BURLINGTON RESOURCES

April 29, 2002

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

Re:

San Juan 27-5 Unit #107 L Section 13, T-27-N, R-5-W

30-039-20024

REVISED

Gentlemen:

Attached is a copy of the allocation for the recompletion of the subject well that was completed 6-22-01. DHC-268az was issued for this well.

Gas:

Mesaverde

65%

Dakota

35%

Oil:

Mesaverde

50%

Dakota

50%

These percentages were calculated using rate-time reserve estimate comparisons for each respective formation. Because condensate production nearly doubled sine the Mesaverde formation was added, the oil allocation has been equally spit between the Mesaverde and Dakota formations.

Please let me know if you have any questions.

Sincerely.

Peggy Cole

Regulatory Supervisor

Xc:

NMOCD - Santa Fe

Bureau of Land Management

3401 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-326-9563

Production Allocation Documentation

San Juan 27-5 Unit #107

Production Allocation Based on Remaining Reserves Mesaverde Recomplete July 2001

REVISED

<u>GAS</u>

<u>RR</u>

Allocation %

Dakota

492.2

35%

ΑII

1402.6

Mesaverde 910.4

65%

Condensate

Because condensate nearly doubled since the addition of the Mesaverde formation, condensate allocation has been split equally between the Mesaverde and Dakota.