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PRODUCTION ALLOCATION FORM

Bureau of Land Management
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 Well File
 Revised: March 9, 2006

Status
 PRELIMINARY ☐
 FINAL ☒
 REVISED ☐

Date: 1/26/2010

API No. 30-039-30680
 DHC No. DHC3177AZ
 Lease No. SF-078496

Commingle Type
 SURFACE ☐ DOWNHOLE ☒

Type of Completion
 NEW DRILL ☒ RECOMPLETION ☐ PAYADD ☐ COMMINGLE ☐

Well Name
 San Juan 28-7 Unit

Well No.
 #260N

Unit Letter G	Section 5	Township T027N	Range R007W	Footage 2305' FNL & 2500' FEL	County, State Rio Arriba County, New Mexico
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Completion Date 1/12/2010	Test Method HISTORICAL <input type="checkbox"/> FIELD TEST <input checked="" type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>	RCVD FEB 8 '10 OIL CONS. DIV. DIST. 3
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FORMATION	GAS	PERCENT	CONDENSATE	PERCENT
MESAVERDE	626 MCFD	52%		52%
DAKOTA	572 MCFD	48%		48%
	1198			

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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NMOC