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JUL 30 2012 BURLINGTON armington Field Office RESCURCES eau of Land Management. PRODUCTION ALLOCATION FORM								BLM 4 Copies Regulatory Accounting Well File Revised: March 9, 2006 Status PRELIMINARY FINAL
Commingle Type SURFACE DOWNHOLE Type of Completion NEW DRILL RECOMPLETION PAYADD COMMINGLE Well Name Huerfanito Unit							I I I	REVISED
Unit Letter F	Section 35	Township T027N	Range R009W	170	Footage 0' FNL & 13			County, State San Juan County, New Mexico
Completion Date Test Method RCVD AUG 13'12 OIL CONS. DIV.								
FORMATION			GAS		ERCENT	CENT CONDE		E PERCENT
MESAVERDE			289 MCFD		21%			21%
MANCOS			591 MCFD		44%			44%
DAKOTA			475 MCFD		35%			35%
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 DATE				TITLE			PHONE	
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