

BURLINGTON

RESOURCES

July 7, 2003

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

Re: San Juan 29-7 Unit #112M
C Section 29, T-29-N, R-7-W
30-039-22398




Gentlemen:

Attached is a copy of the allocation for the subject well that was commingled 6-25-03. DHC-1139az was issued for this well.

Gas: Mesaverde 60%
Dakota 40%

Oil: Mesaverde 81%
Dakota 19%

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,

Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

San Juan 29-7 Unit 112M
Unit C, Sec. 29, T29N, R07W
Rio Arriba County, New Mexico

Production Allocation Based On Remaining Reserves

	Remaining Reserves		% Allocation	
	MMSCF	* Bbl Oil	% Gas	% Oil
Mesaverde	1,642	17.16	60%	81%
Dakota	1,104	3.98	40%	19%
Total	2,746	21.14	100%	100%

Gas Allocation:

Mesaverde (Total Mesaverde Production) 1,642 MCF

 (Total Combined Production) 2,746 MCF = 60%

Dakota (Total Dakota Production) 1104 MCF

 (Total Combined Production) 2746 MCF = 40%

*** Oil Allocation:**

Mesaverde (Total Mesaverde Production) 17 Bbl Oil

 (Total Combined Production) 21 Bbl Oil = 81%

Dakota (Total Dakota Production) 4 Bbl Oil

 (Total Combined Production) 21 Bbl Oil = 19%

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