	County, State <b>San Juan County,</b> <b>New Mexico</b>																										
Completion Date <b>5/28/2013</b>		Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input checked="" type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>																													
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">FORMATION</th> <th style="width: 15%;">GAS</th> <th style="width: 15%;">PERCENT</th> <th style="width: 25%;">CONDENSATE</th> <th style="width: 20%;">PERCENT</th> </tr> </thead> <tbody> <tr> <td>MESAVERDE</td> <td>1122 MCFD</td> <td>73%</td> <td></td> <td>73%</td> </tr> <tr> <td>MANCOS</td> <td>110 MCFD</td> <td>7%</td> <td>OIL CONS. DIV DIST. 3</td> <td>7%</td> </tr> <tr> <td>DAKOTA</td> <td>300 MCFD</td> <td>20%</td> <td>OCT 25 2013</td> <td>20%</td> </tr> <tr> <td></td> <td>1532</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>							FORMATION	GAS	PERCENT	CONDENSATE	PERCENT	MESAVERDE	1122 MCFD	73%		73%	MANCOS	110 MCFD	7%	OIL CONS. DIV DIST. 3	7%	DAKOTA	300 MCFD	20%	OCT 25 2013	20%		1532			
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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 <i>Joe M...</i>		DATE <b>10-21-13</b>		TITLE <b>Geo</b>		PHONE <b>564-7740</b>																									
X <i>AS</i>		<b>9/28/13</b>		Engineer		505-599-4081																									
Stephen Read																															
X <i>Kandis Roland</i>		<b>9/20/13</b>		Engineering Tech.		505-326-9743																									
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