

BURLINGTON RESOURCES

SAN JUAN DIVISION

August 15, 1998

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

Re: San Juan 27-5 Unit #37
A Section 20, T-27-N, R-5-W
30-039-07019

Gentlemen:

The above referenced well is a Mesa Verde/Pictured Cliffs commingle. Order DHC-1790 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	94 % gas	0 % oil
Pictured Cliffs -	6 % gas	0 % oil

These percentages are based on isolated flow tests and historical data from the Mesa Verde and Pictured Cliffs during completion operations.

Please let me know if you have any questions.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management
NMOCD - Santa Fe

Calculations for San Juan 27-5 Unit #37 - PC/MV

A 20 T27N R05W

Commingled
Tapacito Pictured Cliffs
Blanco Mesaverde

This is a PC/MV dualled producer that has been commingled per DHC 1790.
The Mesaverde did have Menefee pay added during the workover.

Average PC production prior to workover with 200 psi line pressure:	15	MCFD
	0	BOPD

Average MV 3 hour production test with 200 psi back pressure:	236	MCFD
	0	BOPD

Gas Allocation

PC = $15/(15+236)*100$ 6 %

MV = $236/(15+236)*100$ 94 %

Oil Allocation

Since there was no oil production prior to the workover or during the workover, the following oil allocation is recommended:

PC = 0 %

MV = 0 %