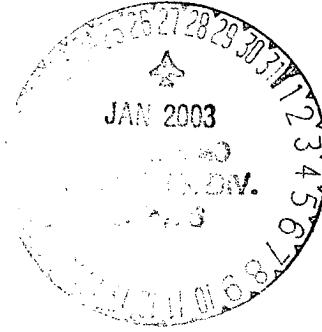


BURLINGTON

RESOURCES

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

Re: Thompson #10M
SWNE, Section 27, T-31-N, R-12-W
30-045-30981
San Juan County, New Mexico



Gentlemen:

The above referenced well is a Mesaverde/Dakota commingle. Attached is a copy of the allocation for the commingling of the subject well completed on January 11, 2003. DHC869az was issued for this well.

Gas: Mesa Verde 63%
Dakota 37%

Oil: Mesa Verde 63%
Dakota 37%

These allocations are based on isolated flow tests from the Mesa Verde and Dakota during completion operations. Oil was not present during flow test operations. For that reason, oil percentages are based upon gas allocation and are provided in the event this wellbore begins producing oil at some point in the future. Please let me know if you have any questions.

Sincerely,

Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

PRODUCTION ALLOCATION FORMULA USING WELL TEST INFORMATION

Thompson 10M
(Mesaverde/Dakota) Commingle
Unit G, 27-T31N-R12W
San Juan County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = 975 MCFD & 0 BO

Separator test from Dakota = 577 MCFD & 0 BO

GAS:

$$\frac{(MV) 975 \text{ MCFD}}{(MV/ DK) 1552 \text{ MCFD}} = (MV) \% \text{ Mesaverde 63\%}$$

$$\frac{(DK) 577 \text{ MCFD}}{(MV/ DK) 1552 \text{ MCFD}} = (DK) \% \text{ Dakota 37\%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (MV) \% \text{ Mesaverde 63\%}$$

$$\frac{(DK) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (DK) \% \text{ Dakota 37\%}$$