

<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;"> <b>RECEIVED</b>  <b>NOV 08 2012</b>  <b>BURLINGTON</b>  <b>RESOURCES</b> </div> <div style="text-align: right;">             Distribution:              BLM 4 Copies              Regulatory              Accounting              Well File              Revised: March 9, 2006           </div> </div>					
<b>PRODUCTION ALLOCATION FORM</b>					
Farmington Field Office Bureau of Land Management					Status PRELIMINARY <input type="checkbox"/> FINAL <input checked="" type="checkbox"/> REVISED <input type="checkbox"/>
Commingle 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"/> COMMINGLE <input type="checkbox"/>					Date: <b>11/2/2012</b> API No. <b>30-039-30967</b> DHC No. <b>DHC4525</b> Lease No. <b>SF-080672</b> <b>Federal</b>
Well Name <b>San Juan 27-4 Unit</b>					Well No. <b>#155A</b>
Unit Letter <b>Sur- M</b> <b>BH- M</b>	Section <b>24</b> <b>24</b>	Township <b>T027N</b> <b>T027N</b>	Range <b>R004W</b> <b>R004W</b>	Footage <b>1117' FSL &amp; 988' FWL</b> <b>1244' FNL &amp; 796' FWL</b>	County, State <b>Rio Arriba County,</b> <b>New Mexico</b>
Completion Date <b>9/26/2012</b>		Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input checked="" type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>			
<b>FORMATION      GAS      PERCENT      CONDENSATE      PERCENT</b>					
<b>MESAVERDE</b>		<b>873 MCFD</b>	<b>44%</b>	<b>44%</b>	
<b>MANCOS</b>		<b>268 MCFD</b>	<b>13%</b>	<b>13%</b>	<b>OIL CONS. DIV DIST. 3</b>
<b>DAKOTA</b>		<b>847 MCFD</b>	<b>43%</b>	<b>43%</b>	<b>NOV 16 2012</b>
		1988			
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 <i>Joe Hart</i>		DATE <b>11-13-12</b>	TITLE <b>Geo</b>		PHONE <b>564-7740</b>
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