

# BURLINGTON RESOURCES

January 5, 2001

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

Re: San Juan 27-5 Unit #45  
K Section 6, T-27-N, R-5-W  
30-039-07176

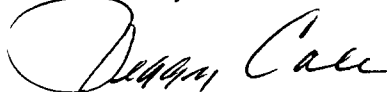
Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2619 was issued for this well.

|      |            |     |
|------|------------|-----|
| Gas: | Mesa Verde | 67% |
|      | Pic.Cliffs | 33% |
| Oil: | Mesa Verde | 50% |
|      | Pic.Cliffs | 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,



Peggy Cole  
Regulatory Supervisor

Xc: NMOCD – Santa Fe  
Bureau of Land Management

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 #45  
(Pictured Cliffs / Mesaverde) Commingle  
Unit K, 6-T27N-R5W  
Rio Arriba County, New Mexico

Allocation Formula Method:

3 Hour Flow Test from Pictured Cliffs = 200 MCFD & 0 BO

3 Hour Flow Test from Mesaverde = 408 MCFD & 0 BO

GAS:

$$\frac{(PC) 200 \text{ MCFD}}{(PC/MV) 608 \text{ MCFD}} = (PC) \% \text{ Pictured Cliffs } 33\%$$

$$\frac{(MV) 408 \text{ MCFD}}{(PC/MV) 608 \text{ MCFD}} = (MV) \% \text{ Mesaverde } 67\%$$

OIL:

$$\frac{(PC) 0 \text{ BO}}{(PC/MV) 0 \text{ BO}} = (PC) \% \text{ Pictured Cliffs } 50\%$$

$$\frac{(MV) 0 \text{ BO}}{(PC/MV) 0 \text{ BO}} = (MV) \% \text{ Mesaverde } 50\%$$