

<b>BURLINGTON</b> <b>RESOURCES</b> <b>PRODUCTION ALLOCATION FORM</b>					<b>RECEIVED</b> <b>DEC 07 2012</b> Farmington Field Office Bureau of Land Management		Distribution: BLM 4 Copies Regulatory Accounting Well File Revised: March 9, 2006		
Commingle Type SURFACE <input type="checkbox"/> DOWNHOLE <input checked="" type="checkbox"/> Type of Completion NEW DRILL <input checked="" type="checkbox"/> RECOMPLETION <input type="checkbox"/> PAYADD <input type="checkbox"/> COMMINGLE <input type="checkbox"/>							Status PRELIMINARY <input type="checkbox"/> FINAL <input checked="" type="checkbox"/> REVISED <input type="checkbox"/>		
Well Name <b>Huerfanito Unit</b>							Date: <b>12/5/12</b> API No. <b>30-045-35329</b> DHC No. <b>DHC4555</b> Lease No. <b>I-149-IND-8473</b> <b>Navajo Allotted</b>		
Unit Letter <b>E</b>	Section <b>25</b>	Township <b>T027N</b>	Range <b>R009W</b>	Footage <b>2600' FNL &amp; 270' FWL</b>	County, State <b>San Juan County, New Mexico</b>				
Completion Date <b>11/10/2012</b>		Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input checked="" type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>							
FORMATION		GAS		PERCENT		CONDENSATE		PERCENT	
MESAVERDE		135 MCFD		10%		OIL CONS. DIV DIST. 3		10%	
MANCOS		164 MCFD		13%		DEC 11 2012		13%	
DAKOTA		1016 MCFD		77%		DEC 11 2012		77%	
		1315							
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 <i>Joe Hewitt</i>				DATE <b>12-10-12</b>		TITLE <b>Geo</b>		PHONE <b>564-7740</b>	
X <i>[Signature]</i>				<b>12/5/12</b>		Engineer		505-599-4076	
Bill Akwari									
X <i>Kandis Roland</i>				<b>12/5/12</b>		Engineering Tech.		505-326-9743	
Kandis Roland									