

|   |          |   |                         |                                  |  |   |  |  |  |
|---|----------|---|-------------------------|----------------------------------|--|---|--|--|--|
| <b>BURLINGTON</b><br><b>RESOURCES</b>   |          |   |                         |                                  |  | <b>RECEIVED</b><br><b>DEC 16 2011</b><br>Farmington Field Office<br>Bureau of Land Management   |  | <b>DIST. 8</b><br>Distribution:<br>BLM 4 Copies<br>Regulatory<br>Accounting<br>Well File<br>Revised: March 9, 2006 |  |
| <b>PRODUCTION ALLOCATION FORM</b>   |          |   |                         |                                  |  | Status<br>PRELIMINARY <input checked="" type="checkbox"/><br>FINAL <input type="checkbox"/><br>REVISED <input checked="" type="checkbox"/> 3rd Allocation |  | Date: <b>11/23/2011</b>  |  |
| Commingle Type<br>SURFACE <input type="checkbox"/> DOWNHOLE <input checked="" type="checkbox"/><br>Type of Completion<br>NEW DRILL <input checked="" type="checkbox"/> RECOMPLETION <input type="checkbox"/> PAYADD <input type="checkbox"/> COMMINGLE <input type="checkbox"/>   |          |   |                         |                                  |  | API No. <b>30-039-30882</b><br>DHC No. <b>DHC3323AZ</b><br>Lease No. <b>SF-07885-01885</b>  |  | Well No.<br><b>#239P</b>   |  |
| Well Name<br><b>Canyon Largo Unit</b>   |          |   |                         |                                  |  | Well No.<br><b>#239P</b>  |  | Well No.<br><b>#239P</b>   |  |
| Unit Letter   | Section  | Township  | Range                   | Footage                          | County, State                            |   |  |  |  |
| <b>Surf- F</b>  | <b>1</b> | <b>T025N</b>  | <b>R006W</b>            | <b>1571' FNL &amp; 1396' FWL</b> | <b>Rio Arriba County,<br/>New Mexico</b> |   |  |  |  |
| <b>BH- D</b>  | <b>1</b> | <b>T025N</b>  | <b>R006W</b>            | <b>998' FNL &amp; 527' FWL</b>   |  |   |  |  |  |
| Completion Date<br><b>6/22/11</b>   |          | Test Method<br>HISTORICAL <input type="checkbox"/> FIELD TEST <input checked="" type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/> |                         |                                  |  |   |  |  |  |
| FORMATION   |          | GAS   |                         | PERCENT                          |  | CONDENSATE  |  | PERCENT  |  |
| <b>MESAVERDE</b>  |          |   |                         | <b>19%</b>                       |  |   |  | <b>19%</b>   |  |
| <b>DAKOTA</b>   |          |   |                         | <b>81%</b>                       |  |   |  | <b>81%</b>   |  |
|   |          |   |                         |                                  |  |   |  |  |  |
|   |          |   |                         |                                  |  |   |  |  |  |
| JUSTIFICATION OF ALLOCATION: <b>Third Allocation:</b> These percentages are based upon compositional gas analysis tests from the Mesaverde and Dakota formations during completion operations. Subsequent allocations will be submitted every three months after the first delivery date. Allocation splits will keep changing until the gas analysis mole fractions stabilize. Condensate percentages are based upon the formation yields. |          |   |                         |                                  |  |   |  |  |  |
| APPROVED BY<br><i>Dr. Hennis</i>  |          |   | DATE<br><b>12-21-11</b> |                                  | TITLE<br><b>600</b>                      |   |  | PHONE<br><b>599-6365</b>   |  |
| X <i>[Signature]</i>  |          |   | <b>11/23/11</b>         |                                  | Engineer                                 |   |  | 505-599-4076   |  |
| Bill Akwari   |          |   |                         |                                  |  |   |  |  |  |
| X <i>Kandis Roland</i>  |          |   | <b>11/23/11</b>         |                                  | Engineering Tech.                        |   |  | 505-326-9743   |  |
| Kandis Roland   |          |   |                         |                                  |  |   |  |  |  |