



**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: **2/8/13**  
API No. **30-045-35353**  
DHC No. **DHC4574**  
Lease No. **FEE**

Well Name  
**Elliott Gas Com H**

Well No.  
**#1C**

Unit Letter <b>Sur-J</b> <b>BH-I</b>	Section <b>26</b> <b>26</b>	Township <b>T030N</b> <b>T030N</b>	Range <b>R009W</b> <b>R009W</b>	Footage <b>1445' FSL &amp; 1875' FEL</b> <b>1896' FSL &amp; 727' FEL</b>	County, State <b>San Juan County,</b> <b>New Mexico</b>
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Completion Date <b>12/12/2012</b>	Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input checked="" type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>
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FORMATION	GAS	PERCENT	CONDENSATE	PERCENT
MESAVERDE	1032 MCFD	55%		55%
MANCOS	199 MCFD	11%	OIL CONS. DIV DIST. 3	11%
DAKOTA	639 MCFD	34%	FEB 13 2013	34%
	1870			

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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