BURLINGTON RESOURCES

September 11, 2001

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

Re:

San Juan 29-7 Unit #37A

C Section 12, T-29-N, R-7-W

30-039-23951





Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-423az was issued for this well.

Gas:

Pictured Cliffs

17.26%

Mesaverde

82.74%

Oil:

Pictured Cliffs

0%

Mesaverde

100%

These allocations are based on historic production data from the Pictured Cliffs and Mesa Verde. Please let me know if you have any questions.

Sincerely,

Peggy Cole

Regulatory Supervisor

Xc:

NMOCD - Santa Fe

Bureau of Land Management

Production Allocation SAN JUAN 29-7 UNIT #37A

UL C SEC 15, T32N-R07W Rio Arriba County, New Mexico

Production Allocation Based on Average Monthly Production for 1999 and 2000

| | Average Mthly Production | | % Allocation | |
|-----------------|--------------------------|---------|--------------|--------|
| | MCF | Bbl Oil | % Gas | % Oil |
| Mesaverde | 4,910.0 | | 82.7% | 100.0% |
| Pictured Cliffs | 1,024.0 | (| 17.3% | 0.0% |
| Total | 5,934.0 | Ę | 100.0% | 100.0% |

| Gas Allocation: | (Total Mesaverde Production) | 4,910 MCF | 99 740/ |
|---------------------------|---|-------------------------------|-----------|
| Mesaverde | (Total Combined Production) | 5,934 MCF | = 62,7470 |
| Pictured Cliffs | (Total Pictured Cliffs Production) | 1024 MCF | 17 26% |
| | (Total Combined Production) | 5934 MCF | 17.2070 |
| Oil Allocation: Mesaverde | (Total Mesaverde Production)(Total Combined Production) | 5 Bbl Oil = = 5 Bbl Oil | 100.00% |
| Pictured Cliffs | (Total Pictured Cliffs Production)(Total Combined Production) | 0 Bbl Oil = 5 Bbl Oil | 0.00% |