

BURLINGTON RESOURCES

SAN JUAN DIVISION

September 30, 1997

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

Re: San Juan 27-5 Unit #117M (E)
1175'FNL, 1570'FWL Section 22, T-27-N, R-05-W, Rio Arriba County, NM
API #30-039-23703

Gentlemen:

The above referenced well is a Mesa Verde/Dakota commingle. Order DHC-1504 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	79 % gas	85 % oil
Dakota -	21 % gas	15 % oil

These percentages are based upon precompletion rates for the Dakota and post completion rates for the Mesa Verde and Dakota combined.

Please let me know if you have any questions.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management
NMOCD - Santa Fe

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

**San Juan 27-5 Unit #117M
(Mesaverde/Dakota)Commingled
Unit C, 22-T27N-R05W
Rio Arriba County, New Mexico**

Allocation Formula Method:

1996 Dakota Average = 116 MCFD & 0.7 BO

1997 Commingled Production = 564 MCFD & 4.66 BO

1997 Commingled Production - 1996 Dakota Average = Mesaverde Contribution

GAS:

$$\frac{(DK) 116 \text{ MCFD}}{(MV \& DK) 564 \text{ MCFD}} = (DK) \% \text{ Dakota 21\%}$$

$$\frac{(MV \& DK) 564 \text{ MCFD (100\%)} - (DK) 116 \text{ MCFD (21\%)}}{(MV \& DK) 564 \text{ MCFD (100\%)}} = (MV) \% \text{ Mesaverde 79\%}$$

OIL:

$$\frac{(DK) 0.7 \text{ BOPD}}{(MV \& DK) 4.66 \text{ BOPD}} = (DK) \% \text{ Dakota 15\%}$$

$$\frac{(MV \& DK) 4.66 \text{ BOPD (100\%)} - (DK) 0.7 \text{ BOPD (15\%)}}{(MV \& DK) 4.66 \text{ BOPD (100\%)}} = (MV) \% \text{ Mesaverde 85\%}$$