BURLINGTON RESOURCES

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

Re:

Neudecker #7

NWSW, Section 13, T-29-N, R-10-W

30-045-08255

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 November 2, 1998. <u>/DHC-1971</u> was issued for this well.

Gas:

Dakota

40%

Mesaverde

60%

Oil:

Dakota

40%

Mesaverde

60%

These allocations are based on historic production data from the Mesaverde and Dakota. Please let me know if you have any questions.

Sincerely,

Péggy Cole

Regulatory Supervisor

Xc:

NMOCD - Santa Fe

Bureau of Land Management

REVISED CALCULATIONS FOR NEUDECKER #7 MV-DK

Commingled
Blanco Mesaverde
Basin Dakota

Revised Information:

The Dakota well has been producing since 1963.

The Dakota has a cumulative of 2,025 MMCF and 9,524 BO.

The Dakota capacity before the Mesaverde was opened was 50 MCF/D and intermitted oil production of +/- 0.50 BOPD.

Dakota gas rate before workover: 50 MCF/D

Completion date of workover to open MV and commingle with DK: 10/21/98.

First delivery of commingled DK-MV on 11/2/98.

Total DK and MV rate after about 2 months on line: 125 MCF/D and 1 BOPD.

GAS ALLOCATION

Dakota = 50/125 = 40%

Mesaverde = (125-50)/125 = 60%

NEW ALLOCATION PERCENTAGES FOR CONDENSATE/OIL:

OIL ALLOCATION

Dakota = 40%

Mesaverde = 60%