

BURLINGTON RESOURCES

November 19, 1999

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

Re: San Juan 27-4 Unit #41
K Section 7, T-27-N, R-4-W
30-039-20135

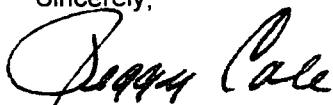
Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2309 was issued for this well.

| | | |
|------|------------|-----|
| Gas: | Mesa Verde | 26% |
| | Dakota | 74% |
| Oil: | Mesa Verde | 50% |
| | Dakota | 50% |

These allocations are based on historic data from the Dakota and combined production after the recompletion. Please let me know if you have any questions.

Sincerely,



Peggy Bradfield Cole
Regulatory/Compliance Administrator

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

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-4 Unit #41
(Mesaverde/Dakota) Commingle
Unit K, 07-T27N-R04W
Rio Arriba County, New Mexico

Allocation Formula Method:

1999 Three Month Dakota Average = 283 MCFD & 0 BO

1999 First Month Commingled Average = 1081 MCFD & 0 BO

1999 Commingled Production - 1999 Dakota Average = Mesaverde Contribution

GAS:

$$\frac{(DK) 283 \text{ MCFD}}{(MV \& DK) 1081 \text{ MCFD}} = (DK) \% \text{ Dakota 26\%}$$

$$\frac{(MV \& DK) 1081 \text{ MCFD (100\%)} - (DK) 283 \text{ MCFD (26\%)}}{= (MV) \% \text{ Mesaverde 74\%}}$$

OIL:

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

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