BURLINGTON RESOURCES

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

Re:

San Juan 27-5 Unit #15

M Section 16, T-27-N, R-5-W

30-039-07042

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. Order DHC-2616 was issued for this well.

Gas:

Mesa Verde

81%

Pictured Cliffs

19%

Oil:

Mesa Verde

0%

Pictured Cliffs

0%

These allocations are based on historical production from the Mesa Verde and Pictured Cliffs. Please let me know if you have any questions.

Sincerely.

Peggy Cole

Regulatory Supervisor

Xc:

NMOCD - Santa Fe

Bureau of Land Management

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 #15 (Pictured Cliffs / Mesaverde) Commingle Unit M, 16-T27N-R5W Rio Arriba County, New Mexico

Allocation Formula Method:

- 3 Month Post-Workover Production Pictured Cliffs = 843 MCFD & 0 BO
- 3 Month Pre-Workover Production Mesaverde = 203 MCFD & 0 BO

GAS:

OIL:

$$\frac{(PC) \text{ 0 BO}}{(PC/MV) \text{ 0 BO}} = (PC) \% \frac{\text{Pictured Cliffs 0\%}}{\text{Pictured Cliffs 0\%}}$$

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