

BURLINGTON RESOURCES

October 8, 2001

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

Re: Lively #18E
D Section 1, T-26-N, R-8-W
30-045-24581

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2795 was issued for this well.

Gas:	Chacra	46%
	Mesaverde	47%
	Dakota	7%
Oil:	Chacra	0%
	Mesaverde	0%
	Dakota	0%

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 FORMULA BASED ON REMAINING RESERVES

Lively #18E
(Mesaverde/Dakota/Chacra) Commingle
Unit D, 1-T26N-R8W
San Juan County, New Mexico

Allocation Formula Method:

Capital Workover - November 2000
(effective December 2000)

	<u>EUR</u>	<u>RR</u>	<u>Gas Allocation %</u>
Dakota	546	108	7%
All Formations	<u>1751</u>	<u>1644</u>	
Mesaverde/Chacra		1536	47%/46%

No oil was detected, so there is no allocation.