

BURLINGTON RESOURCES

November 10, 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 revised allocation for the commingling of the subject well, DHC-2295, was issued for this well.

Gas:	Mesa Verde	90%
	Dakota	10%

Oil:	Mesa Verde	50%
	Dakota	50%

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

Sincerely,



Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

REVISED
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 Three-Month Dakota Average = 59 MCFD & 0 BO

1999 First Three Months Commingled Average = 588 MCFD & 0 BO

1999 Commingled Production - 1999 Dakota Average = Mesaverde Contribution

GAS:

$$\frac{(DK) 59 \text{ MCFD}}{(MV \& DK) 588 \text{ MCFD}} = (DK) \% \text{ Dakota 10\%}$$

$$\frac{(MV \& DK) 588 \text{ MCFD (100\%)} - (DK) 59 \text{ MCFD (10\%)}}{(MV) \% \text{ Mesaverde 90\%}}$$

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***