

BURLINGTON RESOURCES

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

Re: Grenier #14
NENW, Section 7, T-31-N, R-11-W
30-045-10952
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 July 16, 2001. DHC-205az was issued for this well.

| | | |
|------|------------|-----|
| Gas: | Mesa Verde | 71% |
| | Dakota | 29% |
| Oil: | Mesa Verde | 33% |
| | Dakota | 67% |

The gas percentages are based upon reserves assigned to each formation founded on production from the respective formations before and after workover operations. Because condensate production increased slightly with the addition of the Mesaverde formation, the oil has been allocated based on percentage increase of average condensate production before and after recompletion. Please let me know if you have any questions.

Sincerely,

Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

Production Allocation Documentation

Grenier #14

Production Allocation

Based on Remaining Reserves

Mesaverde Recomplete August 2001

GAS

| | <u>RR</u> | <u>Allocation %</u> |
|--------|-----------|---------------------|
| Dakota | 366.5 | 29% |

| | | |
|-----|---------------|--|
| All | <u>1244.6</u> | |
|-----|---------------|--|

| | | |
|-----------|-------|-----|
| Mesaverde | 878.0 | 71% |
|-----------|-------|-----|

Condensate

Because condensate slightly increased with the addition of the Mesaverde formation, condensate has been allocated based on percentage increase from average production before recomplete and after recomplete.

| | <u>Avg BO</u> | <u>Allocation %</u> |
|--------|---------------|---------------------|
| Dakota | 20.0 | 67% |

| | | |
|-----|-------------|--|
| All | <u>30.0</u> | |
|-----|-------------|--|

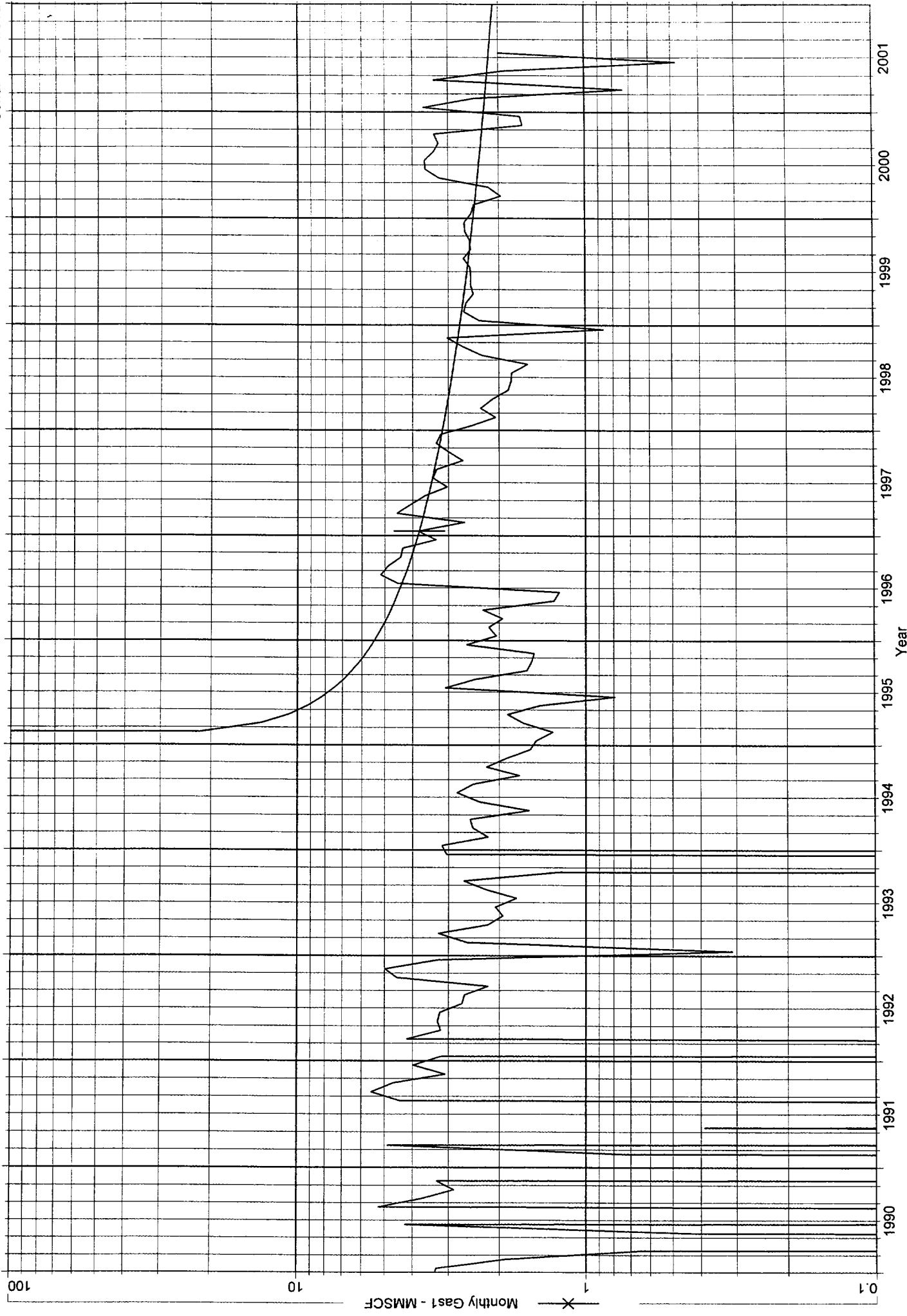
| | | |
|-----------|------|-----|
| Mesaverde | 10.0 | 33% |
|-----------|------|-----|

GRENIER 14 DK (248618654139.416) Data: Oct. 1964-Jul. 2001

Operator: BURLINGTON RESOURCES O&G CO LP
Field: BASIN DAKOTA (PRORATED GAS)
Zone:
Type: Gas
Group: Well: 28_5LW

dk (Rate-Time)
qi: 3.83512 MMSCF, Jan, 1997
qt: 0.45000 MMSCF, Nov, 2029
di(Hyp): 18
RR: 366.548 MMSCF

Production Cums
Oil: 0 MSTB
Gas: 2510.59 MMSCF
Water: 0 MSTB
Cond: 0 MSTB



GRENIER 14 ALL (GRENIER 14) Data: Aug 2001-Mar 2002

Operator: BURLINGTON RESOURCES OG CO LP

Field:

Zone:

Type: Gas

Group: Well: 28_5LW

all (Rate-Time)

qi: 15.4927 MMSCF, Oct, 2001

qf: 0.457118 MMSCF, Nov, 2048

di(Hyp): 48

RR: 1244.57 MMSCF

Production Cums

Oil: 0 MSTB

Gas: 100.08 MMSCF

Water: 0 MSTB

Cond: 0 MSTB

