

BURLINGTON

RESOURCES

July 8, 2003

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

Re: San Juan 29-7 Unit #124M
D Section 28, T-29-N, R-7-W
30-039-23958



Gentlemen:

Attached is a copy of the allocation for the subject well that was commingled 7-7-03. DHC-1882 was issued for this well.

Gas: Mesaverde 87%
Dakota 13%

Oil: Mesaverde 87%
Dakota 13%

These gas percentages were calculated using rate-time reserve estimate comparisons for each respective formation. The oil percentages are based on cumulative production through June, 2003.

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

SAN JUAN 29-7 UNIT 124M
Unit D, Sec. 28, T29N, R07W
Rio Arriba County, New Mexico

Production Allocation Based On Remaining Reserves by Formation

	Remaining Reserves		% Allocation	
	MMSCF	* Bbl Oil	% Gas	% Oil
Mesaverde	1,538	6.38	87%	0%
Dakota	225	0.93	13%	0%
Total	1,763	7.31	100%	0%

Gas Allocation:

Mesaverde	(Total Mesaverde Production)	1,538 MCF	= 87%
	(Total Combined Production)	1,763 MCF	

Dakota	(Total Dakota Production)	225.29 MCF	= 13%
	(Total Combined Production)	1762.91 MCF	

*** Oil Allocation:**

Mesaverde	(Total Mesaverde Production)	6 Bbl Oil	= 87%
	(Total Combined Production)	7 Bbl Oil	

Dakota	(Total Dakota Production)	1 Bbl Oil	= 13%
	(Total Combined Production)	7 Bbl Oil	

* Oil Allocation based on cumulative production through 06/03.