



PRODUCTION ALLOCATION FORM

Distribution:
BLM 4 Copies
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: 1/29/2007

API No. 30-045-33050
DHC No. DHC2406AZ
Lease No. NMSF-079353

Well Name
SAN JUAN 32-8 UNIT

Well No.
#258A

Unit Letter P	Section 09	Township T032N	Range R008W	Footage 291' FSL & 127' FEL
-------------------------	----------------------	--------------------------	-----------------------	---

County, State
**San Juan County,
New Mexico**

Completion Date 07/27/2006	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
FRUITLAND COAL	1894 MCFD	70%		70%
PICTURED CLIFFS	812 MCFD	30%		30%
	2706			

JUSTIFICATION OF ALLOCATION: These percentages are based upon isolated flow tests from the Fruitland Coal and Pictured Cliffs 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
X <i>Julian Carrillo</i>	1-29-07	Engineer	505-599-4043
Julian Carrillo			
X <i>Wendy Payne</i>	1/29/07	Engineering Tech.	505-326-9533
Wendy Payne			