

BURLINGTON RESOURCES

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



Re: Houck #3
SWNE, Section 12, T-29-N, R-10-W
30-045-08548
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 May 28, 2002. DHC-668az was issued for this well.

Gas: Mesa Verde 82%
Dakota 18%

Oil: Mesa Verde 82%
Dakota 18%

The gas percentages are based upon remaining reserves assigned to each formation founded on production from the respective formations before and after the completion of the Mesaverde. This well has not produced any oil therefore; 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,

A handwritten signature in cursive script that reads "Peggy Cole".

Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

Production Allocation Documentation

Houck #3

Production Allocation

Based on Remaining Reserves

Dakota / Mesaverde Recompletion

Gas

	<u>RR (MMCF)</u>	<u>Allocation %</u>
Mesaverde	238	82%
Dakota	<u>53</u>	18%
All	290.39	

Oil

	<u>(Avg BOPD)</u>	<u>Allocation %</u>
Mesaverde	0.00	82%
Dakota	<u>0.00</u>	18%
All	0.00	