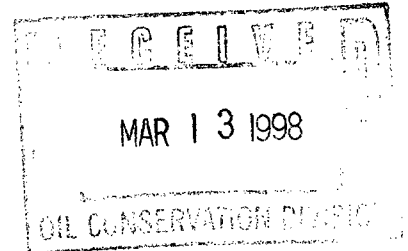


BURLINGTON RESOURCES

SAN JUAN DIVISION



March 12, 1998

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

Re: Allison Unit #27M
1545'FNL, 1800'FWL Section 30, T-32-N, R-06-W, San Juan County, NM
API #30-045-29485

Gentlemen:

The above referenced well is a Mesa Verde/Dakota commingle. Order DHC-1724 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	88 % gas	50 % oil
Dakota -	12 % gas	50 % oil

These percentages are based on pitot gauge tests from the Mesa Verde only flow and Mesa Verde/Dakota combined flow during completion cleanup operations. The attempt to perform the standard production test failed due to liquid loading. Efforts will be made, after approximately twelve months of production, to revisit the well and possibly adjust the allocation.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Peggy Bradfield".

Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management
NMOCD - Santa Fe

Calculations Sheet

Flow from Mesaverde to atmosphere (Pitot gauge) **1339** Mcfd

Flow from Mesaverde and Dakota to atmosphere (Pitot gauge) **1520** Mcfd

$$\% \text{ Gas flow from Mesaverde} = \frac{\text{Flow from Mesaverde}}{\text{Total well flow}} = \frac{1339 \text{ mcf}}{1520 \text{ mcf}} = \mathbf{88 \%}$$

$$\% \text{ Oil flow from Mesaverde} = \text{N/A} = \mathbf{50 \%}$$

$$\% \text{ Gas flow from Dakota} = \frac{(\text{Total flow}) - (\text{Mesaverde flow})}{\text{Total well flow}} = \frac{(1520) - (1339) \text{ mcf}}{1520 \text{ mcf}} = \mathbf{12 \%}$$

$$\% \text{ Oil flow from Dakota} = \text{N/A} = \mathbf{50 \%}$$