## Mann 3 Federal #1

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## Allocation Formula

Well Name	Producing Formation	*Daily Production Test 30 day average	% of Total Oil
Mann 3 Federal #1	(51300)Red Lake (Q-GB-SA)	42 BO/ 39 MCF/ 40	00 BW 62 %
Mann 3 Federal #1	(51120)Red Lake; Glorieta-Yeso	25 BO/ 35 MCF/ 34	41 BW 38 %

\* From attached production plots

The above production test represents stable production from a San Andres producer and a Yeso producer. We believe these rates of production represent an acceptable means to allocate production. We have previously received approval for downhole commingling in these fields utilizing a similar allocation method.

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