

ConocoPhillips

PRODUCTION ALLOCATION FORM

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 Regulatory
 Accounting
 Well File
 Revised: March 9, 2006

FEB 04 2010

Bu

Status

 PRELIMINARY ☐

 FINAL ☒

 REVISED ☐

Date: 12/30/2009

API No. 30-039-22623

DHC No. R-10476

Lease No. SF078497

Commingle Type

 SURFACE ☐ DOWNHOLE ☒

Type of Completion

 NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Well Name

San Juan 28-7 Unit

Well No.

#257M

Unit Letter

O

Section

19

Township

T028N

Range

R007W

Footage

900' FSL & 1850' FEL

County, State

 Rio Arriba County,
 New Mexico

Completion Date

Test Method

 HISTORICAL ☒ FIELD TEST ☐ PROJECTED ☐ OTHER ☐

FORMATION

GAS

PERCENT

CONDENSATE

PERCENT

DAKOTA

30 MCFD

13%

22%

MESAVERDE

201 MCFD

87%

78%

231

JUSTIFICATION OF ALLOCATION: ConocoPhillips requests that production for the down hole commingle of the San Juan 28-7 Unit 257M be switched to a fixed percentage based allocation. The fixed percentage based allocation is calculated from average production rates from twelve months. Oil allocation is based on the yield ratio. Yields were determined from basin-wide Dakota and Mesaverde yield maps.

APPROVED BY

DATE

TITLE

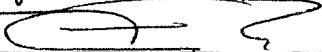
PHONE

Joe Hamitt

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Geo

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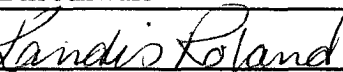
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1/8/10

Engineer

505-599-4076

Bill Akwari

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12/30/09

Engineering Tech.

505-326-9743

Kandis Roland

NMOCD