

BURLINGTON RESOURCES

December 8, 2000

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

Re: Grenier A #8M
M Section 35, T-30-N, R-10-W
30-045-24489



Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2721 was issued for this well.

[Handwritten signature]

Gas:	Mesa Verde	55%
	Dakota	45%
Oil:	Mesa Verde	40%
	Dakota	60%

These allocations are based historic production. Please let me know if you have any questions.

Sincerely,

[Handwritten signature of Peggy Cole]
Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

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

Production Allocation Based On Cumulative Production Through 12/93
 (Last year both formations were productive together)

	Cumulative Production		% Allocation	
	MCF	Bbl Oil	% Gas	% Oil
Mesa Verde	471,744	6,153	55%	60%
Dakota	382,326	4,146	45%	40%
Total	854,070	10,299	100%	100%

Gas Allocation:

Mesa Verde (Total Mesa Verde Production) 471,744 MCF

 (Total Combined Production) 854,070 MCF = **55%**

Dakota (Total Dakota Production) 382326 MCF

 (Total Combined Production) 854070 MCF = **45%**

Oil Allocation:

Mesa Verde (Total Mesa Verde Production) 6,153 Bbl Oil

 (Total Combined Production) 10,299 Bbl Oil = **60%**

Dakota (Total Dakota Production) 4,146 Bbl Oil

 (Total Combined Production) 10,299 Bbl Oil = **40%**