BURLINGTON RESOURCES

February 26, 2002

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

Re: San Juan 27-5 Unit #11

H Section 27, T-27-N, R-5-W

30-039-06914



Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. The well was recompleted 2-25-02. DHC-318az was issued for this well.

Gas: Pictured Cliffs 70%

Mesaverde 30%

Oil: Pictured Cliffs 70%

Mesaverde 30%

These allocations are based on isolated flow tests from the Pictured Cliffs and Mesaverde during recompletion operations. Oil was not present during flow test operations. For that reason, oil percentages are based upon gas allocation and are provided in the event this wellbore begins producing oil at some point in the future. 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 WELL TEST INFORMATION

San Juan 27-5 Unit #11 (Mesaverde/Pictured Cliffs) Commingle Unit H, 27-T27N-R5W Rio Arriba County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = 185 MCFD & 0 BO

Separator test from Pictured Cliffs = 438 MCFD & 0 BO

GAS:

OIL:

$$\frac{\text{(MV) 0 BO}}{\text{(MV/ PC) 0 BO}} = \text{(MV) \% Mesaverde 30\%}$$

$$\frac{(PC) \ 0 \ BO}{(MV/PC) \ 0 \ BO} = (PC) \% \frac{Pictured Cliffs 70\%}{Pictured Cliffs 70\%}$$