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 <b>PRODUCTION ALLOCATION FORM</b>						FEB 05 2010 Bureau of Land Management Farmington Field Office		Distribution: BLM 4 Copies Regulatory Accounting Well File Revised: March 9, 2006	
Commingle Type SURFACE <input type="checkbox"/> DOWNHOLE <input checked="" type="checkbox"/> Type of Completion NEW DRILL <input type="checkbox"/> RECOMPLETION <input checked="" type="checkbox"/> PAYADD <input type="checkbox"/> COMMINGLE <input type="checkbox"/>						Status PRELIMINARY <input type="checkbox"/> FINAL <input checked="" type="checkbox"/> REVISED <input type="checkbox"/> Date: <b>12/23/2009</b> API No. <b>30-039-07367</b> DHC No. <b>DHC2835</b> Lease No. <b>SF-078500A</b>			
Well Name <b>San Juan 28-7 Unit</b>						Well No. <b>#032</b>			
Unit Letter <b>L</b>	Section <b>19</b>	Township <b>T028N</b>	Range <b>R007W</b>	Footage <b>1680' FSL &amp; 850' FWL</b>	County, State <b>Rio Arriba County, New Mexico</b>				
Completion Date		Test Method HISTORICAL <input checked="" type="checkbox"/> FIELD TEST <input type="checkbox"/> PROJECTED <input type="checkbox"/> OTHER <input type="checkbox"/>							
RCVD FEB 12 '10 OIL CONS. DIV. DIST. 3									
FORMATION		GAS		PERCENT		CONDENSATE		PERCENT	
MESAVERDE		106 MCFD		90%				100%	
PICTURED CLIFFS		9 MCFD		8%				0%	
FRUITLAND COAL		2 MCFD		2%				0%	
		117							
JUSTIFICATION OF ALLOCATION: ConocoPhillips requests that production for the down hole commingle of the San Juan 28-7 Unit 32 be switched to a fixed percentage based allocation. The fixed percentage based allocation is calculated from average production rates from twelve months. Based on existing offset production, shallow zones do not make any oil. All oil will be allocated to the parent formation.									
APPROVED BY				DATE		TITLE		PHONE	
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NMOC