

<div style="font-size: 2em; font-weight: bold; margin-bottom: 10px;">RECEIVED</div> <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: left;"> <b>OCT 22 2013</b>  Farmington Field Office  Bureau of Land Management </div> <div style="text-align: center;"> <div style="font-size: 1.5em; font-weight: bold; margin-bottom: 5px;">BURLINGTON</div> <div style="font-size: 1.5em; font-weight: bold;">RESOURCES</div> </div> </div> <div style="text-align: center; margin-top: 10px;"> <b>PRODUCTION ALLOCATION FORM</b> </div>					Distribution: BLM 4 Copies Regulatory Accounting Well File Revised: March 9, 2006																									
Commingled 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"/> COMMINGLED <input type="checkbox"/>					Status PRELIMINARY <input checked="" type="checkbox"/> FINAL <input type="checkbox"/> REVISED <input checked="" type="checkbox"/> 3rd Allocation																									
Well Name <b>Nye SRC</b>					Date: <b>10/17/13</b> API No. <b>30-045-35304</b> DHC No. <b>DHC3658AZ</b> Lease No. <b>SF-078198</b>																									
Unit Letter <b>Surf- O</b> <b>BH- N</b>	Section <b>12</b> <b>12</b>	Township <b>T030N</b> <b>T030N</b>	Range <b>R011W</b> <b>R011W</b>	Footage <b>1150' FSL &amp; 1722' FEL</b> <b>1109' FSL &amp; 1873' FWL</b>	County, State <b>San Juan County,</b> <b>New Mexico</b>																									
Completion Date <b>3/29/2012</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: 30%;">FORMATION</th> <th style="width: 15%;">GAS</th> <th style="width: 15%;">PERCENT</th> <th style="width: 20%;">CONDENSATE</th> <th style="width: 20%;">PERCENT</th> </tr> </thead> <tbody> <tr> <td>MESAVERDE</td> <td></td> <td style="text-align: center;">45%</td> <td rowspan="2" style="text-align: center; vertical-align: middle;">OIL CONS. DIV DIST. 3</td> <td style="text-align: center;">43%</td> </tr> <tr> <td>DAKOTA</td> <td></td> <td style="text-align: center;">55%</td> <td style="text-align: center;">57%</td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: center;">OCT 25 2013</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>							FORMATION	GAS	PERCENT	CONDENSATE	PERCENT	MESAVERDE		45%	OIL CONS. DIV DIST. 3	43%	DAKOTA		55%	57%				OCT 25 2013						
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JUSTIFICATION OF ALLOCATION: <b>Third Allocation:</b> 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 <i>Joe Hunt</i>		DATE <b>10-23-13</b>		TITLE <b>Geo</b>		PHONE <b>564-7740</b>																								
X <i>AA</i> Stephen Read		<b>10/17/13</b>		Engineer		505-599-4081																								
X <i>Kandis Roland</i> Kandis Roland		<b>10/17/13</b>		Engineering Tech.		505-326-9743																								