

BURLINGTON RESOURCES

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

Re: Grenier B #4E
NENW, Section 4, T-29-N, R-10-W
30-045-29406



Gentlemen:

The above referenced well is a Chacra/Mesaverde/Dakota commingle. Attached is a copy of the allocation for the commingling of the subject well completed on March 20, 2002. DHC-2969 was issued for this well.

Gas: Dakota 33%
Mesaverde 61%
Chacra 6%

Oil: Dakota 100%
Mesaverde 0%
Chacra 0%

These percentages are based upon reserves assigned to each formation founded on production from the respective formations before and after workover operations and separator tests completed on the Chacra and Mesaverde formations. Since condensate production did not increase with the addition of the Chacra and Mesaverde formations, condensate remains allocated solely to the Dakota formation. Please let me know if you have any questions.

Sincerely,

Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

Production Allocation Documentation

Grenier B #4E

Production Allocation

Based on Remaining Reserves

Mesaverde Recomplete March 2002

GAS

	<u>RR</u>	<u>Allocation %</u>
Dakota	467.1	33%
All	<u>1,422.4</u>	
Chacra / Mesaverde	955.3	

SEPARATOR TEST

Chacra	113	9%
Mesaverde	<u>1120</u>	91%
Total	1233	

FINAL ALLOCATION

Chacra	87.6	6%
Mesaverde	867.8	61%

Condensate

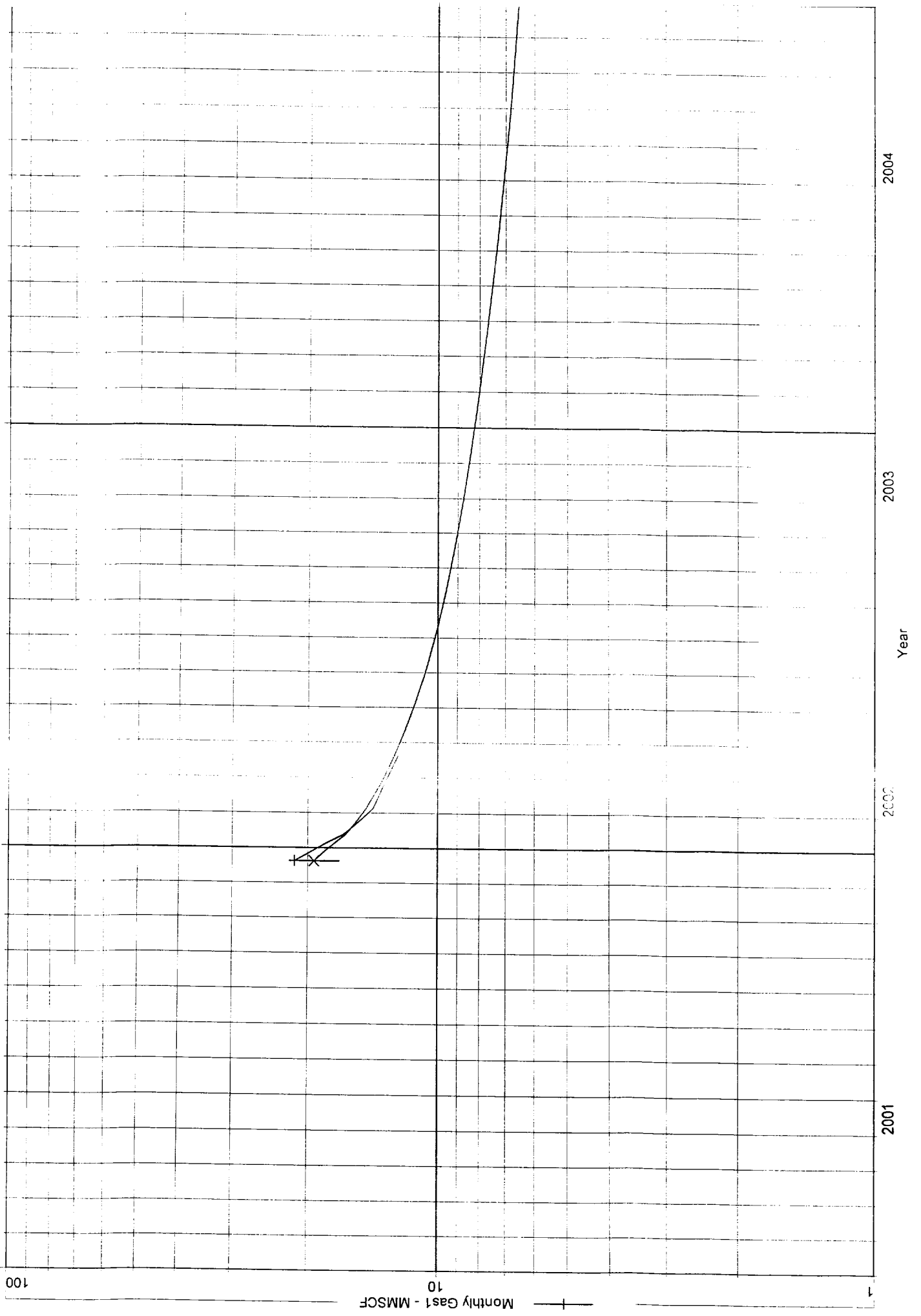
Since condensate did not increase with the addition of the Chacra and Mesaverde formations, condensate remains allocated solely to the Dakota formation.

GRENIER B 4E (ALL) (GRENIER B 4E (MV)) Data: Apr.2002-Aug.2002

Operator: BURLINGTON RESOURCES OG CO LP
Field:
Zone:
Type: Gas
Group: allocs

Alloc ALL (Rate-Time)
qi: 21.5193 MMSCF, Apr, 2002
qf: 0.45701 MMSCF, Jun, 2051
di(Hyp): 57
RR: 1422.44 MMSCF

Production Curr
Oil: 0 MST
Water: 0 MST
Cond: 0 MST



Operator: BURLINGTON RESOURCES OG CO L.P.
Field: BASIN DAKOTA (PRORATED GAS)
Zone:
Type: Gas
Group: None

DK Alloc (Rate-Time)
 qi: 8.61381 MMSCF, Apr, 1997
 qf: 0.456813 MMSCF, Oct, 2036
 di(Hyp): 50
 RR: 467.125 MMSCF

