

BURLINGTON

RESOURCES

July 14, 2003

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

Re: Hardie E #2C
J Section 9, T-28-N, R-8-W
30-045-30905




Gentlemen:

Attached is a copy of the allocation for the subject well that was completed 7-9-03. DHC-1220az was issued for this well.

Gas: Chacra 22%
Mesaverde 78%

Oil: Chacra 22%
Mesaverde 78%

These percentages are based upon isolated flow tests from the Chacra and Mesaverde formations 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

Hardie E 2C
(Mesaverde/Chacra) Commingle
Unit J, 9-T28N-R8W
San Juan County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = 1180 MCFD & 0 BO

Separator test from Chacra = 339 MCFD & 0 BO

GAS:

$$\frac{(MV) 1180 \text{ MCFD}}{(MV/CH) 1519 \text{ MCFD}} = (MV) \% \text{ Mesaverde 78\%}$$

$$\frac{(CH) 339 \text{ MCFD}}{(MV/CH) 1519 \text{ MCFD}} = (CH) \% \text{ Chacra 22\%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV/CH) 0 \text{ BO}} = (MV) \% \text{ Mesaverde 78\%}$$

$$\frac{(CH) 0 \text{ BO}}{(MV/CH) 0 \text{ BO}} = (CH) \% \text{ Chacra 22\%}$$