

BURLINGTON RESOURCES

January 7, 2003

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

Re: San Juan 29-7 Unit #140N
F Section 8, T-29-N, R-7-W
30-039-27036



Gentlemen:

Attached is a copy of the allocation for the subject well that was completed 12-20-02. DHC-985az was issued for this well.

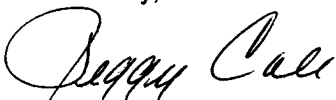
Gas: Mesaverde 70%
Dakota 30%

Oil: Mesaverde 70%
Dakota 30%

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,


Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

PRODUCTION ALLOCATION FORMULA USING WELL TEST INFORMATION

San Juan 29-7 Unit 140N
(Mesaverde/Dakota) Commingle
Unit F, 8-T29N-R7W
Rio Arriba County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = 1298 MCFD & 0 BO

Separator test from Dakota = 549 MCFD & 0 BO

GAS:

$$\frac{(MV) 1298 \text{ MCFD}}{(MV/ DK) 1847 \text{ MCFD}} = (MV) \% \text{ Mesaverde 70\%}$$

$$\frac{(DK) 549 \text{ MCFD}}{(MV/ DK) 1847 \text{ MCFD}} = (DK) \% \text{ Dakota 30\%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (MV) \% \text{ Mesaverde 70\%}$$

$$\frac{(DK) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (DK) \% \text{ Dakota 30\%}$$