BURLINGTON RESOURCES

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

Re:

Helms Federal #1E

NWNW, Section 22, T-30-N, R-10-W

30-045-25047

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 19, 2001. DHC-206az was issued for this well.

Gas:

Mesa Verde

71%

Dakota

29%

Oil:

Mesa Verde

36%

Dakota

64%

The gas percentages are based upon reserves assigned to each formation founded on production from the respective formations before and after workover operations. Because condensate production increased slightly with the addition of the Mesaverde formation, the oil has been allocated based on percentage increase of average condensate production before and after recompletion. Please let me know if you have any questions.

Sincerely.

Peggy Cole

Regulatory Supervisor

Xc:

NMOCD - Santa Fe

Bureau of Land Management



Production Allocation Documentation

Helms Federal #1E

Production Allocation
Based on Remaining Reserves
Mesaverde Recomplete August 2001

<u>GAS</u>

	<u>RR</u>	Allocation %
Dakota	457.2	29%

All <u>1571.2</u>

Mesaverde 1114.0 71%

Condensate

Because condensate slightly increased with the addition of the Mesaverde formation, condensate has been allocated based on percentage increase from average production before recomplete and after recomplete.

Dakota	Avg Bopd 1.1	Allocation % 64%
All	<u>1.8</u>	
Mesaverde	0.7	36%



