

# BURLINGTON RESOURCES

November 23, 1999

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

Re: San Juan 27-5 Unit #106  
G Section 1, T-27-N, R-5-W  
30-039-20025

Gentlemen:

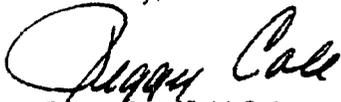
Attached is a copy of the allocation for the commingling of the subject well, DHC-2284 was issued for this well.

Gas:	Mesa Verde	80%
	Dakota	20%

Oil:	Mesa Verde	50%
	Dakota	50%

These allocations are based on historical production from the Mesa Verde and Dakota. 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

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 Unit #106  
(Mesaverde/Dakota) Commingle  
Unit G, 01-T27N-R05W  
Rio Arriba County, New Mexico

Allocation Formula Method:

1999 Three Month Dakota Average = 111 MCFD & 0 BO

1999 First Three Month Commingled Average = 567 MCFD & 0 BO

1999 Commingled Production - 1999 Dakota Average = Mesaverde Contribution

GAS:

$$\frac{(DK) 111 \text{ MCFD}}{(MV \& DK) 567 \text{ MCFD}} = (DK) \% \text{ Dakota 20\%}$$

$$\frac{(MV \& DK) 567 \text{ MCFD (100\%)} - (DK) 111 \text{ MCFD (26\%)}}{=} = (MV) \% \text{ Mesaverde 80\%}$$

OIL:

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

$$\frac{(MV \& DK) 0 \text{ BOPD (100\%)} - (DK) 0 \text{ BOPD (50\%)}}{=} = (MV) \% \text{ Mesaverde 50\%}$$