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BURLINGTON RESOURCES

 Farmington Field Office
Bureau of Land Management

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Regulatory
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Well File
Revised: March 9, 2006

PRODUCTION ALLOCATION FORM

 Status
PRELIMINARY ☒
FINAL ☐
REVISED ☐

 Commingle Type
SURFACE ☐ DOWNHOLE ☒

Date: 2/8/2012

 Type of Completion
NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

 API No. 30-045-08464
DHC No. DHC3596AZ
Lease No. SF-077092

 Well Name
Houck

 Well No.
#2

Unit Letter	Section	Township	Range	Footage
M	12	T029N	R010W	930' FSL & 1190' FWL

 County, State
San Juan County,
New Mexico

 Completion Date
12/16/2011

 Test Method
HISTORICAL ☐ FIELD TEST ☐ PROJECTED ☐ OTHER ☒

JUSTIFICATION OF ALLOCATION: ConocoPhillips requests that production for the downhole commingle be allocated using the subtraction method. The base formation is the Dakota and the added formation to be commingled is the Mesaverde. The subtraction method applies an average monthly production forecast to the base formation(s) using historic production. All production from this well exceeding the forecast will be allocated to the new formation(s). A fixed percentage based allocation will be submitted after the fourth year of production. See attached documents for production forecast.

Oil production will be allocated based on average formation yields from offset wells. (MV-50%, DK-50%)

APPROVED BY	DATE	TITLE	PHONE
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 RCVD FEB 16 '12
OIL CONS. DIV.
DIST. 3

NMOC