BURLINGTON RESOURCES

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

Re: Grenier #12 P
SESE, Section 13, T-31-N, R-12-W
30-045-10673

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 March 4, 2002. DHC-533az was issued for this well.

Gas:	Dakota	20%
	Mesaverde	80%
Oil:	Dakota	100%
	Mesaverde	0%

These percentages are based upon reserves assigned to each formation founded on production from the respective formations before and after workover operations. Since the production of condensate did not increase with the addition of the Mesaverde formation, condensate is being allocated solely to the Dakota formation. Please let me know if you have any questions.

Sincerely,

Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

3401 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-326-9563

Production Allocation Documentation

Grenier #12

Production Allocation

Based on Remaining Reserves

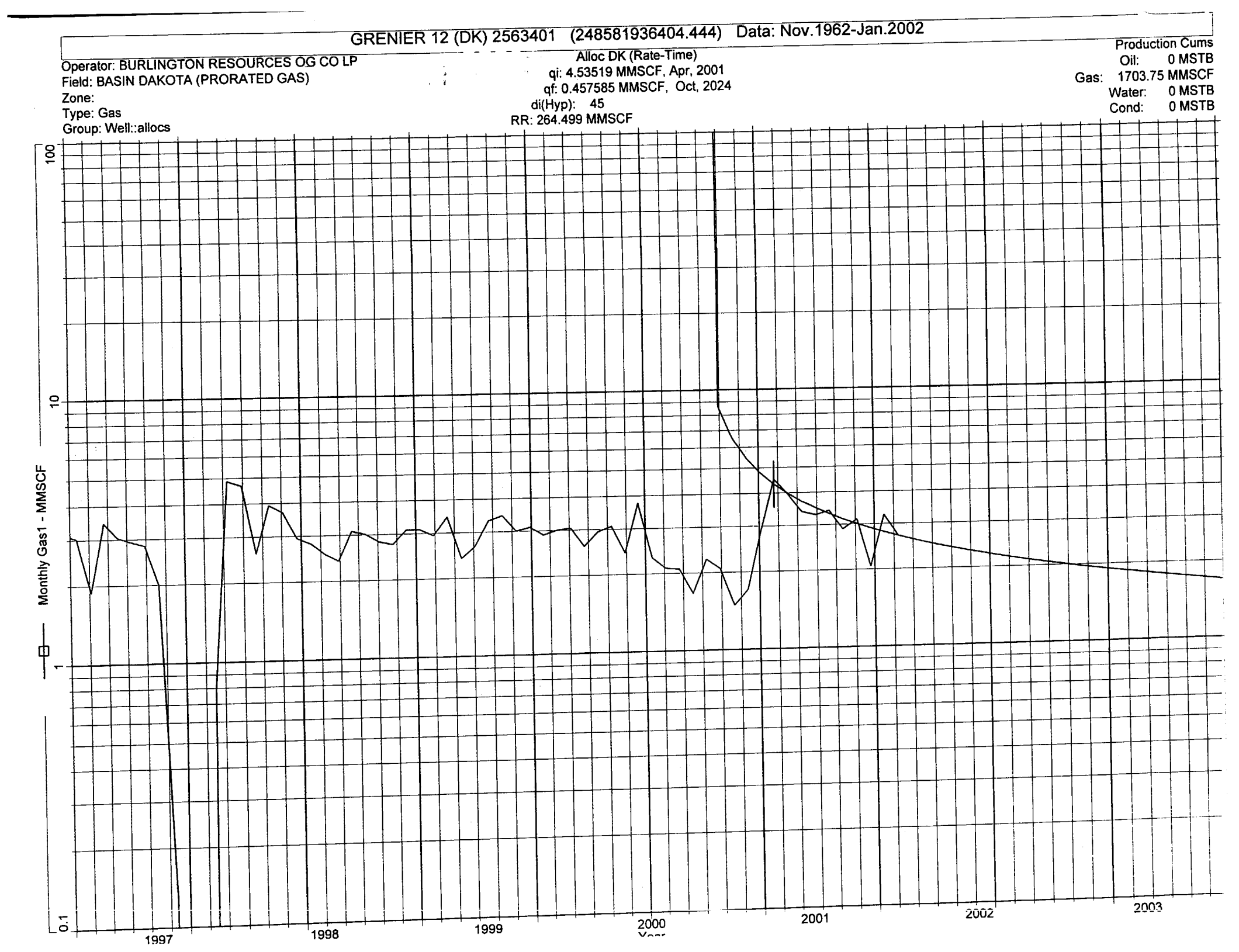
Mesaverde Recomplete January 2002

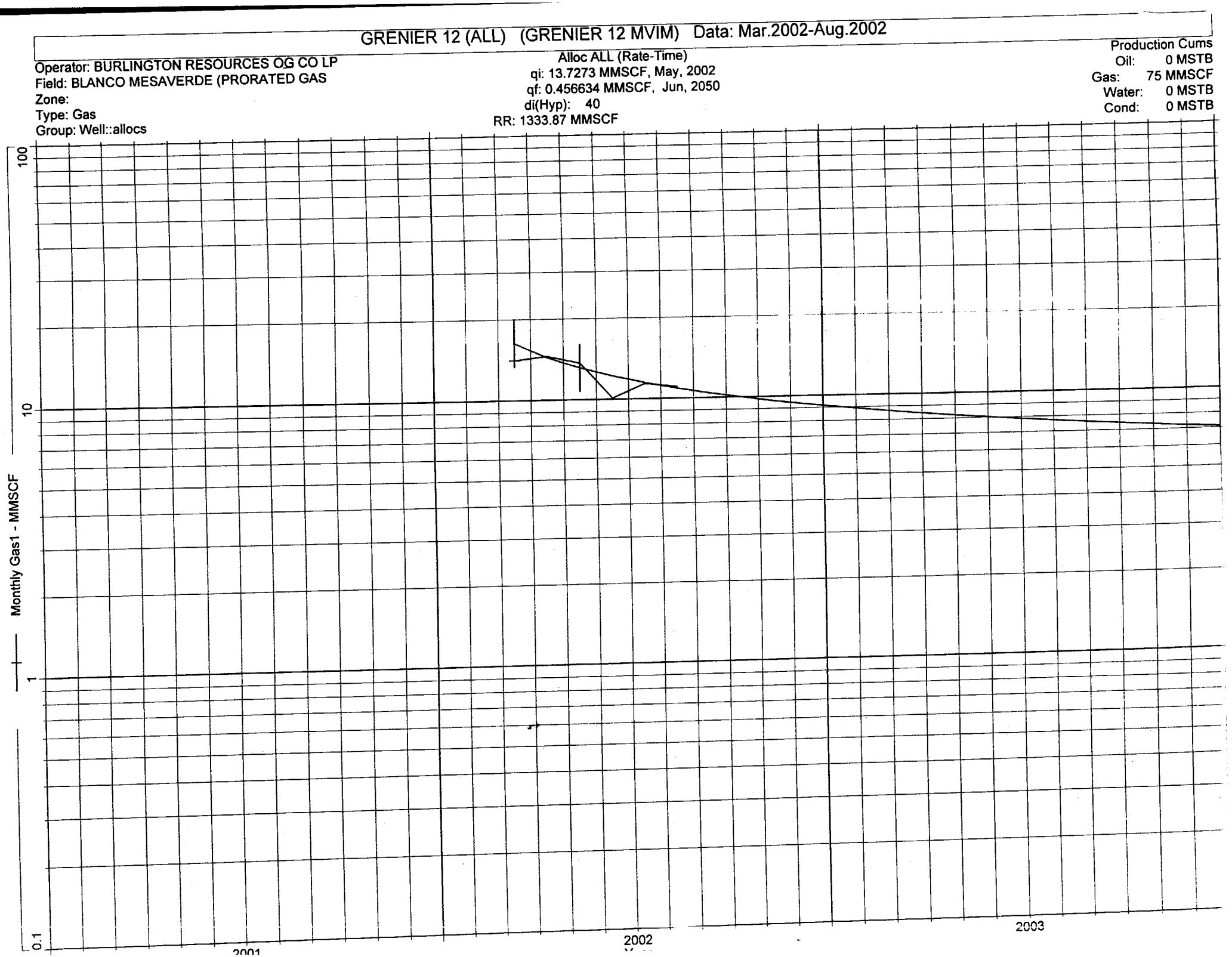
GAS

	RR	Allocation %
Dakota	264.5	20%
All	1,333.9	
Mesaverde	1,069.4	80%

Condensate

Since the production of condensate did not increase with the addition of the Mesaverde formation, condensate remains allocated solely to the Dakota formation.


GRENIER 12 (DK) 2563401 (248581936404.444) Data: Nov.1962-Jan.2002
Operator: BURLINGTON RESOURCES OG CO LP
Field: BASIN DAKOTA (PRORATED GAS)
Zone:
Type: Gas
Group: Well::allocs
Alloc DK (Rate-Time)
qi: 4.53519 MMSCF, Apr, 2001
qf: 0.457585 MMSCF, Oct, 2024
di(Hyp): 45
RR: 264.499 MMSCF
Production Cums
Oil: 0 MSTB
Gas: 1703.75 MMSCF
Water: 0 MSTB
Cond: 0 MSTB
Monthly Gas1 - MMSCF
100
10
1
0.1
1997
1998
1999
2000
2001
2002
2003


GRENIER 12 (ALL) (GRENIER 12 MVIM) Data: Mar.2002-Aug.2002
Operator: BURLINGTON RESOURCES OG CO LP
Field: BLANCO MESAVERDE (PRORATED GAS
Zone:
Type: Gas
Group: Well::allocs
Alloc ALL (Rate-Time)
qi: 13.7273 MMSCF, May, 2002
qf: 0.456634 MMSCF, Jun, 2050
di(Hyp): 40
RR: 1333.87 MMSCF
Production Cums
Oil: 0 MSTB
Gas: 75 MMSCF
Water: 0 MSTB
Cond: 0 MSTB
Monthly Gas1 - MMSCF
100
10
1
0.1
2001
2002
2003