


BURLINGTON RESOURCES

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



Re: Nye Federal #2M
SWSE, Section 8, T-29-N, R-10-W
30-045-30799
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 May 14, 2002. DHC623az was issued for this well.

Gas: Mesa Verde 65%
Dakota 35%

Oil: Mesa Verde 0%
Dakota 100%

These percentages are based upon isolated flow tests from the Mesaverde and Dakota during completion operations. 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

Nye Federal 2M
(Mesaverde/Dakota) Commingle
Unit O, 8-T29N-R10W
San Juan County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = 1060 MCFD & 0 BO

Separator test from Dakota = 565 MCFD & 0.5 BO

GAS:

$$\frac{(MV) 1060 \text{ MCFD}}{(MV/ DK) 1625 \text{ MCFD}} = (MV) \% \text{ Mesaverde 65%}$$

$$\frac{(DK) 565 \text{ MCFD}}{(MV/ DK) 1625 \text{ MCFD}} = (DK) \% \text{ Dakota 35%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV/ DK) 0.5 \text{ BO}} = (MV) \% \text{ Mesaverde 0%}$$

$$\frac{(DK) 0.5 \text{ BO}}{(MV/ DK) 0.5 \text{ BO}} = (DK) \% \text{ Dakota 100%}$$