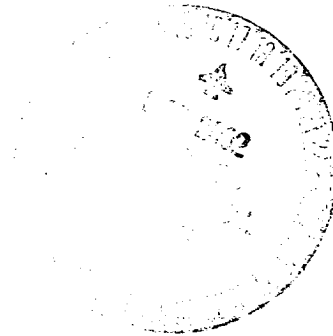


BURLINGTON RESOURCES

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

Re: Pierce SRC #2B
SENW, Section 30, T-31-N, R-10-W
30-045-29999
San Juan County, New Mexico



Gentlemen:

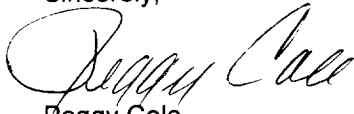
The above referenced well is a Mesaverde/Dakota commingle. Attached is a copy of the allocation for the commingling of the subject well completed on July 16, 2001. DHC-368az was issued for this well.

Gas:	Mesa Verde	42%
	Dakota	58%

Oil:	Mesa Verde	0%
	Dakota	100%

These percentages are based upon reserves assigned to each formation founded on production from the respective formations before and after the deferred completion of the Mesaverde. Because condensate production did not change with the addition of the Mesaverde formation, the oil is completely allocated to the Dakota formation. 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

Pierce SRC 2B

Production Allocation

Based on Remaining Reserves

Deferred Mesaverde Completion (July 2001)

GAS

	<u>RR</u>	<u>Allocation %</u>
Dakota	2175.0	58%

All	<u>3748.8</u>	
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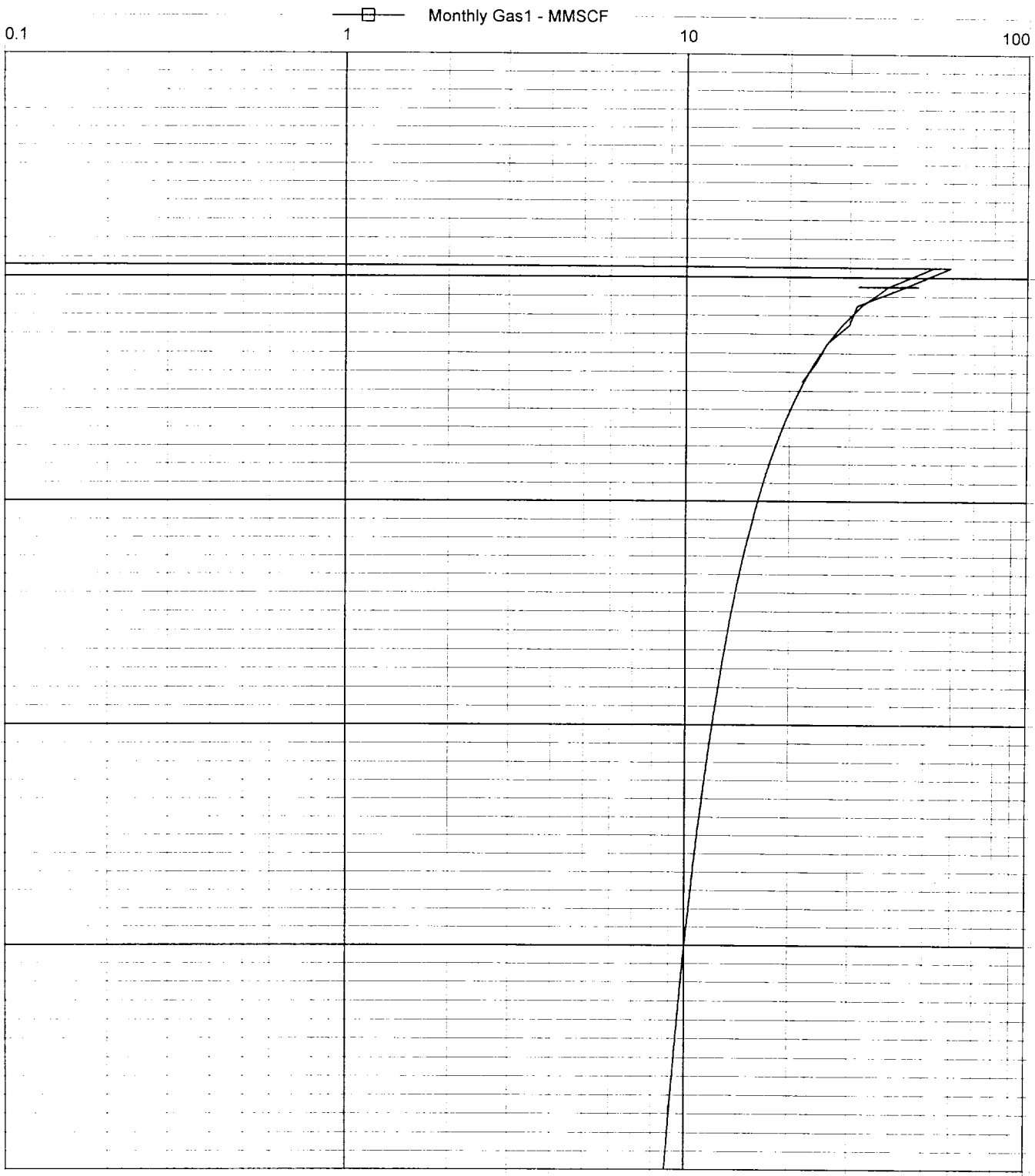
Mesaverde	1573.8	42%
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Condensate

Because condensate has not changed since the addition of the Mesaverde formation, condensate has remained completely attributed to the Dakota formation.

Operator: BURLINGTON RESOURCES OG CO LP
Field: BASIN DAKOTA (PRORATED GAS)
Zone:
Type: Gas
Group: Well: 28_S1W
alloc dk (Rate-Time)
qi: 43.83 MMSCF, Jan, 2001
qf: 0.457021 MMSCF, Aug, 2057
di(Hyp): 63 CTD: 235.976 MMSCF
RR: 2174.97 MMSCF Tot: 2410.95 MMSCF

Production Cums
Oil: 0 MSTB
Gas: 235.976 MMSCF
Water: 0 MSTB
Cond: 0 MSTB



PIERCE SRC 2B (ALL) (PIERCE SRC 2B) Data: Jul.2001-Jul.2002

Operator: BURLINGTON RESOURCES OG CO LP
 Field: BLANCO MESAVERDE (PRORATED GAS)
 Zone:
 Type: Gas
 Group: Well: 28_5LW

alloc all (Rate-Time)
 qi: 26.785 MMSCF, Sep, 2001
 qf: 0.457604 MMSCF, Oct, 2068
 di(Hyp): 22 CTD: 319.94 MMSCF
 RR: 3748.76 MMSCF Tot: 4068.7 MMSCF

Production Cums
 Oil: 0 MSTB
 Gas: 319.94 MMSCF
 Water: 0 MSTB
 Cond: 0 MSTB

Monthly Gas1 - MMSCF
 Cum: 319.94 MMSCF
 alloc all - MMSCF
 versus time
 Qi: 26.785 MMSCF, Sep, 2001
 Qf: 0.457604 MMSCF, Oct, 2068
 Di:(Hyp->Exp) : 22
 n: 2.7
 RR: 3748.76 MMSCF
 EUR: 4068.7 MMSCF
 Corr coeff: -0.153758

