Bill Akwari

Kandis Roland

RECEIVED

| BURL | NG | TON |
|------|-----|-----|
| RESC | bUR | CES |

FEB 10 2012

Distribution: BLM 4 Copies

Farn ington Field Office Accounting Well File Bureau of Land Managemen March 9, 2006

505-326-9743

Regulatory

| PRODUCTION ALLOCATION FORM | | | | | | | | RELIMINARY INAL EVISED 2 nd Allocation | | | |
|--|------------------|---------------------------------------|-------|---------|--------------------|------------|-------|--|--|--|--|
| Commingle Type | | | | | | | Da | Date: 2/7/2012 | | | |
| SURFACE DOWNHOLE Type of Completion | | | | | | | Al | API No. 30-045-35183 | | | |
| NEW DRILL X RECOMPLETION PAYADD COMMINGLE | | | | | | | DI | DHC No. DHC3470AZ | | | |
| | | | | | | | Le | Lease No. SF-078507 | | | |
| Well Name | | | | | | | | Well No. | | | |
| San Juan 32-9 Unit #34B | | | | | | | | | | | |
| Unit Letter | Section | Township | Range | | Footage | | | County, State | | | |
| Surf- K | 35 | T032N | R010W | | 2' FSL & 1329' FWL | | i | San Juan County, | | | |
| BH- L | 35 Data | T032N Test Method | R010W | 250 | 5' FSL & 75 | 57' FWL | L | New Mexico | | | |
| 11/23/2011 HISTORICAL FIELD TEST PROJECTED OTHER | | | | | | | | | | | |
| | | · · · · · · · · · · · · · · · · · · · | | | , , , | 1 2017 | | 5 1 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 | | | |
| FORMATION | | | GAS | PERCENT | | CONDENSATE | | E PERCENT | | | |
| MESAVERDE | | | | 41% | | | | 100% | | | |
| DAKOTA | | | | 59% | | | | 0% | | | |
| | | | | | | | | RCVD FEB 16'12 OIL CONS. DIV. | | | |
| JUSTIFICATION OF ALLOCATION: Second Allocation: 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 DATE | | | | TITLE | | | PHONE | | | | |
| you t | for Hunt 2-13-12 | | | ۷ | 606 | | | 597-6365 | | | |
| $X \subseteq X$ | = < | <u> </u> | HILE | 12_ | Engineer | | | 505-599-4076 | | | |

Engineering Tech.