

BURLINGTON RESOURCES

OIL CONSERVATION DIV.
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November 14, 2001

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

Re: Lively #21E
D Section 31, T-27-N, R-7-W
30-039-22670

Gentlemen:

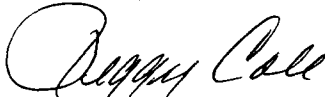
Attached is a copy of the allocation for the commingling of the subject well. DHC-2084 was issued for this well.

Gas:	Chacra	31%
	Mesaverde	52%
	Dakota	17%

Oil:	Chacra	0%
	Mesaverde	10%
	Dakota	90%

These percentages were calculated using rate-time reserve estimate comparisons for each respective formation.

Sincerely,



Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

Production Allocation Documentation

Lively #21E

Production Allocation

Based on Remaining Reserves

GAS

	<u>EUR</u>	<u>RR</u>	<u>Allocation %</u>
Dakota	379.7	60.9	17%
All	<u>474.5</u>	<u>361.3</u>	
Mesaverde/Chacra		300.4	
MV (63% of remaining reserves)		189.2	52%
CH (37% of remaining reserves)		111.1	31%

Separator Test for Mesaverde & Chacra Only:

	<u>MCF</u>		<u>BPH</u>	
MV	842	63%	0.25	100%
CH	<u>504</u>	37%	<u>0</u>	0%
	1346		0.25	

OIL

	<u>EUR</u>	<u>RR</u>	<u>Allocation %</u>
Dakota	8.3	2.0	90%
All	<u>4.6</u>	<u>2.2</u>	
Mesaverde/Chacra		0.2	
MV (100% of remaining reserves)			10%
CH (0% of remaining reserves)			0%