

BURLINGTON RESOURCES

December 22, 1998

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

Re: San Juan 27-5 Unit #138E
Gallup/Dakota
Unit O, Section 19, T-27-N, R-5-W
30-039-23758

Gentlemen:


Attached is a copy of the allocation for the commingling of the subject well. DHC-2104 was issued for this well.

Gas:	Gallup	27%
	Dakota	73%

Oil:	Gallup	71%
	Dakota	29%

Please let me know if you have questions on this matter.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

Xc: NMOCD – Santa Fe
Bureau of Land Management – Farmington

Calculations for San Juan 27-5 Unit #138E - GA/DK

O 19 T27N R05W

Commingled
Undeveloped Gallup
Basin Dakota

This is a GA/DK producer with production commingled per DHC 2104 .

Average GA only production with ~150 psi back pressure:	56	MCFD
	0.5	BOPD

Average DK only production with ~150 psi back pressure:	149	MCFD
	0.2	BOPD

Gas Allocation

GA =	$56 / (56 + 149) * 100$	27	%
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DK =	$149 / (56 + 149) * 100$	73	%
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Oil Allocation

GA =	$0.5 / (0.5 + 0.2) * 100$	71	%
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DK =	$0.2 / (0.5 + 0.2) * 100$	29	%
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