



PRODUCTION ALLOCATION FORM

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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: **12/27/2006**
API No. **30-045-32439**
DHC No. **DHC1706AZ**
Lease No. **NMSF-078543**

Well Name
SAN JUAN 32-7 UNIT

Well No.
#69M

Unit Letter F	Section 35	Township T032N	Range R007W	Footage 1964' FNL & 2505' FWL	County, State San Juan County, New Mexico
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Completion Date: **12/8/2006**
Test Method: HISTORICAL FIELD TEST PROJECTED OTHER

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FORMATION	GAS	PERCENT	CONDENSATE	PERCENT
MESAVERDE	1252 MCFD	48%		48%
DAKOTA	1353 MCFD	52%		52%
	2605			

JUSTIFICATION OF ALLOCATION: These percentages are based upon isolated flow tests from the Mesaverde and Dakota formations during completion operations. Oil was not present during flow test operations. For that reason, oil percentages are based upon the gas allocation and are provided in the event this wellbore begins producing oil at some point in the future.

APPROVED BY	DATE	TITLE	PHONE
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