

BURLINGTON RESOURCES

October 8, 2001

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

Re: San Juan 27-5 Unit #85E
C Section 5, T-27-N, R-5-W
30-039-25829

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2537 was issued for this well.

Gas:	Mesaverde	59%
	Dakota	41%

Oil:	Mesaverde	0%
	Dakota	0%

These percentages were calculated using rate-time reserve estimate comparisons for each respective formation.

Sincerely,



Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

PRODUCTION ALLOCATION FORMULA BASED ON REMAINING RESERVES

San Juan 27-5 Unit #85E
(Mesaverde/Dakota) Commingle
Unit C, 5-T27N-R5W
Rio Arriba County, New Mexico

Allocation Formula Method:

Capital Workover - September 2000
(effective October 2000)

	<u>EUR</u>	<u>RR</u>	<u>Gas Allocation %</u>
Dakota	1144.1	935.6	41%
Both Formations	<u>2463.2</u>	<u>2262.0</u>	
Mesaverde	1319.2	1326.3	59%

No oil was detected, so there is no allocation.