

BURLINGTON RESOURCES

SAN JUAN DIVISION

May 19, 1998

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

Re: San Juan 27-5 Unit #164M
SE Section 30, T-27-N, R-5-W
30-039- 25775

Gentlemen:

The above referenced well is a Mesa Verde/Dakota commingle. Order DHC-1859 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	82 % gas	50 % oil
Dakota -	18 % gas	50 % oil

These percentages 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
Regulatory/Compliance Administrator

xc: Bureau of Land Management
NMOCD - Santa Fe

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 Unit #164M
(Mesaverde/Dakota)Commingle
Unit P, 30-T27N-R05W
Rio Arriba County, New Mexico

Allocation Formula Method:

3 Hour Flow Test from Mesaverde = 850 MCFD & 0 BO

3 Hour Flow Test from Dakota = 191 MCFD & 0 BO

GAS:

$$\frac{(MV) 850 \text{ MCFD}}{(MV \& DK) 1041 \text{ MCFD}} = (MV) \% \text{ Mesaverde 82\%}$$

$$\frac{(DK) 191 \text{ MCFD}}{(MV \& DK) 1041 \text{ MCFD}} = (DK) \% \text{ Dakota 18\%}$$

OIL:

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

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