

BURLINGTON RESOURCES

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

Re: Houck #3M
SWNW, Section 12, T-29-N, R-10-W
30-045-30792
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 November 20, 2002. DHC669az was issued for this well.

Gas: Mesaverde 64%
Dakota 36%

Oil: Mesaverde 64%
Dakota 36%

These allocations are based on isolated flow tests from the Mesaverde and Dakota during completion operations. Oil was no 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

Houck 3M
(Mesaverde/Dakota) Commingle
Unit E, 12-T29N-R10W
San Juan County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = 696 MCFD & 0 BO

Separator test from Dakota = 384 MCFD & 0 BO

GAS:

$$\frac{(MV) 696 \text{ MCFD}}{(MV/ DK) 1080 \text{ MCFD}} = (MV) \% \text{ Mesaverde 64\%}$$

$$\frac{(DK) 384 \text{ MCFD}}{(MV/ DK) 1080 \text{ MCFD}} = (DK) \% \text{ Dakota 36\%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (MV) \% \text{ Mesaverde 64\%}$$

$$\frac{(DK) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (DK) \% \text{ Dakota 36\%}$$