

BURLINGTON RESOURCES

October 31, 2002

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

Re: San Juan 27-4 Unit #124
K Section 8, T-27-N, R-4-W
30-039-21031



Gentlemen:

Attached is a copy of the allocation for the subject well that was commingled on 8-28-02. DHC-538az was issued for this well.

Gas:	Pictured Cliffs	35%
	Mesaverde	65%

Oil:	Pictured Cliffs	25%
	Mesaverde	75%

These percentages were calculated using rate-time reserve estimate comparisons for each respective formation.

Please let me know if you have any questions.

Sincerely,

Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

**San Juan 27-4 Unit 124
Unit K Sec. 8, T27N, R04W
Production Allocation**

Gas

*Mesaverde RR	260 MMcf	65%
*Pictured Cliffs RR	141 MMcf	35%
Total:	<u>401</u>	<u>100%</u>

Oil

**Mesaverde CUM	3,049.7 MSTB	75%
**Pictured Cliffs CUM	1,018.0 MSTB	25%
Total:	<u>4,067.7</u>	

*Allocation Formula Basis: The fixed percentages are based on remaining reserves projections for each formation.

** Oil based on cumulative production from 02/77 to 9/02.

SAN JUAN 27-4 UNIT 124 MESAVERDE FORECAST



