

BURLINGTON RESOURCES

April 12, 1999

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

Re: San Juan 27-5 Unit #146M
1675'FNL, 935'FWL, Section 36, T-27-N, R-5-W
30-039-25975

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2127 was issued for this well.

Gas: Mesa Verde 69%
Dakota 31%

Oil: Mesa Verde 50%
Dakota 50%

These allocations 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: NMOCD – Santa Fe
Bureau of Land Management – Farmington

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 Unit #146M
(Mesaverde/Dakota) Commingle
Unit E, 36-T27N-R05W
Rio Arriba County, New Mexico

Allocation Formula Method:

3 Hour Flow Test from Mesaverde = 618 MCFD & 0 BO

3 Hour Flow Test from Dakota = 276 MCFD & 0 BO

GAS:

$$\frac{(MV) 618 \text{ MCFD}}{(MV \& DK) 894 \text{ MCFD}} = (MV) \% \text{ Mesaverde 69\%}$$

$$\frac{(DK) 276 \text{ MCFD}}{(MV \& DK) 894 \text{ MCFD}} = (DK) \% \text{ Dakota 31\%}$$

OIL:

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

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