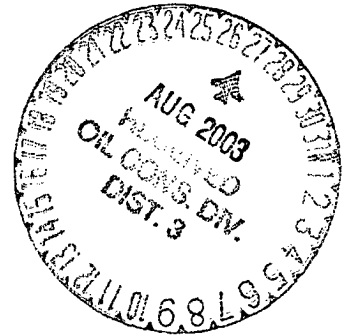


BURLINGTON

RESOURCES

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

Re: Lambe #2C
SENE, Section 20, T-31-N, R-10-W
30-045-30747
San Juan County, New Mexico



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 August 15, 2003. DHC1034az was issued for this well.

Gas: Mesa Verde 78%
Dakota 22%

Oil: Mesa Verde 78%
Dakota 22%

These allocations are based on isolated flow tests from the Mesa Verde and Dakota during completion operations. Oil was not present during flow test operations. For that reason, oil percentages are based upon gas allocation and are provided in the event this wellbore begins producing oil at some point in the future. Please let me know if you have any questions.

Sincerely,

Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

PRODUCTION ALLOCATION FORMULA USING WELL TEST INFORMATION

Lambe 2C
(Mesaverde/Dakota) Commingle
Unit H, 20-T31N-R10W
San Juan County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = 1049 MCFD & 0 BO

Separator test from Dakota = 289 MCFD & 0 BO

GAS:

$$\frac{(MV) 1049 \text{ MCFD}}{(MV/ DK) 1338 \text{ MCFD}} = (MV) \% \text{ Mesaverde 78\%}$$

$$\frac{(DK) 289 \text{ MCFD}}{(MV/ DK) 1338 \text{ MCFD}} = (DK) \% \text{ Dakota 22\%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (MV) \% \text{ Mesaverde 78\%}$$

$$\frac{(DK) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (DK) \% \text{ Dakota 22\%}$$