

# ***BURLINGTON RESOURCES***

November 23, 1999

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

Re: San Juan 27-5 Unit #118  
K Section 22, T-27-N, R-5-W  
30-039-20318

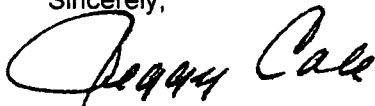
Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2287 was issued for this well.

Gas:	Mesa Verde	69%
	Dakota	31%
Oil:	Mesa Verde	50%
	Dakota	50%

These allocations are based on historical production from the Mesa Verde and Dakota. 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

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 Unit #118  
(Mesaverde/Dakota) Commingle  
Unit K, 22-T27N-R05W  
Rio Arriba County, New Mexico

Allocation Formula Method:

1999 Three Month Dakota Average = 160 MCFD & 0 BO

1999 First Three Month Commingled Average = 517 MCFD & 0 BO

1999 Commingled Production - 1999 Dakota Average = Mesaverde Contribution

GAS:

$$\frac{(DK) 160 \text{ MCFD}}{(MV \& DK) 517 \text{ MCFD}} = (DK) \% \text{ Dakota 31\%}$$

$$\frac{(MV \& DK) 517 \text{ MCFD (100\%)} - (DK) 160 \text{ MCFD (26\%)}}{= (MV) \% \text{ Mesaverde 69\%}}$$

OIL:

$$\frac{(DK) 0 \text{ BOPD}}{(MV \& DK) 0 \text{ BOPD}} = (DK) \% \text{ Dakota 50\%}$$

$$\frac{(MV \& DK) 0 \text{ BOPD (100\%)} - (DK) 0 \text{ BOPD (50\%)}}{= (MV) \% \text{ Mesaverde 50\%}}$$