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PRODUCTION ALLOCATION FORM

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 Well File
 Revised: March 9, 2006

 Status
 PRELIMINARY ☒
 FINAL ☐
 REVISED ☒ 3rd Allocation

 Commingle Type
 SURFACE ☐ DOWNHOLE ☒
 Type of Completion
 NEW DRILL ☒ RECOMPLETION ☐ PAYADD ☐ COMMINGLE ☐

Date: 12/2/2013

 API No. 30-045-35070
 DHC No. DHC3343AZ
 Lease No. SF-078049-A
 Federal

 Well Name
 Hardie

 Well No.
 #2N

Unit Letter	Section	Township	Range	Footage	County, State
Surf- K	28	T029N	R008W	2363' FSL & 1694' FWL	San Juan County,
BH- K	28	T029N	R008W	2159' FSL & 1688' FWL	New Mexico

Completion Date	Test Method
5/8/2013	HISTORICAL <input type="checkbox"/> FIELD TEST <input checked="" type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>

FORMATION	GAS	PERCENT	CONDENSATE	PERCENT
MESAVERDE		33%		34%
DAKOTA		67%	OIL CONS. DIV DIST. 3	66%
			DEC 16 2013	

JUSTIFICATION OF ALLOCATION: **Third 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	PHONE
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NMOCD