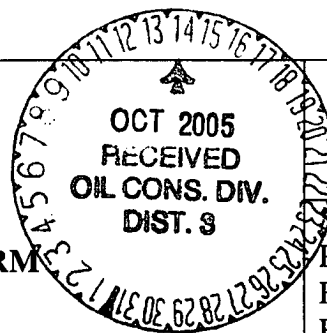


BURLINGTON RESOURCES

PRODUCTION ALLOCATION FORM



Distribution:
Regulatory
Accounting
Well File

Original: August 1, 2003

Status

PRELIMINARY ☐

FINAL ☐

REVISED ☒

Type of Completion

NEW DRILL ☐ RECOMPLETION ☐ PAYADD ☐ COMMINGLE ☒

Date: 10/10/2005

API No: 30045291050000

DHC#: DHC 995

Well Name

REID

Well No.

#7R

Unit Letter

H

Section

19

Township

T28N

Range

R9W

Footage

County, State

San Juan County, New Mexico

Completion Date

8-2-94

Test Method

HISTORICAL ☐ FIELD TEST ☐ PROJECTED ☐ OTHER ☒

FORMATION

Fruitland Coal

GAS

PERCENT

52%

CONDENSATE

PERCENT

52%

Pictured Cliffs

48%

48%

JUSTIFICATION OF ALLOCATION: It is recommended that the allocation for the Reid 7R be adjusted based on offset performance. The direct offset Fruitland Coal and Pictured Cliffs producers were averaged to determine a reasonable current allocation. Producers for the Fruitland Coal are the McClanahan 551, Lackey B LS 14E, Hancock 712, Lackey B LS 15, and Federal 17 1. These wells are averaging 111 MCFD. Although these wells are not direct offset producers, they are the closest active Fruitland Coal producers that are not commingled. The direct offset producers for the Pictured Cliffs are the Reid 12, Reid 17, and Lackey B LS 8. These wells are currently averaging 104 MCFD. Only active producers were used for these calculations. The Reid 13, Reid 16R, Reid 8, and Reid 10 were not used as they are commingled wells.

APPROVED BY

TITLE

DATE

X

Jim Schlabaugh

Engineer

10-12-05

X

Engineer