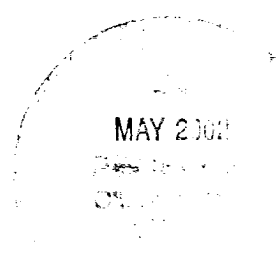


BURLINGTON RESOURCES



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

Re: Grambling C #1B
NENE, Section 14, T-30-N, R-10-W
30-045-30909
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 16, 2002. DHC725az was issued for this well.

Gas: Mesa Verde 30%
Dakota 70%

Oil: Mesa Verde 30%
Dakota 70%

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

Grambling C 1B
(Mesaverde/Dakota) Commingle
Unit A, 14-T30N-R10W
San Juan County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = 323 MCFD & 0 BO

Separator test from Dakota = 743 MCFD & 0 BO

GAS:

$$\frac{(MV) 323 \text{ MCFD}}{(MV/ DK) 1066 \text{ MCFD}} = (MV) \% \text{ Mesaverde 30%}$$

$$\frac{(DK) 743 \text{ MCFD}}{(MV/ DK) 1066 \text{ MCFD}} = (DK) \% \text{ Dakota 70%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (MV) \% \text{ Mesaverde 30%}$$

$$\frac{(DK) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (DK) \% \text{ Dakota 70%}$$