

NOV 18 2014

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Well File

Revised: March 9, 2006

ConocoPhillips

## PRODUCTION ALLOCATION FORM

OIL CONS. DIV DIST. 3

Commingle Type

SURFACE ☐ DOWNHOLE ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

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Status

PRELIMINARY ☐FINAL ☒REVISED ☐

Date: 11/12/2014

API No. 30-039-25136

DHC No. DHC4201AZ

Lease No. SF-078999

Well Name

San Juan 31-6 Unit

Well No.

#36E

Unit Letter

I

Section

27

Township

T031N

Range

R006W

Footage

1484' FSL &amp; 836' FEL

County, State

Rio Arriba County,  
New Mexico

Completion Date

11/24/2010

Test Method

HISTORICAL ☒ FIELD TEST ☐ PROJECTED ☐ OTHER ☐

FORMATION

PICTURED CLIFF

GAS

23.55 MCF

PERCENT

49%

CONDENSATE

PERCENT

100%

MESAVERDE

24.37 MCF

51%

0%

47.92

JUSTIFICATION OF ALLOCATION: ConocoPhillips requests that production for the down hole commingle to be switched to a fixed percentage based allocation. The fixed percentage based allocation is calculated from average production rates from twelve months.

There was no previous condensate production from the Mesaverde therefore 100% condensate will be allocated to the Pictured Cliffs.

APPROVED BY

DATE

TITLE

PHONE

Joe Hewitt

11-14-14

Geo

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X Erica Herring 11.12.14

Engineer

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Erica Herring

X Mara Graham 11/12/14

Engineering Tech.

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Shara Graham

NMOC

## San Juan 31-6 UNIT 36E ~~Subtraction~~ Allocation Attachment

ConocoPhillips requests that production for the downhole commingle of the San Juan 31-6 UNIT 36E be switched to a fixed percentage based allocation from the subtraction allocation method. The Mesa Verde and the Pictured Cliffs have been producing as a commingled well for the past four years.

The subtraction method applied an average monthly production forecast to the base formation(s) using historic production. ~~All production from this well exceeding the forecast has been allocated to the new formation(s). The new fixed percentage based allocation will be calculated from average production rates from the past twelve months.~~

Gas Production				
Date	Mesa Verde	Pictured Cliffs	0	Total
Sep-13	25.00	27.00	0.00	52.00
Oct-13	24.90	26.10	0.00	51.00
Nov-13	24.70	26.30	0.00	51.00
Dec-13	24.60	22.40	0.00	47.00
Jan-14	24.50	21.50	0.00	46.00
Feb-14	24.40	21.60	0.00	46.00
Mar-14	24.30	22.70	0.00	47.00
Apr-14	24.20	19.80	0.00	44.00
May-14	24.10	21.90	0.00	46.00
Jun-14	24.00	25.00	0.00	49.00
Jul-14	23.90	24.10	0.00	48.00
Aug-14	23.80	24.20	0.00	48.00
Averages	24.37	23.55	0.00	47.92
% of Total	51%	49%	0%	

### New Fixed Allocations

Mesa Verde - 51%  
Pictured Cliffs - 49%

Original base formation produced zero oil. All oil will continue to be allocated to the ~~new~~ added formation.

OIL CONS. DIV DIST. 3

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PC?

Subtraction  
Not  
Used

# Rate/Time Graph

Project: M:\PTools\Projects\Joe's Folder\allocationsCOP SJ31\_6#36E.mdb

Date: 11/14/2014

Time: 12:50 PM

Lease Name: SAN JUAN 31 6 UNIT (36E)

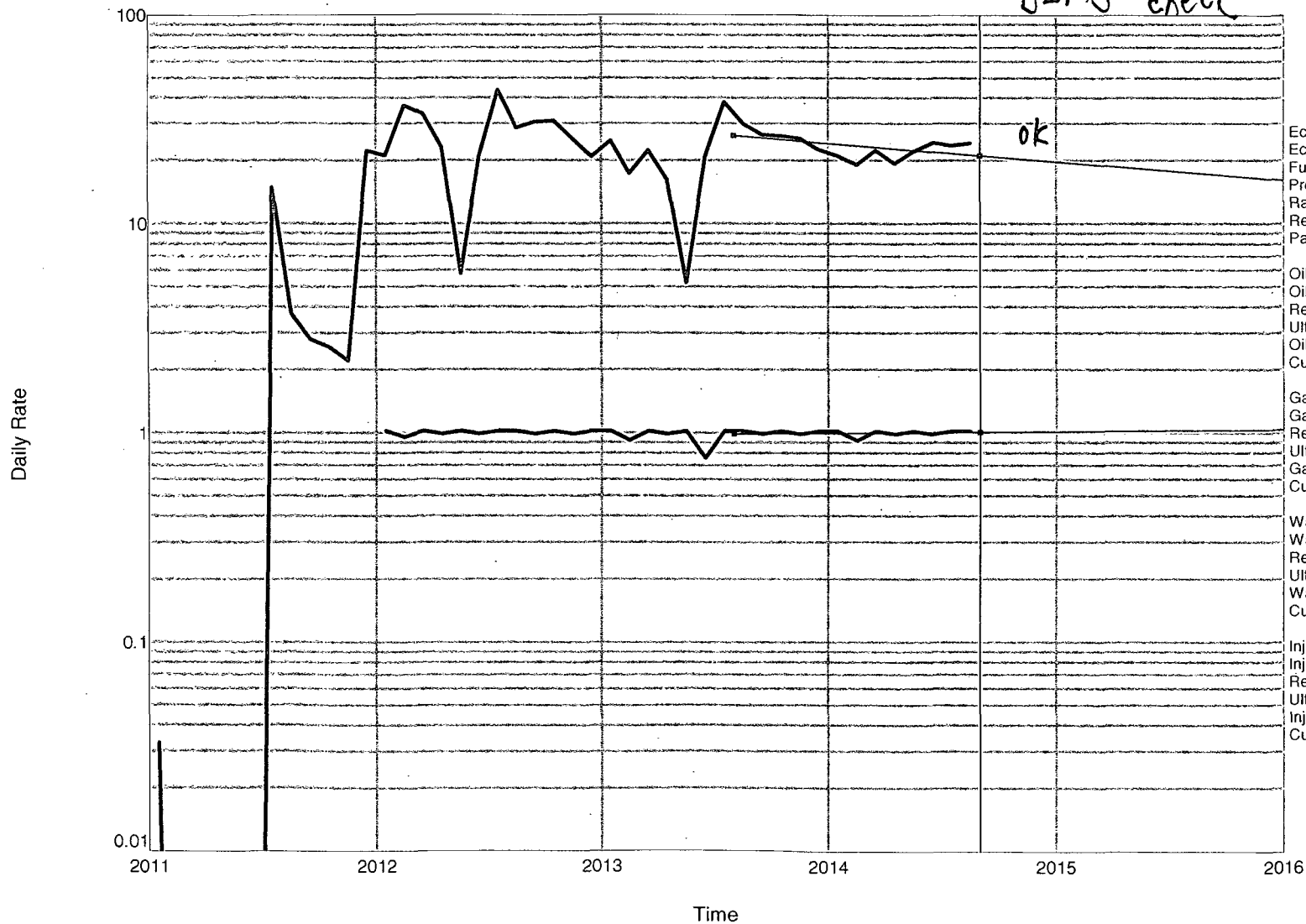
County, ST: RIO ARBA, NM

Location: N31 W6 27 NE SE

Operator: CONOCOPHILLIPS COMPANY

Field Name: ROSA

## SAN JUAN 31 6 UNIT # 36E - PICTURED CLIFFS



Economic Limit: 10/2016  
Economic Life: 26 mo  
Future Net Revenue: \$6,416  
Present Worth: \$5,990  
Rate of Return: >100 %  
Return on Invest: 0.00  
Payout Date: n/a

Oil at Effective Date: 0 bbl  
Oil at Economic Limit: 0 bbl  
Rem Oil (Decline): 0 bbl  
Ult Oil (Decline): 0 bbl  
Oil Decline at Eff Date: 0.00 %  
Cum Oil at Eff Date: 0 bbl

Gas at Effective Date: 636 mcf  
Gas at Economic Limit: 420 mcf  
Rem Gas (Decline): 13,543 mcf  
Ult Gas (Decline): 38,488 mcf  
Gas Decline at Eff Date: 18.09 %  
Cum Gas at Eff Date: 24,945 mcf

Water at Effective Date: 31 bbl  
Water at Economic Limit: 32 bbl  
Rem Water (Decline): 815 bbl  
Ult Water (Decline): 1,782 bbl  
Water Decline at Eff Date: -2.01 %  
Cum Water at Eff Date: 967 bbl

Inj at Effective Date: 0 bbl  
Inj at Economic Limit: 0 bbl  
Rem Inj (Decline): 0 bbl  
Ult Inj (Decline): 0 bbl  
Inj Decline at Eff Date: 0.00 %  
Cum Inj at Eff Date: 0 bbl

OIL CONS. DIV DIST 3  
NOV 18 2014

# Rate/Time Graph

Project: M:\PTools\Projects\Joe's Folder\allocationsCOP SJ31\_6#36E.mdb

Date: 11/14/2014

Time: 12:50 PM

Lease Name: SAN JUAN 31 6 UNIT (36E)

County, ST: RIO ARBA, NM

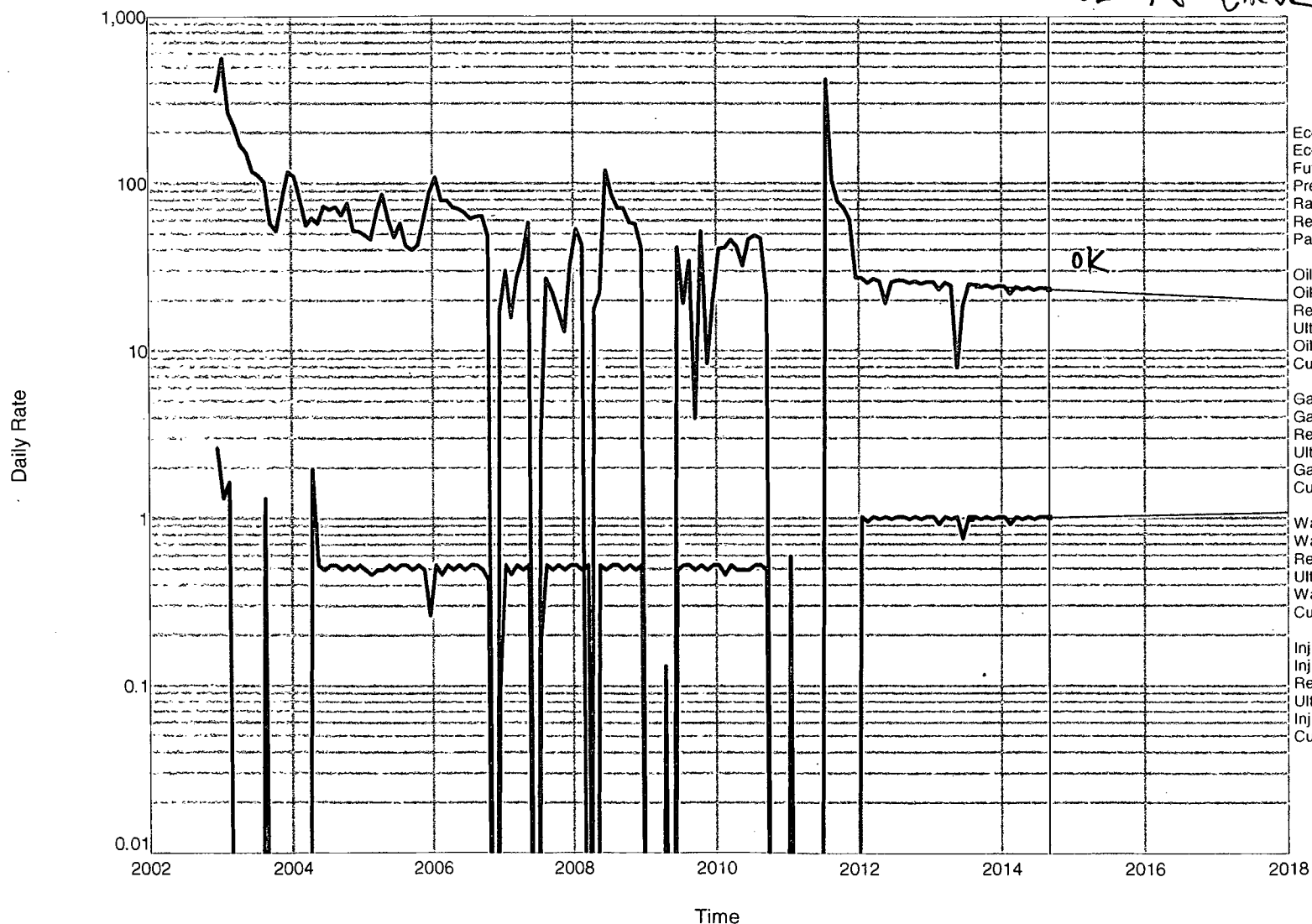
Location: N31 W6 27 NE SE

Operator: CONOCOPHILLIPS COMPANY

Field Name: BLANCO

SAN JUAN 31 6 UNIT # 36E - MESAVERDE

BLM's check



Economic Limit: 02/2026  
Economic Life: 138 mo  
Future Net Revenue: \$43,539  
Present Worth: \$31,556  
Rate of Return: >100 %  
Return on Invest: 0.00  
Payout Date: n/a

Oil at Effective Date: 0 bbl  
Oil at Economic Limit: 0 bbl  
Rem Oil (Decline): 0 bbl  
Ult Oil (Decline): 0 bbl  
Oil Decline at Eff Date: 0.00 %  
Cum Oil at Eff Date: 0 bbl  
Gas at Effective Date: 706 mcf  
Gas at Economic Limit: 418 mcf  
Rem Gas (Decline): 75,845 mcf  
Ult Gas (Decline): 306,912 mcf  
Gas Decline at Eff Date: 4.48 %  
Cum Gas at Eff Date: 231,067 mcf

Water at Effective Date: 31 bbl  
Water at Economic Limit: 39 bbl  
Rem Water (Decline): 4,755 bbl  
Ult Water (Decline): 7,029 bbl  
Water Decline at Eff Date: -2.01 %  
Cum Water at Eff Date: 2,274 bbl

Inj at Effective Date: 0 bbl  
Inj at Economic Limit: 0 bbl  
Rem Inj (Decline): 0 bbl  
Ult Inj (Decline): 0 bbl  
Inj Decline at Eff Date: 0.00 %  
Cum Inj at Eff Date: 0 bbl

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