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PRODUCTION ALLOCATION FORM

 MAR 04 2010
 Bureau of Land Management
 Farmington Field Office

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 Well File
 Revised: March 9, 2006

 Status
 PRELIMINARY ☐
 FINAL ☒
 REVISED ☐

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

Date: 2/17/2010

API No. 30-039-20990

DHC No. DHC1703AZ

Lease No. NMSF078569

 Well Name
 San Juan 28-7 Unit

 Well No.
 228

Unit Letter K	Section 8	Township T027N	Range R007W	Footage 2090' FSL & 1830' FWL	County, State Rio Arriba County, New Mexico
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Completion Date	Test Method HISTORICAL <input checked="" type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>
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 RCVD MAR 23 '10
 OIL CONS. DIV.
 DIST. 3

FORMATION	GAS	PERCENT	CONDENSATE	PERCENT
DAKOTA	46 MCFD	56%	15 bbls/mmcf	57%
MESAVERDE	36 MCFD	44%	14 bbls/mmcf	43%

JUSTIFICATION OF ALLOCATION: ConocoPhillips requests that production for the down hole commingle of the San Juan 28-7 Unit 228 be switched to a fixed percentage based allocation. The fixed percentage based allocation is calculated from average production rates from twelve months. Oil will be allocated based on the allocation and yield ratio. Yields are determined from basin wide Dakota and Mesaverde yield maps.

APPROVED BY	DATE	TITLE	PHONE
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NMOCD