

BURLINGTON RESOURCES

PRODUCTION ALLOCATION FORM

Distribution:
Regulatory
Accounting
Well File

Original: August 1, 2003

Status
PRELIMINARY ☒
FINAL ☐

Type of Completion

NEW DRILL ☐ RECOMPLETION ☒ PAYADD ☐ COMMINGLE ☐

Date: 7/27/2004

API No.
30-045-25641

Well Name
STATE 16

Well No.
#3

Unit Letter
M

Section
16

Township
T28N

Range
R09W

Footage
881' FSL & 927' FWL

County, State
San Juan County, New Mexico

Completion Date

Test Method

HISTORICAL ☐ FIELD TEST ☒ PROJECTED ☐ OTHER ☐

FORMATION	GAS	PERCENT	CONDENSATE	PERCENT
CHACRA	47 MMCF	6%		
MESAVERDE	276 MMCF	34%	3.2 MSTB	78%
GALLUP	486 MMCF	60%	0.9 MSTB	22%

JUSTIFICATION OF ALLOCATION

Preliminary allocation for the Chacra/Mesaverde Recompletion: Gas percentages are based on remaining reserves for the Gallup formation and estimated reserves for the Chacra and Mesaverde formations. The Chacra formation does not produce any oil therefore; oil percentages are allocated based on remaining reserves for the Gallup and estimated reserves for the Mesaverde.

APPROVED BY	TITLE	DATE
X <i>Leonard Biemer</i>		
Leonard Biemer	Engineer	7/27/04
X <i>Cherylene Charley</i>		
Cherylene Charley	Engineering Tech.	7/27/04

Burlington Resources
San Juan Division
Economic Summary

Case Information	
Parameter	Value
Case ID (SeqNum)	100120452
Case Name	STATE 16 3 (CHRCM)
Team	LWCH
Formation	CHACRA
Project Type	RECOMPLETION
Area	AREA 03
Location	028N - 009W - 16 - M
State	NEW MEXICO
County	SAN JUAN
Project Status	FUNDED
Evaluation Date	2004/01

Reserves & Capital				
Parameter	Value	Gross	WI	NRI
Shrunk Gas	MMSCF	46.9	46.9	41.1
NGL	MSTB	3.0	3.0	0.0
Oil & Condensate	MSTB	0.0	0.0	0.0
Gas Equivalents	MMCFE	65.1	65.1	41.1
Total Capital	0.0	99.9	99.9	99.9
Dev. Drilling Tangible	0.0	11.1	11.1	11.1
Dev. Drilling Intangible	0.0	88.8	88.8	88.8
Capital Workover Tangible	0.0	0.0	0.0	0.0
Capital Workover Intangible	0.0	0.0	0.0	0.0
Expense Workover	0.0	0.0	0.0	0.0
Facility	0	0.0	0.0	0.0

Economic Indicators			
Parameter	Units	BFIT	AFIT
Rate of Return			
Payout	months	90.53	90.65
Undisc. Net/Investment	MS/MS	0.15	0.09
Disc. Net/Investment	MS/MS	-0.14	-0.10
Undiscounted CF	MS	15.2	9.4
NPV @ 5	MS	-1.6	-1.9
NPV @ 10	MS	-1.7	-2.0
NPV @ 25.0	MS	-34.0	-24.1
NPV @ 50.0	MS	-46.2	-33.3
NPV @ 100.0	MS	-50.9	-37.6
Economic Limit Date	YYYY/MM	2013/06	2013/06

3-Stream Detail

Date	Gross Unshrunk Gas	Gas Shrink	Gross Shrunk Gas	NGL Yield	Gross NGL	Gross Oil & Cond.	Net Shrunk Gas	Net NGL	Net Oil & Cond.	Net Gas Equiv.	Net Gas Price	Net NGL Price	Net Oil Price	Total Net Sales	WI Net Production Tax	WI Net Oper. Exp.	Net Capital Invest.	WI BT Cash Flow	WI 10% Disc. BTCF	Working Interest	Net Revenue Interest
	MMSCF	%	MMSCF	Bbl/MMSCF	MSTB	MSTB	MMSCF	MSTB	MSTB	MMSCF	\$/mcf	\$/Bbl	\$/Bbl	MS	MS	MS	MS	MS	MS	%	%
2004 01	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00
2004 02	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00
2004 03	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00
2004 04	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00
2004 05	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00
2004 06	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.0	0.0	0.0	99.9	-99.9	-96.0	0.00	0.00
2004 07	2.0	14.1	1.7	55.3	0.1	0.0	1.5	0.0	0.0	1.5	3.12	0.00	0.00	4.7	0.5	0.0	0.0	4.2	4.0	100.00	87.50
2004 08	1.6	14.1	1.4	55.3	0.1	0.0	1.2	0.0	0.0	1.2	3.12	0.00	0.00	3.8	0.4	0.0	0.0	3.4	3.2	100.00	87.50
2004 09	1.4	14.1	1.2	55.3	0.1	0.0	1.1	0.0	0.0	1.1	3.12	0.00	0.00	3.3	0.3	0.0	0.0	2.9	2.8	100.00	87.50
2004 10	1.3	14.1	1.1	55.3	0.1	0.0	0.9	0.0	0.0	0.9	3.12	0.00	0.00	2.9	0.3	0.0	0.0	2.6	2.5	100.00	87.50
2004 11	1.2	14.1	1.0	55.3	0.1	0.0	0.9	0.0	0.0	0.9	3.12	0.00	0.00	2.7	0.3	0.0	0.0	2.4	2.2	100.00	87.50
2004 12	1.1	14.1	0.9	55.3	0.1	0.0	0.8	0.0	0.0	0.8	3.12	0.00	0.00	2.5	0.3	0.0	0.0	2.3	2.1	100.00	87.50
2005 01	1.0	14.1	0.9	55.3	0.1	0.0	0.8	0.0	0.0	0.8	3.12	0.00	0.00	2.4	0.2	0.0	0.0	2.1	1.9	100.00	87.50
2005 02	1.0	14.1	0.8	55.3	0.1	0.0	0.7	0.0	0.0	0.7	3.12	0.00	0.00	2.2	0.2	0.0	0.0	2.0	1.8	100.00	87.50
2005 03	0.9	14.1	0.8	55.3	0.1	0.0	0.7	0.0	0.0	0.7	3.12	0.00	0.00	2.1	0.2	0.0	0.0	1.9	1.7	100.00	87.50
2005 04	0.9	14.1	0.7	55.3	0.0	0.0	0.7	0.0	0.0	0.7	3.12	0.00	0.00	2.0	0.2	0.0	0.0	1.8	1.6	100.00	87.50
2005 05	0.8	14.1	0.7	55.3	0.0	0.0	0.6	0.0	0.0	0.6	3.12	0.00	0.00	2.0	0.2	0.0	0.0	1.8	1.5	100.00	87.50
2005 06	0.8	14.1	0.7	55.3	0.0	0.0	0.6	0.0	0.0	0.6	3.12	0.00	0.00	1.9	0.2	0.0	0.0	1.7	1.5	100.00	87.50
2005 07	0.8	14.1	0.7	55.3	0.0	0.0	0.6	0.0	0.0	0.6	3.12	0.00	0.00	1.8	0.2	0.0	0.0	1.6	1.4	100.00	87.50
2005 08	0.8	14.1	0.6	55.3	0.0	0.0	0.6	0.0	0.0	0.6	3.12	0.00	0.00	1.8	0.2	0.0	0.0	1.6	1.4	100.00	87.50
2005 09	0.7	14.1	0.6	55.3	0.0	0.0	0.5	0.0	0.0	0.5	3.12	0.00	0.00	1.7	0.2	0.0	0.0	1.5	1.3	100.00	87.50
2005 10	0.7	14.1	0.6	55.3	0.0	0.0	0.5	0.0	0.0	0.5	3.12	0.00	0.00	1.7	0.2	0.0	0.0	1.5	1.3	100.00	87.50
2005 11	0.7	14.1	0.6	55.3	0.0	0.0	0.5	0.0	0.0	0.5	3.12	0.00	0.00	1.6	0.2	0.0	0.0	1.5	1.2	100.00	87.50
2005 12	0.7	14.1	0.6	55.3	0.0	0.0	0.5	0.0	0.0	0.5	3.12	0.00	0.00	1.6	0.2	0.0	0.0	1.4	1.2	100.00	87.50
2006 01	0.7	14.1	0.6	55.3	0.0	0.0	0.5	0.0	0.0	0.5	3.12	0.00	0.00	1.5	0.2	0.0	0.0	1.4	1.1	100.00	87.50
2006 02	0.6	14.1	0.6	55.3	0.0	0.0	0.5	0.0	0.0	0.5	3.12	0.00	0.00	1.5	0.2	0.0	0.0	1.4	1.1	100.00	87.50
2006 03	0.6	14.1	0.5	55.3	0.0	0.0	0.5	0.0	0.0	0.5	3.12	0.00	0.00	1.5	0.2	0.0	0.0	1.3	1.1	100.00	87.50
2006 04	0.6	14.1	0.5	55.3	0.0	0.0	0.5	0.0	0.0	0.5	3.12	0.00	0.00	1.5	0.1	0.0	0.0	1.3	1.1	100.00	87.50
2006 05	0.6	14.1	0.5	55.3	0.0	0.0	0.5	0.0	0.0	0.5	3.12	0.00	0.00	1.4	0.1	0.0	0.0	1.3	1.0	100.00	87.50
2006 06	0.6	14.1	0.5	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.4	0.1	0.0	0.0	1.3	1.0	100.00	87.50
2006 07	0.6	14.1	0.5	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.4	0.1	0.0	0.0	1.2	1.0	100.00	87.50
2006 08	0.6	14.1	0.5	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.3	0.1	0.0	0.0	1.2	0.9	100.00	87.50
2006 09	0.6	14.1	0.5	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.3	0.1	0.0	0.0	1.2	0.9	100.00	87.50
2006 10	0.6	14.1	0.5	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.3	0.1	0.0	0.0	1.2	0.9	100.00	87.50
2006 11	0.5	14.1	0.5	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.3	0.1	0.0	0.0	1.2	0.9	100.00	87.50
2006 12	0.5	14.1	0.5	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.3	0.1	0.0	0.0	1.1	0.9	100.00	87.50
2007 01	0.5	14.1	0.5	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.2	0.1	0.0	0.0	1.1	0.8	100.00	87.50
2007 02	0.5	14.1	0.5	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.2	0.1	0.0	0.0	1.1	0.8	100.00	87.50
2007 03	0.5	14.1	0.4	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.2	0.1	0.0	0.0	1.1	0.8	100.00	87.50
2007 04	0.5	14.1	0.4	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.2	0.1	0.0	0.0	1.1	0.8	100.00	87.50
2007 05	0.5	14.1	0.4	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.2	0.1	0.0	0.0	1.1	0.8	100.00	87.50
2007 06	0.5	14.1	0.4	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.2	0.1	0.0	0.0	1.0	0.8	100.00	87.50
2007 07	0.5	14.1	0.4	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.2	0.1	0.0	0.0	1.0	0.7	100.00	87.50
2007 08	0.5	14.1	0.4	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.1	0.1	0.0	0.0	1.0	0.7	100.00	87.50
2007 09	0.5	14.1	0.4	55.3	0.0	0.0	0.4	0.0	0.0	0.4	3.12	0.00	0.00	1.1	0.1	0.0	0.0	1.0	0.7	100.00	87.50
2007 10	0.5	14.1	0.4	55.3	0.0	0.0	0.3	0.0	0.0	0.3	3.12	0.00	0.00	1.1	0.1	0.0	0.0	1.0	0.7	100.00	87.50
2007 11	0.5	14.1	0.4	55.3	0.0	0.0	0.3	0.0	0.0	0.3	3.12	0.00	0.00	1.1	0.1	0.0	0.0	1.0	0.7	100.00	87.50
2007 12	0.5	14.1	0.4	55.3	0.0	0.0	0.3	0.0	0.0	0.3	3.12	0.00	0.00	1.1	0.1	0.0	0.0	1.0	0.7	100.00	87.50
Sub.	31.2	---	26.8	48.4	1.7	0.0	23.5	0.0	0.0	23.5	3.12	0.00	0.00	73.2	7.5	0.0	99.9	-34.1	-40.5	87.50	76.56
Rem.	23.5	---	20.1	55.3	1.3	0.0	17.6	0.0	0.0	17.6	3.12	0.00	0.00	55.0	5.6	0.0	0.0	49.4	26.9	100.00	87.50
Total	54.7	---	46.9	52.4	3.0	0.0	41.1	0.0	0.0	41.1	3.12	0.00	0.00	128.2	13.1	0.0	99.9	15.2	-13.7	94.74	82.89

Burlington Resources

San Juan Division

Economic Summary

Case Information

Parameter	Value
Case ID (SeqNum)	100120450
Case Name	STATE 163 (MVRM)
Team	LWCH
Formation	MESAVERDE
Project Type	RECOMPLETION
Area	AREA 03
Location	028N - 009W - 16 - M
State	NEW MEXICO
County	SAN JUAN
Project Status	FUNDED
Evaluation Date	2004/01

Reserves & Capital

Parameter	Value	Gross	WI	NRI
Shrunk Gas	MMSCF	276.1	276.1	241.5
NGL	MSTB	19.1	19.1	0.0
Oil & Condensate	MSTB	3.2	3.2	2.8
Gas Equivalents	MMCFE	409.9	409.9	258.6
Total Capital	0.0	154.9	154.9	154.9
Dev. Drilling Tangible	0.0	11.1	11.1	11.1
Dev. Drilling Intangible	0.0	143.8	143.8	143.8
Capital Workover Tangible	0.0	0.0	0.0	0.0
Capital Workover Intangible	0.0	0.0	0.0	0.0
Expense Workover	0.0	0.0	0.0	0.0
Facility	0	0.0	0.0	0.0

Economic Indicators

Parameter	Units	BFIT	AFIT
Rate of Return		40.2	38.5
Payout	months	35.44	36.23
Undisc. Net/Investment	M\$/M\$	3.68	2.28
Disc. Net/Investment	M\$/M\$	1.2	1.75
Undiscounted CF	M\$	570.3	353.6
NPV @ 5	M\$	306.9	189.2
NPV @ 10.0	M\$	183.5	112.0
NPV @ 25.0	M\$	46.9	25.0
NPV @ 50.0	M\$	-15.6	-15.9
NPV @ 100.0	M\$	-47.1	-37.6
Economic Limit Date	YYYY/MM	2035/11	2035/11

3-Stream Detail

Date	Gross Unshrunk Gas	Gas Shrink	Gross Shrunk Gas	NGL Yield	Gross NGL	Gross Oil & Cond.	Net Shrunk Gas	Net NGL	Net Oil & Cond.	Net Gas Equiv.	Net Gas Price	Net NGL Price	Net Oil Price	Total Net Sales	WI Net Production Tax	WI Net Oper. Exp.	Net Capital Invest.	WI BT Cash Flow	WI 10% Disc BTCF	Working Interest	Net Revenue Interest
	MMSCF	%	MMSCF	Bbl/MMSCF	MSTB	MSTB	MMSCF	MSTB	MSTB	MMSCF	\$/mcf	\$/Bbl	\$/Bbl	M\$	M\$	M\$	M\$	M\$	M\$	%	%
2004 01	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00
2004 02	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00
2004 03	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00
2004 04	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00
2004 05	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00
2004 06	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.0	0.0	0.0	154.9	-154.9	-148.8	0.00	0.00
2004 07	4.5	15.0	3.9	58.7	0.3	0.0	3.4	0.0	0.0	3.6	3.12	0.00	18.95	11.3	1.2	0.0	0.0	10.1	9.7	100.00	87.50
2004 08	3.9	15.0	3.3	58.7	0.2	0.0	2.9	0.0	0.0	3.1	3.12	0.00	18.95	9.7	1.0	0.0	0.0	8.7	8.3	100.00	87.50
2004 09	3.5	15.0	3.0	58.7	0.2	0.0	2.6	0.0	0.0	2.8	3.12	0.00	18.95	8.8	0.9	0.0	0.0	7.9	7.4	100.00	87.50
2004 10	3.3	15.0	2.8	58.7	0.2	0.0	2.4	0.0	0.0	2.6	3.12	0.00	18.95	8.1	0.8	0.0	0.0	7.3	6.8	100.00	87.50
2004 11	3.0	15.0	2.6	58.7	0.2	0.0	2.3	0.0	0.0	2.4	3.12	0.00	18.95	7.6	0.8	0.0	0.0	6.8	6.3	100.00	87.50
2004 12	2.9	15.0	2.4	58.7	0.2	0.0	2.1	0.0	0.0	2.3	3.12	0.00	18.95	7.1	0.7	0.0	0.0	6.4	5.9	100.00	87.50
2005 01	2.7	15.0	2.3	58.7	0.2	0.0	2.0	0.0	0.0	2.2	3.12	0.00	18.95	6.8	0.7	0.0	0.0	6.1	5.6	100.00	87.50
2005 02	2.6	15.0	2.2	58.7	0.2	0.0	2.0	0.0	0.0	2.1	3.12	0.00	18.95	6.5	0.7	0.0	0.0	5.9	5.3	100.00	87.50
2005 03	2.5	15.0	2.1	58.7	0.1	0.0	1.9	0.0	0.0	2.0	3.12	0.00	18.95	6.3	0.6	0.0	0.0	5.6	5.0	100.00	87.50
2005 04	2.4	15.0	2.1	58.7	0.1	0.0	1.8	0.0	0.0	1.9	3.12	0.00	18.95	6.1	0.6	0.0	0.0	5.4	4.8	100.00	87.50
2005 05	2.4	15.0	2.0	58.7	0.1	0.0	1.8	0.0	0.0	1.9	3.12	0.00	18.95	5.9	0.6	0.0	0.0	5.3	4.6	100.00	87.50
2005 06	2.3	15.0	1.9	58.7	0.1	0.0	1.7	0.0	0.0	1.8	3.12	0.00	18.95	5.7	0.6	0.0	0.0	5.1	4.5	100.00	87.50
2005 07	2.2	15.0	1.9	58.7	0.1	0.0	1.7	0.0	0.0	1.8	3.12	0.00	18.95	5.5	0.6	0.0	0.0	5.0	4.3	100.00	87.50
2005 08	2.2	15.0	1.8	58.7	0.1	0.0	1.6	0.0	0.0	1.7	3.12	0.00	18.95	5.4	0.6	0.0	0.0	4.9	4.2	100.00	87.50
2005 09	2.1	15.0	1.8	58.7	0.1	0.0	1.6	0.0	0.0	1.7	3.12	0.00	18.95	5.3	0.5	0.0	0.0	4.7	4.0	100.00	87.50
2005 10	2.1	15.0	1.8	58.7	0.1	0.0	1.5	0.0	0.0	1.7	3.12	0.00	18.95	5.2	0.5	0.0	0.0	4.6	3.9	100.00	87.50
2005 11	2.0	15.0	1.7	58.7	0.1	0.0	1.5	0.0	0.0	1.6	3.12	0.00	18.95	5.1	0.5	0.0	0.0	4.5	3.8	100.00	87.50
2005 12	2.0	15.0	1.7	58.7	0.1	0.0	1.5	0.0	0.0	1.6	3.12	0.00	18.95	5.0	0.5	0.0	0.0	4.4	3.7	100.00	87.50
2006 01	2.0	15.0	1.7	58.7	0.1	0.0	1.5	0.0	0.0	1.6	3.12	0.00	18.95	4.9	0.5	0.0	0.0	4.4	3.6	100.00	87.50
2006 02	1.9	15.0	1.6	58.7	0.1	0.0	1.4	0.0	0.0	1.5	3.12	0.00	18.95	4.8	0.5	0.0	0.0	4.3	3.5	100.00	87.50
2006 03	1.9	15.0	1.6	58.7	0.1	0.0	1.4	0.0	0.0	1.5	3.12	0.00	18.95	4.7	0.5	0.0	0.0	4.2	3.4	100.00	87.50
2006 04	1.9	15.0	1.6	58.7	0.1	0.0	1.4	0.0	0.0	1.5	3.12	0.00	18.95	4.6	0.5	0.0	0.0	4.1	3.3	100.00	87.50
2006 05	1.8	15.0	1.6	58.7	0.1	0.0	1.4	0.0	0.0	1.5	3.12	0.00	18.95	4.5	0.5	0.0	0.0	4.1	3.3	100.00	87.50
2006 06	1.8	15.0	1.5	58.7	0.1	0.0	1.3	0.0	0.0	1.4	3.12	0.00	18.95	4.5	0.5	0.0	0.0	4.0	3.2	100.00	87.50
2006 07	1.8	15.0	1.5	58.7	0.1	0.0	1.3	0.0	0.0	1.4	3.12	0.00	18.95	4.4	0.4	0.0	0.0	4.0	3.1	100.00	87.50
2006 08	1.8	15.0	1.5	58.7	0.1	0.0	1.3	0.0	0.0	1.4	3.12	0.00	18.95	4.3	0.4	0.0	0.0	3.9	3.1	100.00	87.50
2006 09	1.7	15.0	1.5	58.7	0.1	0.0	1.3	0.0	0.0	1.4	3.12	0.00	18.95	4.3	0.4	0.0	0.0	3.9	3.0	100.00	87.50
2006 10	1.7	15.0	1.4	58.7	0.1	0.0	1.3	0.0	0.0	1.4	3.12	0.00	18.95	4.2	0.4	0.0	0.0	3.8	2.9	100.00	87.50
2006 11	1.7	15.0	1.4	58.7	0.1	0.0	1.3	0.0	0.0	1.3	3.12	0.00	18.95	4.2	0.4	0.0	0.0	3.8	2.9	100.00	87.50
2006 12	1.7	15.0	1.4	58.7	0.1	0.0	1.2	0.0	0.0	1.3	3.12	0.00	18.95	4.1	0.4	0.0	0.0	3.7	2.8	100.00	87.50
2007 01	1.6	15.0	1.4	58.7	0.1	0.0	1.2	0.0	0.0	1.3	3.12	0.00	18.95	4.1	0.4	0.0	0.0	3.7	2.8	100.00	87.50
2007 02	1.6	15.0	1.4	58.7	0.1	0.0	1.2	0.0	0.0	1.3	3.12	0.00	18.95	4.0	0.4	0.0	0.0	3.6	2.7	100.00	87.50
2007 03	1.6	15.0	1.4	58.7	0.1	0.0	1.2	0.0	0.0	1.3	3.12	0.00	18.95	4.0	0.4	0.0	0.0	3.6	2.7	100.00	87.50
2007 04	1.6	15.0	1.4	58.7	0.1	0.0	1.2	0.0	0.0	1.3	3.12	0.00	18.95	4.0	0.4	0.0	0.0	3.5	2.6	100.00	87.50
2007 05	1.6	15.0	1.3	58.7	0.1	0.0	1.2	0.0	0.0	1.3	3.12	0.00	18.95	3.9	0.4	0.0	0.0	3.5	2.6	100.00	87.50
2007 06	1.6	15.0	1.3	58.7	0.1	0.0	1.2	0.0	0.0	1.2	3.12	0.00	18.95	3.9	0.4	0.0	0.0	3.5	2.5	100.00	87.50
2007 07	1.5	15.0	1.3	58.7	0.1	0.0	1.1	0.0	0.0	1.2	3.12	0.00	18.95	3.8	0.4	0.0	0.0	3.4	2.5	100.00	87.50
2007 08	1.5	15.0	1.3	58.7	0.1	0.0	1.1	0.0	0.0	1.2	3.12	0.00	18.95	3.8	0.4	0.0	0.0	3.4	2.4	100.00	87.50
2007 09	1.5	15.0	1.3	58.7	0.1	0.0	1.1	0.0	0.0	1.2	3.12	0.00	18.95	3.7	0.4	0.0	0.0	3.4	2.4	100.00	87.50
2007 10	1.5	15.0	1.3	58.7	0.1	0.0	1.1	0.0	0.0	1.2	3.12	0.00	18.95	3.7	0.4	0.0	0.0	3.3	2.3	100.00	87.50
2007 11	1.5	15.0	1.3	58.7	0.1	0.0	1.1	0.0	0.0	1.2	3.12	0.00	18.95	3.7	0.4	0.0	0.0	3.3	2.3	100.00	87.50
2007 12	1.5	15.0	1.2	58.7	0.1	0.0	1.1	0.0	0.0	1.2	3.12	0.00	18.95	3.6	0.4	0.0	0.0	3.3	2.2	100.00	87.50
Sub.	88.9	---	75.6	51.4	5.2	0.9	66.1	0.0	0.8	70.8	3.12	0.00	18.95	220.9	22.5	0.0	154.9	43.6	17.2	87.50	76.56
Rem.	235.9	---	200.5	58.7	13.8	2.4	175.4	0.0	2.1	187.8	3.12	0.00	18.95	586.4	59.7	0.0	0.0	526.7	166.7	100.00	87.80
Total	324.8	---	276.1	57.8	19.1	3.2	241.5	0.0	2.8	258.6	3.12	0.00	18.95	607.4	82.2	0.0	154.9	570.3	183.9	98.43	86.13

STATE 16 3 3250801 (315117863749.866) Data: Jan.1983-Jun.2004

Operator: BURLINGTON RESOURCES OG CO LP
Field: POTTER GALLUP

Type: Oil

Group: None

PDP Gas (Rate-Time)

Oi: 3.95687 MMSCF, 1983-12

Of: 0.464308 MMSCF, 2044-07

DI(Exp): 3.49998%, CTD: 519.143 MMSCF

RR: 486.387 MMSCF Tot: 1005.53 MMSCF

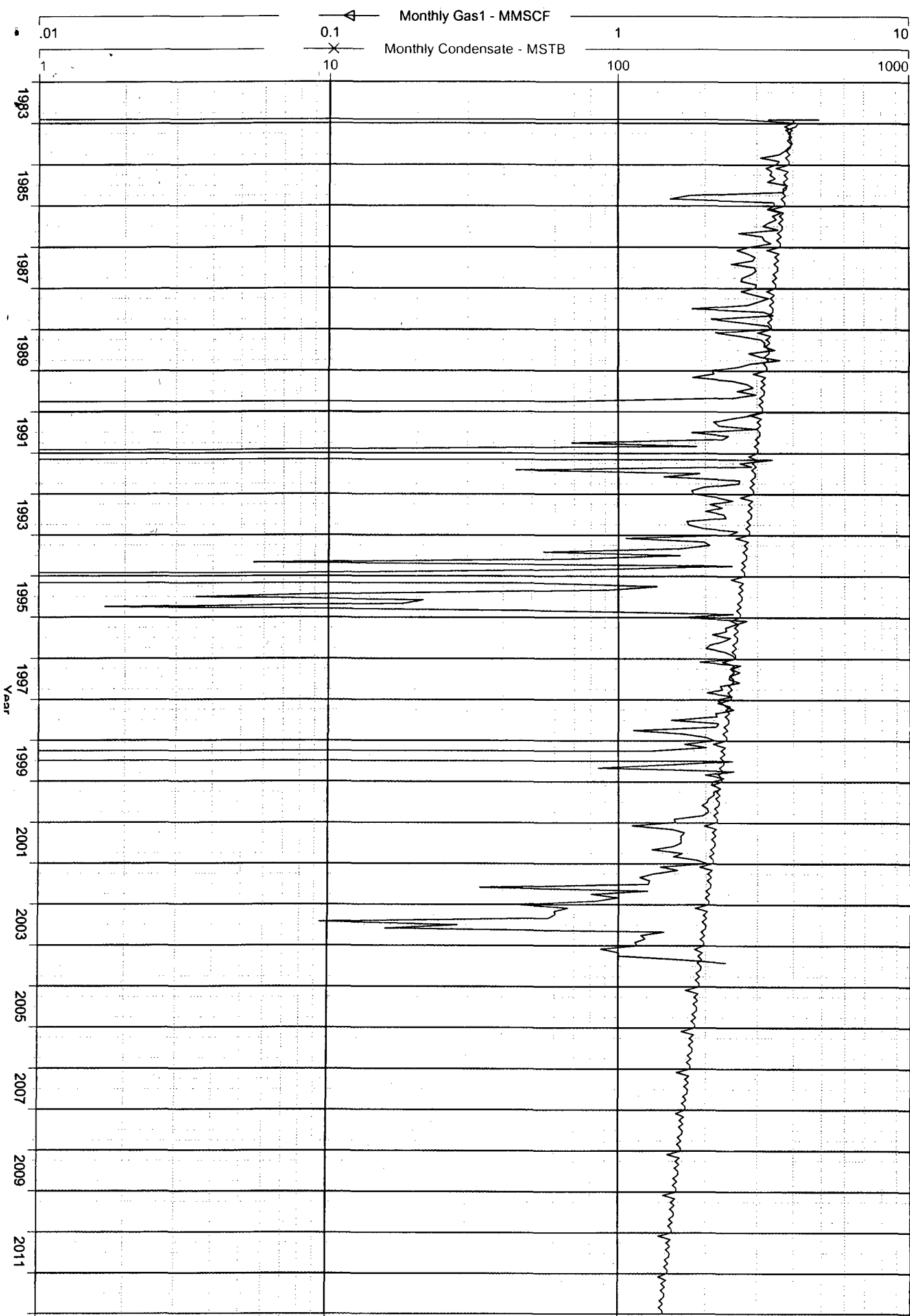
Production Cums

Oil: 10.3142 MSTB

Gas: 519.143 MMSCF

Water: 0.198669 MSTB

Cond: 0 MSTB





PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

July 26, 2004

Burlington Resources Oil & Gas Company
P.O. Box 4289
Farmington, New Mexico 87499

Attn: Mr. Leonard Biemer

Re: Downhole Commingling Application
State 16 Well No. 3
Unit Letter M, Section 16-28N-09W
Otero Chacra, Blanco Mesaverde and Potter Gallup Pools
San Juan County, New Mexico

RECEIVED

JUL 27 2004

OIL CONSERVATION
DIVISION

Dear Mr. Biemer:

Your application to downhole commingle the Otero Chacra, Blanco Mesaverde and Potter Gallup production from within the wellbore of the above-captioned well was received on July 1, 2004.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for downhole commingling is hereby approved. Our approval is given with the condition that prior to production, Burlington Resources Oil & Gas Company will submit a communitization agreement for the Chacra Formation. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Please submit your \$30.00 dollar filing fee.

Also, please submit a copy of the Oil Conservation Division's approval order.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:
JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/cpm

Enclosure

xc: Reader File

OCD--Attention: David Catanach