

BURLINGTON RESOURCES

June 9, 2000

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

Re: San Juan 27-5 Unit #137
G Section 18, T-27-N, R-5-W
30-039-20470

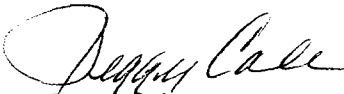
Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2295 was issued for this well.

Gas:	Mesa Verde	88%
	Dakota	12%
Oil:	Mesa Verde	50%
	Dakota	50%

These allocations are based on production averages from the Mesa Verde and Dakota after recompletion operations. Please let me know if you have any questions.

Sincerely,



Peggy 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 #137
(Mesaverde/Dakota) Commingle
Unit G, 18-T27N-R05W
Rio Arriba County, New Mexico

Allocation Formula Method:

1999 Four Month Dakota Average = 65 MCFD & 0 BO

1999 First Four Months Commingled Average = 532 MCFD & 0 BO

1999 Commingled Production - 1999 Dakota Average = Mesaverde Contribution

GAS:

$$\frac{(DK) 65 \text{ MCFD}}{(MV \& DK) 532 \text{ MCFD}} = (DK) \% \text{ Dakota 12\%}$$

$$\frac{(MV \& DK) 532 \text{ MCFD (100\%)} - (DK) 65 \text{ MCFD (12\%)}}{(MV) \% \text{ Mesaverde 88\%}}$$

OIL: **

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

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

***Neither Dakota nor Mesaverde shows potential for oil production*