| BURLINGTON  OCT 2005 RECEIVED  OL CONS. DIV. DIST. 3  PRODUCTION ALLOCATION FORM  Type of Completion  NEW DRILL  RECOMPLETION  PAYADD  COMMINGLE  Well Name  |            |                |       |              |              |          |                |   | Distribution: Regulatory Accounting Well File Original: August 1, 2003  Status PRELIMINARY FINAL REVISED Date: 10/10/2005  API No: 30039252700000 DHC#: DHC933  Well No. |     |  |
|--|------------|----------------|-------|--------------|--------------|----------|----------------|---|--|-----|--|
| SAN JUAN 28-5 UNIT NP  |            |                |       |              |              |          |                |   | #200   |     |  |
| Unit Letter<br>H   | Section 14 | Townsh<br>T28N | - !   | Range<br>R5W |              | Footage  |                | County, State Rio Arriba County, New Mexico |  |     |  |
| Completion Date  Test Method  HISTORICAL FIELD TEST PROJECTED OTHER  |            |                |       |              |              |          |                |   |  | 3   |  |
| FOR  |            | CDOENT         | CONTO | ENG AT       |              | DED CENT |                |   |  |     |  |
| FOR  |            | GAS            |       |              | PERCENT COND |          | ENSATE PERCENT |   | PERCENT  |     |  |
| Fruitland Coal   |            |                |       |              | 33%          |          |                |   |  | 33% |  |
| Pictured Cliffs  |            |                |       |              |              | 67%      |                |   |  | 67% |  |
| JUSTIFICATION OF ALLOCATION: It is recommended that the allocation for the San Juan 28-5 Unit NP 200 be adjusted based on an analysis of offset performance. Non-commingled offset Fruitland Coal and Pictured Cliffs producers within a three mile radius of the subject well were used to determine a reasonable average EUR. For the Fruitland Coal these were the SJ 28-5 Unit NP 201, SJ 28-5 Unit 201S, SJ 28-5 Unit 245, SJ 28-4 Unit NP 202, and Fed 29 4 32 2. Average EUR is 317 MMCF. For the Pictured Cliffs the wells are SJ 29-5 Unit 101, SJ 29-5 Unit 100, SJ 29-5 Unit 106, SJ 29-5 Unit 87, Schalk 29-4 2, and Schalk 29-4 4. The average EUR for these wells is 630 MMCF. This gives a 67% allocation to the Pictured Cliffs and 33% to the Fruitland Coal. |            |                |       |              |              |          |                |   |  |     |  |
| ADDROVED BY  |            |                |       |              |              | TITLE    |                |   | DATE   |     |  |
| APPROVED BY  |            |                |       |              |              | TITLE    |                |   | DATE   |     |  |
| X Jackhabang -   |            |                |       |              |              | Engineer |                |   | 10-12-05   |     |  |
| Jim Schla  |            |                |       |              |              |          |                |   |  |     |  |
| X  |            |                |       |              |              | Engineer |                |   |  | à   |  |
|  |            |                | •     |              | c            |          | · · · · · ·    | ·   |  |     |  |