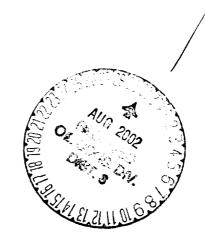
BURLINGTON RESOURCES



June 25, 2002

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

Re:

San Juan 29-7 Unit #106N L Section 36, T-29-N, R-7-W

30-039-26790

Gentlemen:

Attached is a copy of the allocation for the subject well that was completed 6-10-02. DHC-656az was issued for this well.

Gas:

Mesaverde

43%

Dakota

57%

Oil:

Mesaverde

43%

Dakota

57%

These percentages are based upon isolated flow tests from the Mesaverde and Dakota 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

Peggy Cole

Regulatory Supervisor

Xc:

NMOCD - Santa Fe

Bureau of Land Management

PRODUCTION ALLOCATION FORMULA USING WELL TEST INFORMATION

San Juan 29-7 Unit 106N (Mesaverde/Dakota) Commingle Unit L, 36-T29N-R7W Rio Arriba County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = <u>944 MCFD & 0 BO</u>

Separator test from Dakota = $\underline{1231 \text{ MCFD } \& 0 \text{ BO}}$

GAS:

$$\frac{\text{(MV) 944 MCFD}}{\text{(MV/ DK) 2175 MCFD}} = \text{(MV) \% Mesaverde 43\%}$$

OIL:

$$\frac{\text{(MV) 0 BO}}{\text{(MV/ DK) 0 BO}} = \text{(MV) \% Mesaverde 43\%}$$

$$(DK) 0 BO = (DK) \% Dakota 57\%$$