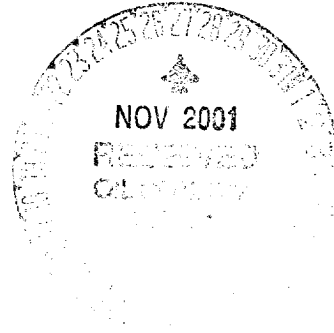


BURLINGTON RESOURCES

November 21, 2001

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

Re: San Juan 27-4 Unit #54M
I Section 32, T-27-N, R-4-W
30-039-26455



Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2683 was issued for this well.

Gas:	Mesaverde	53%
	Dakota	47%
Oil:	Mesaverde	0%
	Dakota	100%

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

Sincerely,

A handwritten signature in cursive script that reads "Peggy Cole".

Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-4 Unit 54M
(Mesaverde/Dakota) Commingle
Unit I, 4-T27N-R04W
Rio Arriba County, New Mexico

Allocation Formula Method:

3 Hour Flow Test from Mesaverde = 1212 MCFD & 0 BO

3 Hour Flow Test from Dakota = 1086 MCFD & 0 BO

GAS:

$$\frac{(MV) 1212 \text{ MCFD}}{(MV/DK) 2298 \text{ MCFD}} = (MV) \% \text{ Mesaverde 53%}$$

$$\frac{(DK) 1086 \text{ MCFD}}{(MV/DK) 2298 \text{ MCFD}} = (DK) \% \text{ Dakota 47%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV/DK) 1 \text{ BO}} = (MV) \% \text{ Mesaverde 0%}$$

$$\frac{(DK) 1 \text{ BO}}{(MV/DK) 1 \text{ BO}} = (DK) \% \text{ Dakota 100%}$$