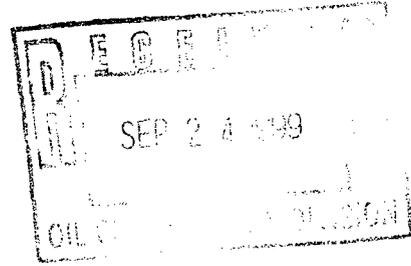


BURLINGTON RESOURCES



September 22, 1999

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

Re: San Juan 27-5 Unit #27
M Section 26, T-27-N, R-5-W
30-039-06875

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2183 was issued for this well.

Gas:	Mesa Verde	68%
	Pictured Cliffs	32%

Oil:	Mesa Verde	50%
	Pictured Cliffs	50%

These allocations are based on isolated flow tests from the Pictured Cliffs during completion operations. Please let me know if you have any questions.

Sincerely,

Peggy Bradfield Cole
Regulatory/Compliance Administrator

Xc: NMOCD – Santa Fe
Bureau of Land Management – Farmington

Calculations for San Juan 27-5 Unit #27 - PC/MV

M 26 T27N R05W

Commingled
Tapacito Pictured Cliffs
Blanco Mesaverde

This is a PC/MV producer with Pictured Cliffs and Mesaverde production streams commingled per DHC 2183.

PC/MV commingled production after MV workover:	590	MCFD
	0	BOPD

PC only production:	190	MCFD
	0	BOPD

Gas Allocation

PC = $(190/590)*100$ 32 %

MV = $((590-190)/590)*100$ 68 %

Oil Allocation

Past Pictured Cliffs and Mesaverde production has not included oil. As a result, the future oil allocation is recommended:

PC = 50 %

MV = 50 %