NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor

Jennifer A. Salisbury
Cabinet Secretary

November 17, 1999

Ms. Peggy Cole
Burlington Resources O&G Co
PO Box 4289
Farmington NM 87499-4289

Re: San Juan 27-5 Unit #145M, E-35-27N-05W, API# 30-039-26066, DHC

Dear Ms. Cole:

Your recommended allocation of commingled production for the referenced well is hereby accepted as follows:

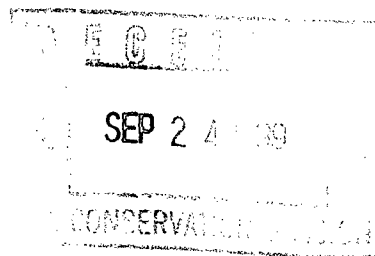|	Gas	Oil
Mesa Verde	48%	0%
Dakota	52%	100%

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/mk

cc: Jim Lovato-Farmington BLM
        David Catanach-NMOCD Santa Fe
        Well file

BURLINGTON RESOURCES

September 22, 1999

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

Re: San Juan 27-5 Unit #145M
        E Section 35, T-27-N, R-5-W
        30-039-26066

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2193 was issued for this well.

Gas:	Mesa Verde	48%
	Dakota	52%

Oil:	Mesa Verde	0%
	Dakota	100%

These allocations are based on isolated flow tests from the Mesa Verde and Dakota during completion operations.   Please let me know if you have any questions.

Sincerely,

Peggy Bradfield Cole
Regulatory/Compliance Administrator

Xc: NMOCD – Santa Fe
        Bureau of Land Management – Farmington

3535 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-599-4046

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 Unit #145M
(Mesaverde/Dakota) Commingle
Unit E, 35-T27N-R5W
Rio Arriba County, New Mexico

Allocation Formula Method:

3 Hour Flow Test from Mesaverde = <u>366 MCFD & 0 BO</u>

3 Hour Flow Test from Dakota = <u>391 MCFD & 1 BO</u>

GAS:

$$\frac{(MV)\,366\ \text{MCFD}}{(MV\,\&\,DK)\,757\ \text{MCFD}} = (MV)\ \%\ \underline{\text{Mesaverde 48\%}}$$

$$\frac{(DK)\,391\ \text{MCFD}}{(MV\,\&\,DK)\,757\ \text{MCFD}} = (DK)\ \%\ \underline{\text{Dakota 52\%}}$$

OIL:

$$\frac{(MV)\,0\ \text{BO}}{(MV\,\&\,DK)\,1\ \text{BO}} = (MV)\ \%\ \underline{\text{Mesaverde 0\%}}$$

$$\frac{(DK)\,1\ \text{BO}}{(MV\,\&\,DK)\,1\ \text{BO}} = (DK)\ \%\ \underline{\text{Dakota 100\%}}$$