BURLINGTON RESOURCES

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

Re: Rattlesnake Canyon #1

SESW, Section 32, T-32-N, R-8-W

30-045-20515

San Juan County, New Mexico

Gentlemen:

The above referenced well is a Mesaverde/Fruitland Coal commingle. Attached is a copy of the allocation for the commingling of the subject well completed on October 6, 1999. DHC-2394 was issued for this well.

Gas: Mesa Verde 51%

Fruitland Coal 49%

Oil: Mesa Verde 0%

Fruitland Coal 0%

These allocations were calculated using rate-time reserve estimate comparisons for each respective formation. Please let me know if you have any questions.

Sincerely,

Peggy Cole

Regulatory Supervisor

Xc: NMOCD – Santa Fe

Bureau of Land Management



Rattlesnake Canyon #1 Unit N, Sec . 32, T32N, R08W Production Allocation

Remaining Reserves

| Gas |
|-----|
|-----|

| *Mesaverde RR | | 385 MMcf | 51% |
|--------------------|--------|----------|------|
| *Fruitland Coal RR | | 371 MMcf | 49% |
| | Total: | 756 | 100% |

Oil

Mesaverde Cumulative 0.0 MSTB Fruitland Coal Cumulative 0.0 MSTB Total: 0.0

^{*}Allocation Formula Basis: The fixed percentages are based on remaining reserves projections.