

BURLINGTON RESOURCES

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

Re: Sarah Hedges #2
NENE, Section 23, T-31-N, R-12-W
30-045-10607

Gentlemen:

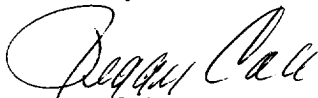
The above referenced well is a Mesaverde/Dakota commingle. Attached is a copy of the allocation for the commingling of the subject well completed on November 30, 2001. DHC-302az was issued for this well.

Gas:	Dakota	45%
	Mesaverde	55%

Oil:	Dakota	74%
	Mesaverde	26%

These allocations are based on historic production data from the Mesaverde and Dakota. Please let me know if you have any questions.

Sincerely,


Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

Hedges Sarah #2 Production Allocation

Gas

*Mesaverde Cumulative Production:	1,309 MMcf	55%
*Dakota Cumulative Production:	1,057 MMcf	45%
Total:	<u>2,365</u>	<u>100.0%</u>

Oil

*Mesaverde Cumulative Production:	10,325 BBls	26%
*Dakota Cumulative Production:	29,433 BBls	74%
Total:	<u>39,758</u>	

*Allocation Formula Basis: The fixed percentages are based on cumulative production from 1/70 - 12/00.