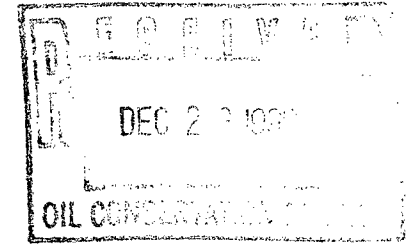


BURLINGTON RESOURCES



December 21, 1999

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

Re: San Juan 27-5 Unit #147
A Section 36, T-27-N, R-5-W
30-039-20686

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2296 was issued for this well.

Gas:	Mesa Verde	43%
	Dakota	57%
Oil:	Mesa Verde	50%
	Dakota	50%

These allocations are based on isolated flow tests from the Mesa Verde and Dakota during completion operations. Please let me know if you have any questions.

Sincerely,

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

Peggy Bradfield Cole
Regulatory/Compliance Administrator

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

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 Unit #147
(Mesaverde/Dakota) Commingle
Unit A, 36-T27N-R05W
Rio Arriba County, New Mexico

Allocation Formula Method:

1999 Six Month Dakota Average = 246 MCFD & 0 BO

1999 First Two Month Commingled Average = 434 MCFD & 0 BO

1999 Commingled Production - 1999 Dakota Average = Mesaverde Contribution

GAS:

$$\frac{(DK) 246 \text{ MCFD}}{(MV \& DK) 434 \text{ MCFD}} = (DK) \% \text{ Dakota 57\%}$$

$$\frac{(MV \& DK) 434 \text{ MCFD (100\%)} - (DK) 246 \text{ MCFD (57\%)}}{= (MV) \% \text{ Mesaverde 43\%}}$$

OIL:

$$\frac{(DK) 0 \text{ BOPD}}{(MV \& DK) 0 \text{ BOPD}} = (DK) \% \text{ Dakota 50\%}$$

$$\frac{(MV \& DK) 0 \text{ BOPD (100\%)} - (DK) 0 \text{ BOPD (50\%)}}{= (MV) \% \text{ Mesaverde 50\%}}$$