

*Vaughn #14M*

# BURLINGTON RESOURCES

SAN JUAN DIVISION

May 8, 1997

RECEIVED  
MAY - 8 1997  
OIL CON. DIV.  
DIST. 3

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

Re: Vaughn #14M <sup>D</sup>  
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
Gallup -	5% gas	45 % oil
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

xc: Bureau of Land Management

## 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 = 3641 MCFM

Historical Oil Production from Dakota = 8 BOPM

Total Gas Production for all three formations = 17187 MCFD (4 month average)

Total Oil Production for all three formations = 131 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%

$\frac{[(DK) 3641 \text{ MCFM}]}{(All) 17187 \text{ MCFM}} = (DK) \% \text{ Dakota 20\%}$

$(All) 100\% - (DK) 20\% - (GL) 5\% = \text{Mesaverde 75\%}$

### Allocation for Oil Production:

Assumed: (GL) % Gallup 45%

$\frac{[(DK) 8 \text{ BOPM}]}{(All) 131 \text{ BOPM}} = (DK) \% \text{ Dakota 10\%}$

$(All) 100\% - (DK) 10\% - (GL) 45\% = \text{Mesaverde 45\%}$



**NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT**

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

**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