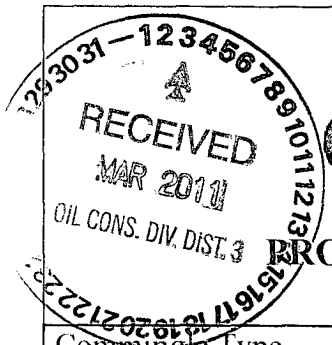
Area: «TEAM»




ConocoPhillips

# PRODUCTION ALLOCATION FORM

Distribution:
BLM 4 Copies
Regulatory
Accounting
Well File
Revised: March 9, 2006

Status
PRELIMINARY ☒
FINAL ☐
REVISED ☐

Commingle Type
SURFACE ☐ DOWNHOLE ☒

Type of Completion
NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Date: **1/10/2011**

API No. **30-039-26417**
DHC No. **DHC3180AZ**
Lease No. **SF-080538**

Well Name
**San Juan 30-5 Unit**

Well No.
**#104E**

| Unit Letter | Section | Township | Range | Footage | County, State |
|---|---|---|---|---|---|
| **J** | **13** | **T030N** | **R005W** | **1850' FSL & 1005' FEL** | **Rio Arriba County, New Mexico** |

Completion Date
**10/13/2010**

Test Method
HISTORICAL ☐ FIELD TEST ☐ PROJECTED ☐ OTHER ☒

JUSTIFICATION OF ALLOCATION: ConocoPhillips requests that production for the downhole commingle be allocated using the subtraction method. The base formation is the Dakota and the added formation to be commingled is the Mesaverde. The subtraction method applies an average monthly production forecast to the base formation(s) using historic production. All production from this well exceeding the forecast will be allocated to the new formation(s). A fixed percentage based allocation will be submitted after the fourth year of production. See attached documents for production forecast.

There was no previous condensate production from the Dakota therefore 100% condensate will be allocated to the Mesaverde.

| APPROVED BY | DATE | TITLE | PHONE |
|---|---|---|---|
| Joe Hewitt | 3-1-11 | Geo | 599-6345 |
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| Bill Akwari | | | |
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**NMOCD**