BURLINGTON RESOURCES

November 10, 2000

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

Re:

Grenier #12M

H Section 13, T-31-N, R-12-W

30-045-30117

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2593 was issued for this well.

Gas:

Mesa Verde

78%

Dakota

22%

Oil:

Mesa Verde

€ 50%

Dakota

∂ 50%

These allocations are based on isolated flow tests from the Mesa Verde and Dakota during completion operations. Please let me know if you have any questions.

Sincerely,

Peggy Cole

Regulatory Supervisor

Xc:

NMOCD - Santa Fe

Bureau of Land Management

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

Grenier 12M (Mesaverde/Dakota) Commingle Unit H, 13-T31N-R12W San Juan County, New Mexico

Allocation Formula Method:

- 3 Hour Flow Test from Mesaverde = 947 MCFD & 0 BO
- 3 Hour Flow Test from Dakota = 260 MCFD & 0 BO

GAS:

OIL:

$$\frac{(MV) \, 0 \, BO}{(MV/DK) \, 0 \, BO} = (MV) \, \% \, \frac{\text{Mesaverde } 50\%}{\text{Mesaverde } 50\%}$$

$$\frac{(DK) \, 0 \, BO}{(MV/DK) \, 0 \, BO} = (DK) \, \% \, \frac{\text{Dakota } 50\%}{\text{Dakota } 50\%}$$