BURLINGTON RESOURCES

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

Re: Davis #8E

SENE, Section 11, T-31-N, R-12-W

30-045-23759

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 September 7, 2001. DHC-204az was issued for this well.

Gas: Mesa Verde 52%

Dakota 48%

Oil: Mesa Verde 0%

Dakota 100%

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 did not increase with the addition of the Mesaverde formation, the oil has been 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

Production Allocation Documentation

Davis #8E

Production Allocation
Based on Remaining Reserves
Mesaverde Recomplete September 2001

<u>GAS</u>

Pakota RR Allocation % Allocation % 48%

All <u>1678.5</u>

Mesaverde 869.7 52%

Condensate

Because condensate did not increase with the addition of the Mesaverde formation, condensate has been allocated solely to the Dakota formation.



