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Well File
Revised: March 9, 2006

PRODUCTION ALLOCATION FORM

Status
PRELIMINARY
FINAL
REVISED

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

Date: 11/2/2012
API No. 30-039-31080
DHC No. DHC4495
Lease No. SF-078919
Federal

Well Name
San Juan 29-7 Unit

Well No.
#82M

Unit Letter	Section	Township	Range	Footage	County, State
Sur- O	4	T029N	R007W	775' FSL & 1535' FEL	Rio Arriba County,
BH- I	4	T029N	R007W	1969' FSL & 729' FEL	New Mexico

Completion Date: 10/5/2012
Test Method: HISTORICAL FIELD TEST PROJECTED OTHER

FORMATION	GAS	PERCENT	CONDENSATE	PERCENT
MESAVERDE	756 MCFD	41%		41%
MANCOS	359 MCFD	20%	OIL CONS. DIV DIST. 3 NOV 16 2012	20%
DAKOTA	707 MCFD	39%		39%
	1822			

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
<i>Joe Heroff</i>	11-13-12	Geo	564-7740
X <i>[Signature]</i>	11/5/12	Engineer	505-599-4076
Bill Akwari			
X <i>Kandis Roland</i>	11/2/12	Engineering Tech.	505-326-9743
Kandis Roland			