

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,

A handwritten signature in cursive script, appearing to read 'Peggy Cole'.

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 = 944 MCFD & 0 BO

Separator test from Dakota = 1231 MCFD & 0 BO

GAS:

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

$$\frac{(DK) 1231 \text{ MCFD}}{(MV/ DK) 2175 \text{ MCFD}} = (DK) \% \text{ Dakota 57\%}$$

OIL:

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

$$\frac{(DK) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (DK) \% \text{ Dakota 57\%}$$