

BURLINGTON RESOURCES

July 16, 2002

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

Re: San Juan 27-5 Unit #146
M Section 36, T-27-N, R-5-W
30-039-20462

Gentlemen:

Attached is a copy of the allocation for the Lewis pay add to the subject well that was completed 8-27-01. DHC-1238 was issued for this well.

Gas:	Mesaverde	85%
	Dakota	15%
Oil:	Mesaverde	0%
	Dakota	100%

These percentages were calculated using rate-time reserve estimate comparisons for each respective formation. Because the condensate production did not increase with the addition of the Lewis formation, condensate remains allocated solely to the Dakota formation.

Please let me know if you have any questions.

Sincerely,



Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

Production Allocation Documentation

San Juan 27-5 Unit #146

Production Allocation

Based on Remaining Reserves
Lewis Payadd August 2001

GAS

	<u>RR</u>	<u>Allocation %</u>
Dakota	46.3	15%
All	<u>312.6</u>	
Mesaverde	266.2	85%

Condensate

Since an increase in condensate was not seen with the addition of the Lewis pay, condensate remains allocated solely to the Dakota formation.