

BURLINGTON

RESOURCES

June 28, 2004

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

Re: Cornell #100
B Section 10, T-29-N, R-12-W
30-045-30381

Gentlemen:

Attached is a copy of the allocation for the subject well that was completed 9-3-03. DHC-1302az was issued for this well.

Gas: Fruitland Coal 24%
Pictured Cliffs 76%

Oil: Fruitland Coal 24%
Pictured Cliffs 76%

These percentages are based upon isolated flow tests from the Fruitland Coal and Pictured Cliffs formations 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,

Nancy Oltmanns
Nancy Oltmanns
Senior Staff Specialist

xc: NMOCD - Santa Fe
Bureau of Land Management

PRODUCTION ALLOCATION FORMULA USING WELL TEST INFORMATION

Cornell 100
(Fruitland Coal/Pictured Cliffs) Commingle
Unit B, 10-T29N-R12W
San Juan County, New Mexico

Allocation Formula Method:

Separator test from Fruitland Coal = 45 MCFD & 0 BO

Separator test from Dakota = 141 MCFD & 0 BO

GAS:

$$\frac{(FRC) 45 \text{ MCFD}}{(FRC/ PC) 186 \text{ MCFD}} = (FRC) \% \quad \underline{\text{Fruitland Coal 24\%}}$$

$$\frac{(PC) 141 \text{ MCFD}}{(FRC/ PC) 186 \text{ MCFD}} = (PC) \% \quad \underline{\text{Pictured Cliffs 76\%}}$$

OIL:

$$\frac{(FRC) 0 \text{ BO}}{(FRC/ PC) 0 \text{ BO}} = (FRC) \% \quad \underline{\text{Fruitland Coal 24\%}}$$

$$\frac{(PC) 0 \text{ BO}}{(FRC/ PC) 0 \text{ BO}} = (PC) \% \quad \underline{\text{Pictured Cliffs 76\%}}$$