

BURLINGTON RESOURCES

September 18, 2001

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

Re: San Juan 27-5 Unit #46
M Section 7, T-27-N, R-5-W
30-039-07112



Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-431az was issued for this well.

Gas:	Pictured Cliffs	64%
	Mesaverde	36%

Oil:	Pictured Cliffs	51%
	Mesaverde	49%

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

Sincerely,

A handwritten signature in cursive script that reads "Peggy Cole".

Peggy Cole
Regulatory Supervisor

Xc: NMOCD -- Santa Fe
Bureau of Land Management

San Juan 27-5 Unit #46
Production Allocation

Gas

*Mesaverde Cumulative	572,317 Mcf	36%
Pictured Cliffs Cumulative	<u>1,019,607 Mcf</u>	<u>64%</u>
Total:	1,591,924	100.0%

Oil

*Mesaverde Cumulative	273.0 BBL	51%
Pictured Cliffs Cumulative	<u>259.0 BBL</u>	<u>49%</u>
Total:	532	

*Allocation Formula Basis: The fixed percentages are based on cumulative production (3/59-3/01)