

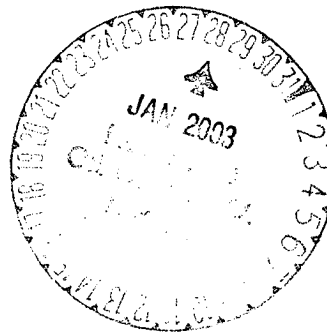
BURLINGTON

RESOURCES

January 22, 2003

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

Re: San Juan 27-5 Unit #24
B Section 32, T-27-N, R-5-W
30-039-06832



Gentlemen:

Attached is a copy of the allocation for the subject well that was commingled 11-11-02. DHC-637az was issued for this well.

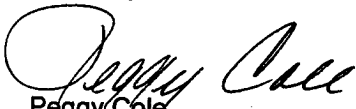
Gas: Pictured Cliffs 65%
Mesaverde 35%

Oil: Pictured Cliffs 61%
Mesaverde 39%

These percentages were calculated using rate-time reserve estimate comparisons for each respective formation before and after work over operations. Oil allocation is based on cumulative production through January, 2003.

Please let me know if you have any questions.

Sincerely,


Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

3401 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-326-9563

Production Allocation
SAN JUAN 27-5 UNIT 24
 Unit B Sec. 32 T27N R05W
 Rio Arriba County, New Mexico

Production Allocation Based On Remaining Reserves

	Remaining Reserves		% Allocation	
	MMSCF	* Bbl Oil	% Gas	% Oil
Mesaverde	103	2.28	35%	39%
Pictured Cliff	190	3.51	65%	61%
Total	293	5.79	100%	100%

Gas Allocation:

Mesaverde	(Total Mesaverde Production)	103 MCF	
	-----		= 35%
	(Total Combined Production)	293 MCF	

Pictured Cliff	(Total Pictured Cliff Production)	190 MCF	
	-----		= 65%
	(Total Combined Production)	293 MCF	

*** Oil Allocation:**

Mesaverde	(Total Mesaverde Production)	2 Bbl Oil	
	-----		= 39%
	(Total Combined Production)	6 Bbl Oil	

Pictured Cliff	(Total Pictured Cliff Production)	4 Bbl Oil	
	-----		= 61%
	(Total Combined Production)	6 Bbl Oil	

* Oil Allocation based on cumulative production through 01/03.