

BURLINGTON RESOURCES

505-326-9727

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

Re: East #8M
NWNE, Section 26, T-31-N, R-12-W
30-045-30879
San Juan County, New Mexico

 Gentlemen:

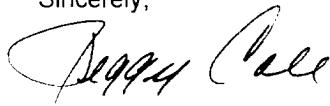
The above referenced well is a Mesaverde/Dakota commingle. Attached is a copy of the allocation for the commingling of the subject well completed on May 9, 2002. DHC726az was issued for this well.

Gas:	Mesa Verde	90%
	Dakota	10%

Oil:	Mesa Verde	90%
	Dakota	10%

These percentages are based upon isolated flow tests from the Mesaverde and Dakota during completion operations. Oil was not present during flow test operations. For that reason, 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,



Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

PRODUCTION ALLOCATION FORMULA USING WELL TEST INFORMATION

East 8M
(Mesaverde/Dakota) Commingle
Unit B, 26-T31N-R12W
San Juan County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = 1746 MCFD & 0 BO

Separator test from Dakota = 190 MCFD & 0 BO

GAS:

$$\frac{(MV) 1746 \text{ MCFD}}{(MV/ DK) 1936 \text{ MCFD}} = (MV) \% \text{ Mesaverde 90\%}$$

$$\frac{(DK) 190 \text{ MCFD}}{(MV/ DK) 1936 \text{ MCFD}} = (DK) \% \text{ Dakota 10\%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (MV) \% \text{ Mesaverde 90\%}$$

$$\frac{(DK) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (DK) \% \text{ Dakota 10\%}$$