

BURLINGTON RESOURCES

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

Re: San Juan 27-5 Unit #38
G Section 16, T-27-N, R-5-W
30-039-07078

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2618 was issued for this well.

Gas:	Mesa Verde	68%	
	Pictured Cliffs		32%

Oil:	Mesa Verde	0%	
	Pictured Cliffs		0%

These allocations are based on post workover production from the Mesa Verde and Pictured Cliffs. Please let me know if you have any questions.

Sincerely,



Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 #38
(Pictured Cliffs / Mesaverde) Commingle
Unit G, 16-T27N-R5W
Rio Arriba County, New Mexico

Allocation Formula Method:

3 Month Post-Workover Production Pictured Cliffs = 29 MCFD & 0 BO

3 Month Pre-Workover Production Mesaverde = 61 MCFD & 0 BO

GAS:

$$\frac{(PC) 29 \text{ MCFD}}{(PC / MV) 90 \text{ MCFD}} = (PC) \% \text{ Pictured Cliffs 32%}$$

$$\frac{(MV) 61 \text{ MCFD}}{(PC / MV) 90 \text{ MCFD}} = (MV) \% \text{ Mesaverde 68%}$$

OIL:

$$\frac{(PC) 0 \text{ BO}}{(PC / MV) 0 \text{ BO}} = (PC) \% \text{ Pictured Cliffs 0%}$$

$$\frac{(MV) 0 \text{ BO}}{(PC / MV) 0 \text{ BO}} = (MV) \% \text{ Mesaverde 0%}$$