Area: «TEAM» SF-77824 Distribution: BURLINGTON DES DET 17 AM 8 52 **OCT 2005** Regulatory Accounting RECEIVED Well File PIL CONS. DIV. Original: August 1, 2003 DIST. 3 070 FARMINGTOP UM Status PRELIMINARY | PRODUCTION ALLOCATION FORM FINAL | REVISED 🖂 Type of Completion Date: 10/10/2005 API No: 30045287850000 NEW DRILL ☐ RECOMPLETION ☐ PAYADD ☐ COMMINGLE ☒ DHC#: R-9717 Well Name Well No. **HANKS** #501 Unit Letter **Township** County, State Section Range Footage **T27N R10W** San Juan County, New Mexico E 12 1800FNL - 790 FWL **Completion Date** Test Method HISTORICAL ☐ FIELD TEST ☐ PROJECTED ☐ OTHER ☒ 11-19-92 **FORMATION GAS PERCENT CONDENSATE PERCENT Fruitland Coal** 58% 58% **Pictured Cliffs** 42% 42% JUSTIFICATION OF ALLOCATION: It is recommended that the allocation for the Hanks 501 should be adjusted based on an analysis of offset performance. The direct offset Fruitland Coal and Pictured Cliffs producers were averaged to determine a reasonable current allocation. Producers for the Fruitland Coal are the Hanks 500, Angel Peak 11A 4, and M N Galt F 1. These wells are averaging 137 MCFD. The direct offset producers for the Pictured Cliffs are the Galt 1R, Hanks 13, Hancock 1, Hanks 3, C M Morris 3, R B Sullivan 1R, Fred Feasel 1R, and M N Galt F 1R. These wells are currently averaging 99 MCFD. APPROVED BY TITLE DATE Lollabary L X Engineer 10-12-05 Jim Schlábaugh \mathbf{X}