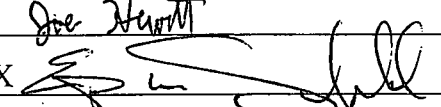
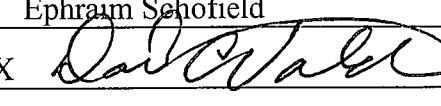


|  |         |   |       |                      |   |  |
|--|---------|---|-------|----------------------|---|--|
| <b>RECEIVED</b><br><b>BURLINGTON</b><br><b>RESOURCES</b><br><b>PRODUCTION ALLOCATION FORM</b>  |         |   |       |                      | OIL CONS. DIV DIST. 3<br>NOV 21 2014  | Distribution:<br>BLM 4 Copies<br>Regulatory<br>Accounting<br>Well File<br>Revised: March 9, 2006 |
| Commingle Type<br>SURFACE <input type="checkbox"/> DOWNHOLE <input checked="" type="checkbox"/><br>Type of Completion<br>NEW DRILL <input checked="" type="checkbox"/> RECOMPLETION <input type="checkbox"/> PAYADD <input type="checkbox"/> COMMINGLE <input type="checkbox"/>  |         |   |       |                      | Status<br>PRELIMINARY <input checked="" type="checkbox"/><br>FINAL <input type="checkbox"/><br>REVISED <input type="checkbox"/><br>Date: 11/14/2014<br>API No. 30-045-35187<br>DHC No. DHC3599AZ<br>Lease No. FEE |  |
| Well Name<br><b>Hudson</b>   |         |   |       |                      | Well No.<br><b>#5M</b>  |  |
| Unit Letter  | Section | Township  | Range | Footage              | County, State   |  |
| Surf- C  | 17      | T031N   | R010W | 893' FNL & 1587' FWL | San Juan County,  |  |
| BH- D  | 17      | T031N   | R010W | 1172' FNL & 671' FWL | New Mexico  |  |
| Completion Date<br><b>11/14/2014</b>   |         | Test Method<br>HISTORICAL <input type="checkbox"/> FIELD TEST <input checked="" type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/> |       |                      |   |  |
| FORMATION  |         | GAS   |       | PERCENT              | CONDENSATE  |  |
| MESAVERDE  |         |   |       | 30%                  | 88%   |  |
| DAKOTA   |         |   |       | 70%                  | 12%   |  |
|  |         |   |       |                      |   |  |
|  |         |   |       |                      |   |  |
| JUSTIFICATION OF 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  |
| Joe Hunt   |         | 11-19-14  |       | Geo                  |   | 564-7740   |
| X   |         |   |       | Engineer             |   | 505-326-9826   |
| Ephraim Schofield  |         |   |       |                      |   |  |
| X   |         |   |       | Engineering Tech.    |   | 505-326-9520   |
| David Valdez   |         |   |       |                      |   |  |

2 Federal leases in W/2 of sec 17

NMSP - 078604

NMSP - 078134

NMOCD

f/c in lease NMSP - 078604

## COMPOSITIONAL ALLOCATION FORM

COMPANY: CONOCOPHILLIPS

## WELL INFORMATION

LOCATION: NM031N10W017D Downhole  
 WELLNAME: Hudson 5M  
 API NUMBER: 3004535187  
 LEASE NUMBER:  
 COUNTY/ STATE: San Juan, NM  
 FORMATIONS: MV/DK (BLANCO MESAVERDE/ BASIN DAKOTA)  
 DHC # APPROVAL: DHC3599AZ  
 ALLOCATION NUMBER: 1

OIL CONS. DIV DIST. 3

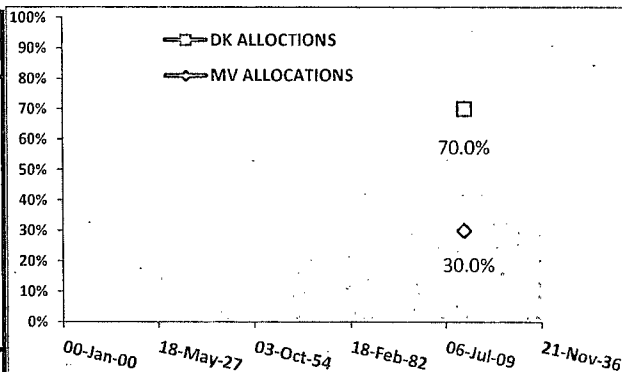
NOV 21 2014

## SAMPLE DATA

ANALYSIS FROM: Gas Analysis Service (Phone 505-5998998)  
 ANALYSIS REF NUMBER: CP140834 11/14/14

SAMPLE DATE: 11/14/2014

| COMPONENT   | MOLE %  | NORM HC % | BTU     |
|-------------|---------|-----------|---------|
| NITROGEN    | 20.18   |           |         |
| CO2         | 1.58    |           |         |
| METHANE     | 72.63   | 92.8%     | 733.53  |
| ETHANE      | 3.29    | 4.2%      | 58.30   |
| PROPANE     | 1.11    | 1.42%     | 27.95   |
| I-BUTANE    | 0.25    | 0.3%      | 8.23    |
| N-BUTANE    | 0.27    | 0.3%      | 8.91    |
| I-PENTANE   | 0.12    | 0.2%      | 4.80    |
| N-PENTANE   | 0.08    | 0.1%      | 3.17    |
| HEXANE PLUS | 0.48    | 0.6%      | 25.30   |
|             | 100.000 |           | 1089.99 |
| HYDROCARBON | 78.237  |           |         |



## END POINTS INFORMATION

FROM STAND ALONE WELLS OR REAL TIME DATA

| END POINTS INFORMATION | METHANE |        | ETHANE |       | PROPANE |       | TOTAL BUTANE |       |
|------------------------|---------|--------|--------|-------|---------|-------|--------------|-------|
|                        | C1MV    | C1DK   | C2MV   | C2DK  | C3MV    | C3DK  | C4MV         | C4DK  |
| CONCENTRATION          | 83.96%  | 97.69% | 9.29%  | 1.73% | 4.06%   | 0.28% | 1.74%        | 0.15% |
| Confidence ratio*      | 18.9    |        | 30.5   |       | 25.23   |       | 11.0         |       |

\*(Endpoints diff / Observed Variance)

☐ If red, Member Conf ratio too low to be used for allocation purposes

|              | MV    | DK    | MV  | DK  | MV  | DK  | MV  | DK  |
|--------------|-------|-------|-----|-----|-----|-----|-----|-----|
| Allocations* | 35.0% | 65.0% | 33% | 67% | 30% | 70% | 22% | 78% |

\*Calculated using formulas below

MV ALLOC= DKendP-Mix / DKendP-MVendP

DK ALLOC= Mix-MVPend / DKendP-MVendP

CENTRAL MEMBER\*

| CONF RATIO | COMP |
|------------|------|
| 30.5       | C2   |
| CM ALLOC   |      |
| MV         | DK   |
| 33%        | 67%  |

\*Central Member (Component with higher Confidence Ratio)

## ALLOCATION CALCULATION

ONLY THOSE COMPONENTS WHOSE ALLOCATIONS ARE 15% POINTS WITHIN THE CENTRAL MEMBER WILL BE USED FOR THE AVERAGE ESTIMATION (Zeros and Neg Discarded)

|           |         |
|-----------|---------|
| 15% Check | MV ALL  |
| C1        | 35.000% |
| C2        | 33.000% |
| C3        | 30.000% |
| C4        | 22.000% |

| OFFICIAL GAS ALLOC |       |
|--------------------|-------|
| MV                 | DK    |
| 30.0%              | 70.0% |
| OIP                | OIP   |
| 88%                | 12%   |

\* Oil allocation based on Historical yields

\* If both are zero then Oil alloc= Gas alloc

## SIGNATURES

| NAME | TITLE | DATE | SIGNATURE |
|------|-------|------|-----------|
|      |       |      |           |
|      |       |      |           |