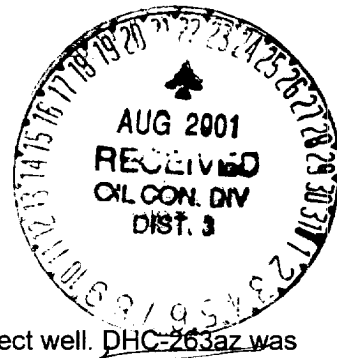


BURLINGTON RESOURCES

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

Re: Thompson #7
M Section 34, T-31-N, R-12-W
30-045-10060



Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-263az was issued for this well.

Gas: Dakota 37%
Mesaverde 63%

Oil: Dakota 40%
Mesaverde 60%

DATE

These allocations are based on historic production data from the Mesaverde and Dakota. Please let me know if you have any questions.

Sincerely,

Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

Thompson #7 Production Allocation

Gas

*Mesaverde Cumulative Production:	676 MMcf	63%
*Dakota Cumulative Production:	390 MMcf	37%
Total:	<u>1,066</u>	<u>100.0%</u>

Oil

*Mesaverde Cumulative Production:	3,111 BBls	60%
*Dakota Cumulative Production:	2,116 BBls	40%
Total:	<u>5,227</u>	

*Allocation Formula Basis: The fixed percentages are based on cumulative production from 1/70 - 10/00.