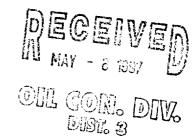
Variage 19. W. Line

# BURLINGTON RESOURCES

SAN JUAN DIVISION

May 8, 1997



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

Re:

Vaughn #14M

800'FNL, 800'FWL Section 27, T-26-N, R-6-W, Rio Arriba County, NM

API #30-039-23789

#### Gentlemen:

The above referenced well is a Mesa Verde/Gallup/Dakota commingle. Order R-10239 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -75% gas 45 % oil 45 % oil Gallup -5% gas Dakota -20% gas 10 % oil

These percentages are based on historical production.

Please let me know if you have any questions.

Sincerely,

Peggy Bradfield

Regulatory/Compliance Administrator

Bureau of Land Management xc:

#### PRODUCTION ALLOCATION FORMULA METHOD

## Vaughn #14M (Mesaverde/Gallup/Dakota Commingle) NW/4, Sec. 27-T26N-R06W Rio Arriba County, New Mexico

### Blanket DHC Order # R-10239

### **Production Rates**

Historical Gas Production from Dakota = <u>3641 MCFM</u> Historical Oil Production from Dakota = 8 BOPM

Total Gas Production for all three formations =  $\underline{17187 \text{ MCFD}}$  (4 month average) Total Oil Production for all three formations =  $\underline{131 \text{ BOPM}}$  (4 month average)

## **Allocation for Gas Production:**

Production tests in offsetting Klein #24, Klein #19M and Klein #28E indicate that Gallup contributes about 5% of commingled gas and about 45% of commingled oil production. This assumption is made in calculating allocation percentages for this well.

Assumed: (GL) % Gallup 5%

[(DK) 3641 MCFM] = (DK) % **Dakota 20%** (All) 17187 MCFM

(All) 100% - (DK) 20% - (GL) 5% = **Mesaverde 75%** 

## **Allocation for Oil Production:**

Assumed: (GL) % Gallup 45%

[DK) 8 BOPM = (DK) % **Dakota 10%** (All) 131 BOPM

(All) 100% - (DK) 10% - (GL) 45% = **Mesaverde 45%** 

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE 1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178 Fax (505)234-6170

GARY E. JOHNSON GOVERNOR

JENNIFER A. SALISBURY CABINET SECRETARY

May 12, 1997

Ms Peggy Bradfield Burlington Resources O&G Co PO Box 4289 Farmington NM 87499

Re:

Vaughn #14M, API# 30-039-23789, D-27-26N-06W, DHC

Dear Ms. Bradfield:

Your recommended allocation of commingled production for the referenced well is hereby accepted as follows:

	Gas	Oil
Blanco Mesaverde	75%	45%
Gallup	5%	45%
Basin Dakota	20%	10%

Yours truly,

Ernie Busch

District Geologist/Deputy O&G Inspector

EB/sh

cc: well file