BURLINGTON

January 20, 2003

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

Re:

San Juan 28-6 Unit #168 N Section 14, T-27-N, R-6-W

30-039-20480



Gentlemen:

Attached is a copy of the allocation for the subject well that was commingled 3-18-02. DHC-277az was issued for this well.

Gas:

Mesaverde

95%

Dakota

5%

Oil:

Mesaverde

100%

Dakota

0%

These percentages were calculated using rate-time reserve estimate comparisons for each respective formation before and after work over operations. The Dakota formation was not producing condensate prior to the addition of the Mesaverde formation. Therefore, condensate will be allocated solely to the Mesaverde formation.

Please let me know if you have any questions.

Sincerely,

Peggý Cole

Regulatory Supervisor

Xc:

NMOCD - Santa Fe

Bureau of Land Management



Production Allocation Documentation

San Juan 28-6 Unit #168

Production Allocation

Mesaverde Recomplete March 2002

Based upon reserves assigned to each formation founded on production from the respective formations before and after workover operations.

Gas

	<u>RR</u>	Allocation %
Dakota	41.7	5%
All	<u>850.9</u>	
Mesaverde	809.3	95%

Condensate

The Dakota formation was not producing condensate prior to the addition of the Mesaverde formation. Therefore, condensate will be allocated solely to the Mesaverde formation.