

**RECEIVED****JUL 30 2012****BURLINGTON  
RESOURCES**Farmington Field Office  
Bureau of Land Management**PRODUCTION ALLOCATION FORM**Distribution.  
BLM 4 Copies  
Regulatory  
Accounting  
Well File  
Revised: March 9, 2006Status  
PRELIMINARY ☐  
FINAL ☒  
REVISED ☐Commingle Type  
SURFACE ☐ DOWNHOLE ☒  
Type of Completion  
NEW DRILL ☒ RECOMPLETION ☐ PAYADD ☐ COMMINGLE ☐

Date: 7/25/12

API No. 30-045-35267  
DHC No. DHC4497  
Lease No. SF-078356Well Name  
Huerfanito UnitWell No.  
88N

Unit Letter <b>J</b>	Section <b>23</b>	Township <b>T027N</b>	Range <b>R009W</b>	Footage <b>2505' FSL &amp; 1870' FEL</b>
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County, State  
**San Juan County,  
New Mexico**Completion Date  
**6/6/2012**Test Method  
HISTORICAL ☐ FIELD TEST ☒ PROJECTED ☐ OTHER ☐ **DIST. 3****RCVD AUG 13 '12  
OIL CONS. DIV.**

FORMATION	GAS	PERCENT	CONDENSATE	PERCENT
MESAVERDE	390 MCFD	24%		24%
MANCOS	343 MCFD	21%		21%
DAKOTA	880 MCFD	55%		55%
	1613			

JUSTIFICATION OF ALLOCATION: These percentages are based upon isolated flow tests from the Mesaverde, Mancos & Dakota formations during completion operations. Initial Oil allocation will be the same as the gas initial allocation until the first liquid sale is completed. After completing the first liquid sale and using known Dakota and Mesaverde liquid yields from offset Stand Alone wells a system of linear equations will be solved for Mancos liquid yield, and that Mancos liquid yield will be used in conjunction with the Mesaverde and Dakota liquid yields to calculate the oil allocations. The oil allocation will be calculated in a way that is a function of individual formation Gas production and Individual formation liquid yields.

APPROVED BY	DATE	TITLE	PHONE
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**NMOC**