

BURLINGTON RESOURCES

January 29, 2000

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

Re: Huerfanito Unit #78
930'FNL, 1650'FEL Section 36, T-27-N, R-9-W
30-045-06177

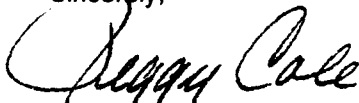
Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2322 was issued for this well.

Gas:	Mesa Verde	42.6%
	Dakota	57.4%
Oil:	Mesa Verde	43.5%
	Dakota	56.5%

These allocations are based on reserves from the Mesa Verde and Dakota as explained in the attachment. Please let me know if you have any questions.

Sincerely,



Peggy Bradfield Cole
Regulatory/Compliance Administrator

Xc: NMOCD – Santa Fe
Bureau of Land Management – Farmington

Huerfanito Unit #78 Production Allocation

Gas

*Mesaverde Remaining Reserves	866.606 Mmcf	42.6%
*Dakota Remaining Reserves:	<u>1,167.410 Mmcf</u>	<u>57.4%</u>
Total:	2,034.02	100.0%

Oil

*Mesaverde Remaining Reserves	11,838 Bbls	43.5%
*Dakota Remaining Reserves:	<u>15,386 Bbls</u>	<u>56.5%</u>
Total:	27,224	100.0%

*Because the Dakota stopped producing in 1973 and the Mesaverde continued to produce until the 1990's, cumulative production from each zone cannot be used to determine the production allocation. Similarly, the pre-1973 cumulative production cannot be used to determine the allocation because the Mesaverde was produced and depleted for 20+ more years than the Dakota. Estimated remaining gas reserves were used to determine the above gas allocation. The oil allocations were calculated using the 1970-1973 condensate yield for the Dakota, and the 1970-1977 (pre-liquid loading) condensate yield for the Mesaverde. It was assumed that these condensate yields will be continued.

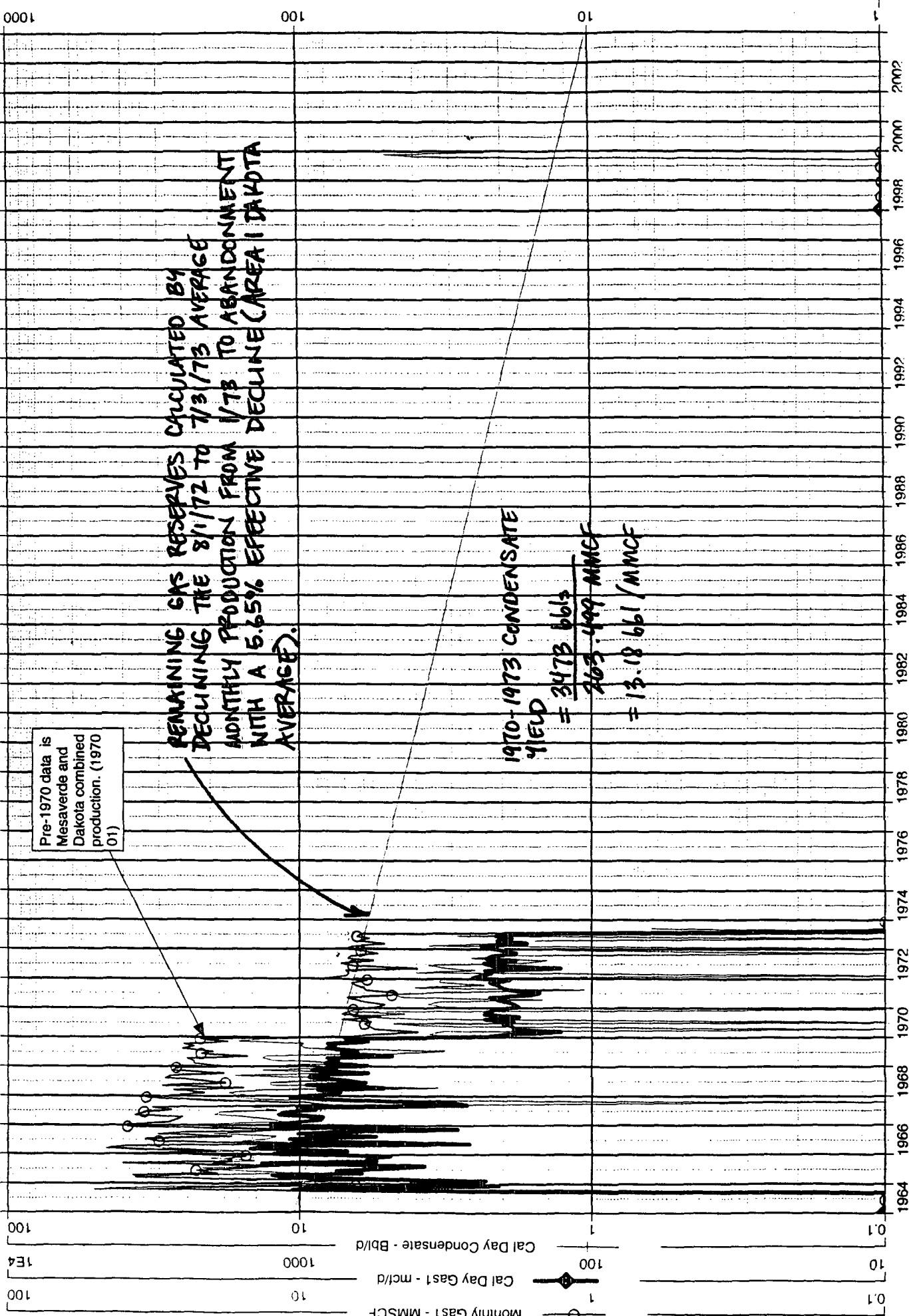
Operator: BURLINGTON RESOURCES OIL, GAS CO
Field: BASIN DAKOTA (PRORATED GAS)
Zone: None

Monthly Gas1 FC 2 (Rate-Time)
qi: 6.17343 MMSCF, Jan, 1973
qf: 0.304379 MMSCF, Oct, 2024

Production Cums
Oil: 0 MSTB
Gas: 1770.5 MMSCF
Water: 0 MSTB
Cond: 32.8227 MSTB

RR: 1167.41 MMSCF Tot: 2937.91 MMSCF
dl(Exp): 5.65 CTD: 1770.5 MMSCF

Type: Gas
Group: None



Operator: MESAVERDE
 Field: 8.99233 MMSCF, Jun, 1977
 Zone: 0.304536 MMSCF, Mar, 2021
 Type: Gas
 Group: None

Monthly Gas1 FC 1 (Rate-Time)
 qi: 8.99233 MMSCF, Jun, 1977
 qf: 0.304536 MMSCF, Mar, 2021
 di(Exp): 7.445 CTD: 2535.89 MMSCF
 RR: 866.606 MMSCF Tot: 3402.5 MMSCF

Production Cums
 Oil: 0 MSTB
 Gas: 2535.89 MMSCF
 Water: 0.014495 MSTB
 Cond: 37.0993 MSTB

