

BURLINGTON

RESOURCES

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

Re: Albright #10
NENW, Section 22, T-29-N, R-10-W
30-045-25689
San Juan County, New Mexico

Gentlemen:

The above referenced well is a Fruitland Coal/Mesaverde/Gallup commingle. Attached is a copy of the allocation for the commingling of the subject well completed on May 6, 2002. DHC-2973 was issued for this well.

Gas:	Fruitland Coal	22%
	Mesa Verde	40%
	Gallup	38%
 Oil:	 Fruitland Coal	 0%
	Mesa Verde	0%
	Gallup	100%



These percentages are based upon reserves assigned to each formation founded on production from the respective formations before and after workover operations and separator tests completed on the Fruitland Coal and Mesaverde formations. There was not an increase in oil production therefore; oil percentages are allocated solely to the Gallup 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

Albright #10

Production Allocation

Based on Remaining Reserves

Gallup / Mesaverde / Fruitland Coal Recompletion

Gas

	<u>RR (MMCF)</u>	<u>Allocation %</u>
Fruitland Coal	34	22%
Mesaverde	60	40%
Gallup	<u>58</u>	38%
All	152.46	

Oil

	<u>RR (Bbls Oil)</u>	<u>Allocation %</u>
Fruitland Coal	0	0%
Mesaverde	0	0%
Gallup	<u>1,140</u>	100%
All	1,140	



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO
NM - 03561 et al. (wc)
3162.7 (07100)

August 29, 2002

Peggy Cole
Burlington Resources
P.O. Box 4289
Farmington, NM 87401

Re: Accept Commingle Applications and Allocation Method:

Dear Ms. Cole:

The following wells were reviewed for downhole commingling. After reviewing the production history for these wells, we concur with the allocation factors you established. The effective date is the date that downhole commingling actually occurs. The approved allocation factors are listed below.

Well Name	Location	API No.	Lease # CA # / PA #	Formation Allocation	Formation Allocation	Formation Allocation
Grenier B # 5	sec 06, T29N, R-10-W	3004520055	NM- 03561	CH gas 26% oil 00%	MV gas 58% oil 81%	DK gas 16% oil 19%
Albright # 10	sec 22, T29N, R-10-W	3004525689	SF - 077865	FC gas 22% oil 00%	MV gas 40% oil 00%	GLP gas 38% oil 100%

If you have any questions, please contact Matt Halbert, at (505) -599-6350 or the undersigned at (505) 599-6367.

Sincerely,

Chip Hansen

/s/ *Jim Lovato*

acting for

Jim Lovato
Team Leader, Petroleum Management Team

Enclosures:

cc:

NMOCD, Aztec, NM
NMOCD, Santa Fe, NM