

***BURLINGTON
RESOURCES***

SAN JUAN DIVISION

October 24, 1998

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

Re: San Juan 27-5 Unit #104M
1400'FNL, 1070'FWL, Section 12, T-27-N, R-5-W
Rio Arriba County
30-039-25910

Gentlemen:

The above referenced well is a Mesa Verde/Dakota commingle. Order DHC-1990 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	53 % gas	0% oil
Dakota -	47 % gas	100 % oil

These percentages are based on isolated flow tests from the Mesa Verde and Dakota 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

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 Unit #104M
(Mesaverde/Dakota)Commingle
Unit E, 12-T27N-R05W
Rio Arriba County, New Mexico

Allocation Formula Method:

3 Hour Flow Test from Mesaverde = 970 MCFD & 0 BO

3 Hour Flow Test from Dakota = 861 MCFD & 0.50 BO

GAS:

$$\frac{(MV) 970 \text{ MCFD}}{(MV \& DK) 1,831 \text{ MCFD}} = (MV) \% \text{ Mesaverde 53\%}$$

$$\frac{(DK) 861 \text{ MCFD}}{(MV \& DK) 1,831 \text{ MCFD}} = (DK) \% \text{ Dakota 47\%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV \& DK) 0.50 \text{ BO}} = (MV) \% \text{ Mesaverde 0\%}$$

$$\frac{(DK) 0.50 \text{ BO}}{(MV \& DK) 0.50 \text{ BO}} = (DK) \% \text{ Dakota 100\%}$$