

BURLINGTON RESOURCES

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

Re: Grenier A #8
SENW, Section 35, T-30-N, R-10-W
30-045-23122



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 25, 2001. DHC-486az was issued for this well.

Gas: Dakota 32%
Mesaverde 68%

Oil: Dakota 16%
Mesaverde 84%

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Peggy Cole".

Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

Grenier A 8
Unit F, Sec. 35, T30N R10W
San Juan County, New Mexico

Production Allocation Based On Cumulative Production Through 6/01

	Cumulative Production		% Allocation	
	MMSCF	MMSCF	% Gas	% Oil
Mesa Verde	1,824	18.63	68%	84%
Dakota	854	3.67	32%	16%
Total	2,677	22.30	100%	100%

Gas Allocation:

Mesa Verde	(Total Mesa Verde Production)	1,824 MMSCF	
	-----	-----	= 68%
	(Total Combined Production)	2,677 MMSCF	

Dakota	(Total Dakota Production)	853.509 MCF	
	-----	-----	= 32%
	(Total Combined Production)	2677.339 MMSCF	

Oil Allocation:

Mesa Verde	(Total Mesa Verde Production)	19 MSTB of Oil	
	-----	-----	= 84%
	(Total Combined Production)	22 MSTB of Oil	

Dakota	(Total Dakota Production)	4 MSTB of Oil	
	-----	-----	= 16%
	(Total Combined Production)	22 MSTB of Oil	