BURLINGTON RESOURCES

April 23, 2002

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

Re:

San Juan 27-5 Unit #86M J Section 9, T-27-N, R-5-W

30-039-22394



Gentlemen:

Attached is a copy of th∈ allocation for the commingling of the subject well for the Lewis pay add that was completed 7-31-01. DHC-1517 was issued for this well.

Gas:

Mesaverde

33%

Dakota

67%

Oil:

Mesaverde

41%

Dakota

59%

These percentages were calculated using rate-time reserve estimate comparisons for each respective formation. Because the Lewis formation was the only formation added during operations, the oil allocation has stayed the same as it was prior to working over the well. Please let me know if you have any questions.

Sincerely,

Peggy Cóle

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 #86M

Production Allocation
Based on Remaining Reserves
Lewis Payadd July 2001

REVISED

GAS

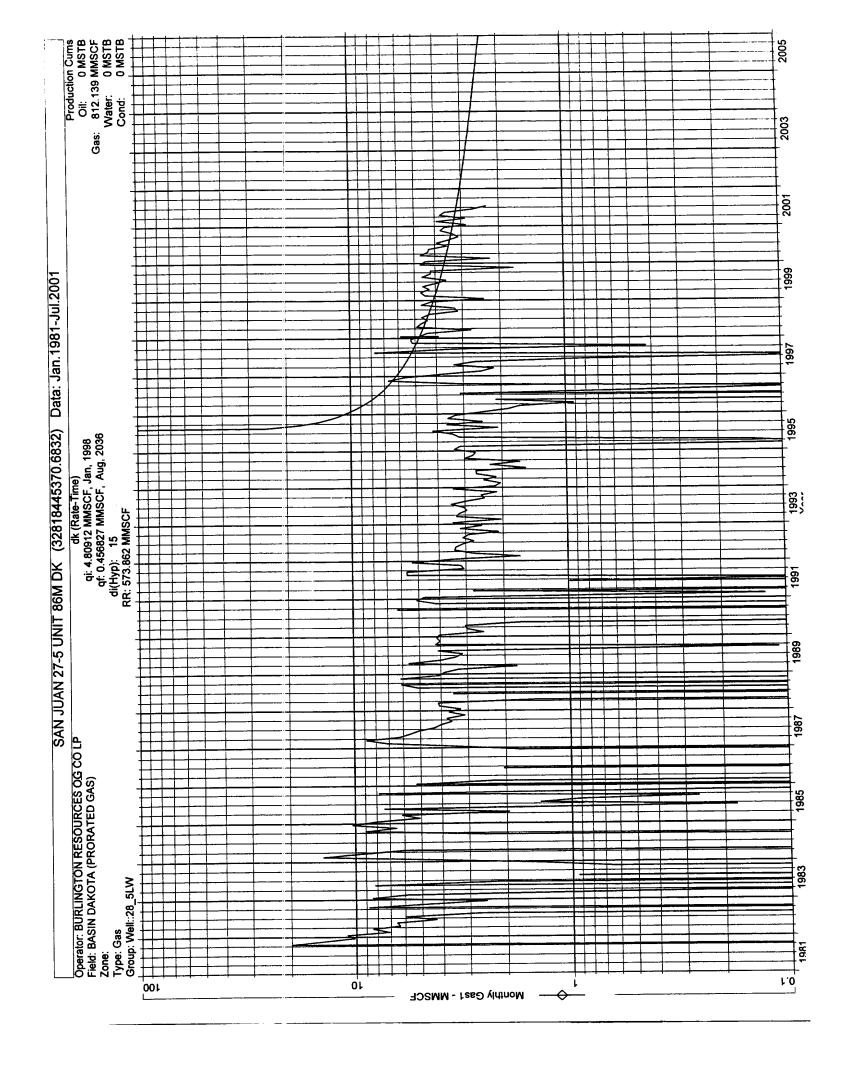
	<u>RR</u>	Allocation %	
Dakota	573.9	67%	

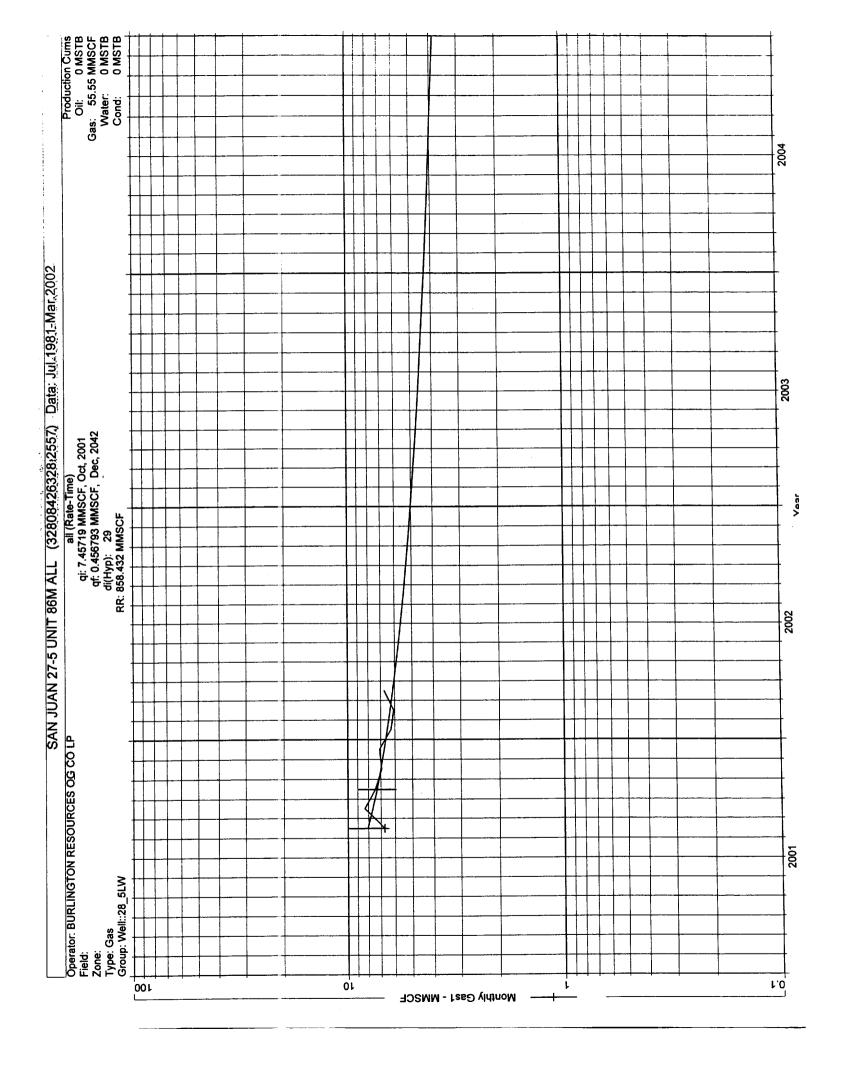
All <u>858.4</u>

Mesaverde 284.6 33%

Condensate

Since only the Lewis was added, and the Lewis is not an oil-producing formation, the condensate allocation remains the same.







United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87401

IN REPLY REFER TO NMSF 079391, et al. (wc) 3162.7 (07100)

April 30, 2002

Ms. Peggy Cole **Burlington Resources** PO Box 4289 Farmington, NM 87499

RE:

Accept downhole commingle applications and allocation factors

Dear Ms. Cole:

The following wells were reviewed for downhole commingling. After reviewing the production history for these wells, we concur with the allocation factors established in your application. The effective date is the date that downhole commingling actually occurs. The wells and the approved allocation factors are listed below.

Well Name	Lease	Location	API#	Formation Allocation	Formation Allocation
San Juan 27-5 #69M	SF 079391 MV PA	Sec 7, T27N, R5W	3003923823	MV gas 41%	DK gas 59%
	DK PA			Oil 37%	Oil 63%
San Juan 27-5 #86M	SF 079391 MV PA	Sec 9, T27N, R5W	3003922394	MV gas 33%	DK gas 67%
	DK PA			Oil 41%	Oil 59%
San Juan 27-5 #59M	SF 079393 MV PA	Sec 6, T27N, R5W	3003922224	MV gas 56%	DK gas 44%
	DK PA			Oil 74%	Oil 26%
San Juan 27-5 #105M	SF 079491 MV PA	Sec 11, T27N, R5W	3003922435	MV gas 63%	DK gas 37%
	DK PA			Oil 48%	Oil 52%
San Juan 27-5 #102M	SF 079491 MV PA	Sec 12, T27N, R5W	3003923896	MV gas 34%	DK gas 66%
	DK FA		_	Oil 43%	Oil 57%

If you have any questions, please contact Adrienne Garcia at (505) 599-6358 or the undersigned with this office at (505) 599-6367.

Sincerely,

/s/Jim Lovato

Jim Lovato Team Lead, Petroleum Management Team

cc: NMOCD, Santa Fe, NM NMOCD, Aztec, NM

bcc: Well files (5) MV PA, DK PA DOMR

07100:AGarcia:4/15/02:x6358:Phillips