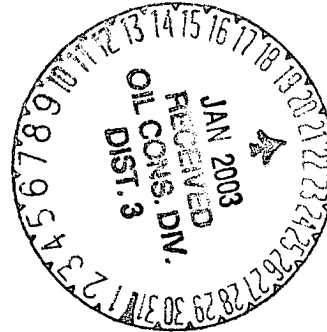


# BURLINGTON RESOURCES

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

Re: Heaton #7M  
SWNW, Section 29, T-31-N, R-11-W  
30-045-30912  
San Juan County, New Mexico



Gentlemen:

The above referenced well is a Mesaverde/Dakota commingle. Attached is a copy of the allocation for the commingling of the subject well completed on December 2, 2002. DHC867az was issued for this well.

Gas: Mesaverde 60%  
Dakota 40%

Oil: Mesaverde 60%  
Dakota 40%

These allocations are based on isolated flow tests from the Mesaverde and Dakota 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

**Heaton 7M**

(Mesaverde/Dakota) Commingle  
Unit E, 29-T31N-R11W  
San Juan County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = 644 MCFD & 0 BO

Separator test from Dakota = 426 MCFD & 0 BO

GAS:

$$\frac{(MV) 644 \text{ MCFD}}{(MV/ DK) 1070 \text{ MCFD}} = (MV) \% \text{ Mesaverde 60\%}$$

$$\frac{(DK) 426 \text{ MCFD}}{(MV/ DK) 1070 \text{ MCFD}} = (DK) \% \text{ Dakota 40\%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (MV) \% \text{ Mesaverde 60\%}$$

$$\frac{(DK) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (DK) \% \text{ Dakota 40\%}$$