

BURLINGTON

RESOURCES

June 17, 2003

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

Re: Cain #16
N Section 30, T-29-N, R-9-W
30-045-07794



RF
Gentlemen:

Attached is a copy of the allocation for the subject well that was recompleted 9-7-02. DHC-2961 was issued for this well.

| | | |
|------|-----------|-----|
| Gas: | Chacra | 36% |
| | Mesaverde | 54% |
| | Dakota | 10% |

| | | |
|------|-----------|-----|
| Oil: | Chacra | 0% |
| | Mesaverde | 62% |
| | Dakota | 38% |

These percentages are based upon reserves assigned to each formation founded on production from the respective formations before and after work over operations and separator tests completed on the Chacra and Mesaverde formations during recompletion. The Chacra formation does not produce any oil; therefore, oil percentages are allocated between the Mesaverde and Dakota formations. Please let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Peggy Cole".

Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

Production Allocation Documentation

Cain #16

Production Allocation

Based on Remaining Reserves

Dakota / Mesaverde / Chacra Recompletion

Gas

| | <u>RR (MMCF)</u> | <u>Allocation %</u> |
|-----------|------------------|---------------------|
| Mesaverde | 526 | 54% |
| Chacra | 351 | 36% |
| Dakota | <u>102</u> | 10% |
| All | 979.46 | |

Oil

| | <u>RR (Bbls Oil)</u> | <u>Allocation %</u> |
|-----------|----------------------|---------------------|
| Mesaverde | 2,070 | 62% |
| Chacra | 0 | 0% |
| Dakota | <u>1,250</u> | 38% |
| All | 3,320 | |