



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
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<http://emnrd.state.nm.us/ocd/District/3/district.htm>

GARY E. JOHNSON
Governor

Jennifer A. Salisbury
Cabinet Secretary

November 17, 1999

Ms. Peggy Cole
Burlington Resources O&G Co
PO Box 4289
Farmington NM 87499-4289

Re: San Juan 27-5 Unit #35, M-33-27N-05W, API# 30-039-06786, DHC

Dear Ms. Cole:

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

	Gas	Oil
Mesa Verde	98%	50%
Pictured Cliffs	02%	50%

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/mk

cc: Jim Lovato-Farmington BLM
David Catanach-NMOCD Santa Fe
Well file

SJ275#35DHC

BURLINGTON RESOURCES

September 22, 1999

RECEIVED
SEP 24 1999
OIL CON. DIV.
DIST. 3

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

Re: San Juan 27-5 Unit #35
M Section 33, T-27-N, R-5-W
30-039-06786

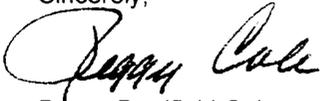
Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2184 was issued for this well.

Gas:	Mesa Verde	98%
	Pictured Cliffs	2%
Oil:	Mesa Verde	50%
	Pictured Cliffs	50%

These allocations are based on isolated flow tests from the Pictured Cliffs during completion operations. Please let me know if you have any questions.

Sincerely,



Peggy Bradfield Cole
Regulatory/Compliance Administrator

Xc: NMOCD – Santa Fe
Bureau of Land Management – Farmington

Calculations for San Juan 27-5 Unit #35 - PC/MV

M 33 T27N R05W

Commingled
Blanco Pictured Cliffs
Blanco Mesaverde

This is a PC/MV producer with Pictured Cliffs and Mesaverde production streams commingled per DHC 2184.

PC/MV commingled production after MV workover:	700	MCFD
	0	BOPD
PC only production:	15	MCFD
	0	BOPD

Gas Allocation

$$\text{PC} = (15/700) * 100 \quad 2 \quad \%$$

$$\text{MV} = ((700-15)/700) * 100 \quad 98 \quad \%$$

Oil Allocation

Past Pictured Cliffs and Mesaverde production has not included oil. As a result, the future oil allocation is recommended:

$$\text{PC} = 50 \quad \%$$

$$\text{MV} = 50 \quad \%$$