

BURLINGTON RESOURCES

September 20, 2002

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

Re: San Juan 27-5 Unit #69N
J Section 7, T-27-N, R-5-W
30-039-26973



Gentlemen:

Attached is a copy of the allocation for the subject well that was completed 9-5-02. DHC-794az was issued for this well.

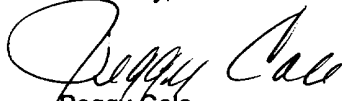
Gas: Mesaverde 44%
Dakota 56%

Oil: Mesaverde 44%
Dakota 56%

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 27-5 Unit 69N
(Mesaverde/Dakota) Commingle
Unit J, 7-T27N-R5W
Rio Arriba County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = 596 MCFD & 0 BO

Separator test from Dakota = 759 MCFD & 0 BO

GAS:

$$\frac{(MV) 596 \text{ MCFD}}{(MV/ DK) 1355 \text{ MCFD}} = (MV) \% \text{ Mesaverde 44\%}$$

$$\frac{(DK) 759 \text{ MCFD}}{(MV/ DK) 1355 \text{ MCFD}} = (DK) \% \text{ Dakota 56\%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (MV) \% \text{ Mesaverde 44\%}$$

$$\frac{(DK) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (DK) \% \text{ Dakota 56\%}$$
