



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:
NMSF-079491
3162.7 (07100)

April 17, 2001

Burlington Resources Oil & Gas Company
P.O. Box 4289
Farmington, NM 87499

RE: San Juan 27-5 #100, M 1, 27N 5W
NMSF-079491 lease
Unacceptable Allocation Factors
San Juan County, NM

Dear Ms. Cole:

We have received your allocation factors and your Application for Downhole Commingling of the Mesaverde and Dakota formations in the above listed well. In two letters we have received dated 8-15-98 and 11-10-00 the gas allocation factors are unacceptable because both 7% and 1% for the Dakota are below the historical decline for this well.

Allocation Factors dated August 15, 1998

Well Name	Location	API#	Mesaverde Allocation	Dakota Allocation	Effective Date
San Juan 27-5 #100	M sec 1, T27N, R5W	30039-08114	93% gas 0% oil	7% gas 100% oil	MV/DK 7-7-98

Allocation Factors dated November 10, 2000

Well Name	Location	API#	Mesaverde Allocation	Dakota Allocation	Effective Date
San Juan 27-5 #100	M sec 1, T27N, R5W	30039-08114	99% gas 50% oil	1% gas 50% oil	MV/DK 7-7-98

It is required that you review and resubmit revised allocation factors. If you have any questions, please contact Joe Hewitt at (505) 599-6365.

Under the provisions of 43 CFR 3165.3, you may request an Administrative Review of any instructions, orders, or decisions issued by the Authorized Officer. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request will not result in a suspension of the instructions, orders, or decision unless the reviewing official so determines. Procedures governing appeals from the instructions, orders, or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

Sincerely,

Joe Hewitt
Joe Hewitt

Geologist, Petroleum Management Team

cc: NMOCD, Santa Fe, NM
NMOCD, Aztec, NM

SJ 27-5 #100

Based on Forecast

<u>Year</u>	<u>DK</u>	<u>Both</u>		<u>DK%</u>	<u>MV%</u>
1	1.57	9.2		17%	83%
4	2.06	7.39		28%	72%
8	1.66	5.43		31%	69%
12	1.41	3.53		40%	60%
16	0.7	2.4		29%	71%
20	0.53	1.9		28%	72%
23	0.46	1.62		<u>28%</u>	<u>72%</u>
			AVG	29%	71%

Based on Remaining Reserves

<u>DK</u>		<u>MV</u>	
EUR	1451.2	EUR	1159.9
CUM	<u>1138.6</u>	CUM	<u>240.6</u>
RR	312.6	RR	919.3
DK%	25%	MV%	75%

OLD PROCESS

DK Only	75	DK%	2%
Both	3561	MV%	98%
MV	3486		

Allocation Processes
MV / DK Data

<u>Year</u>	<u>DK</u>	<u>MV</u>	<u>Both</u>	<u>DK (Rate-2%)</u>	<u>DK (Forecast-29%)</u>	<u>DK (RR-25%)</u>	<u>EUR</u>
1997	1131	0	1131	1,131	1131	1131	
2002	35	345	380	1,139	1,241	1,226	
2007	115	298	413	1,147	1,361	1,329	
2012	89	164	253	1,152	1,434	1,393	
2017	50	107	157	1,155	1,480	1,432	
2022	31	81	112	1,157	1,512	1,460	
2027	0	61	61	1,159	1,530	1,475	
2032	0	46	46	1,159	1,543	1,487	
2037	0	36	36	1,160	1,554	1,496	
2039	<u>0</u>	<u>13</u>	<u>13</u>	1,160	1,558	1,499	1451
	1451	1151	2602				

	<u>MV (Rate-98%)</u>	<u>MV (Forecast-71%)</u>	<u>MV (RR-75%)</u>	<u>EUR</u>
2002	372	270	285	
2007	777	563	595	
2012	1,025	743	785	
2017	1,179	854	902	
2022	1,289	934	986	
2027	1,348	977	1,032	
2032	1,394	1,010	1,067	
2037	1,429	1,035	1,094	
2039	1,442	1,044	1,103	1151

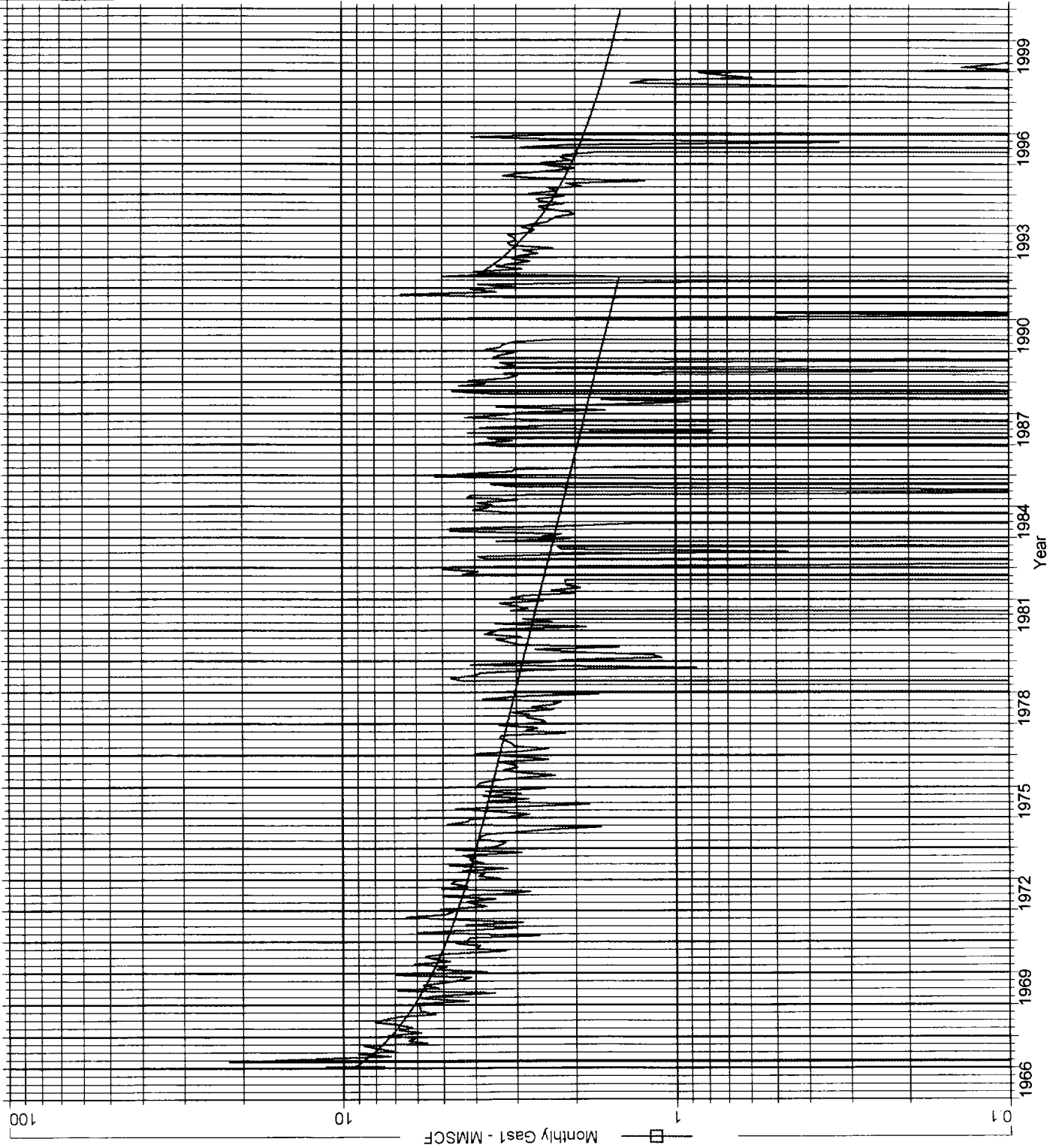
SAN JUAN 27-5 UNIT 100 5218701 (28834414055.8598) Data: Jan.1967-May.2001

Operator: BURLINGTON RESOURCES OG.CO LP
Field: BASIN DAKOTA (PRORATED GAS)
Zone:
Type: Gas
Group: None

Monthly Gas1 FC 1 (Rate-Time)
qi: 12.175 MMSCF, Jun, 1966
qf: 0.457454 MMSCF, May, 2022
di(Hyp): 32 CTD: 1138.55 MMSCF
RR: 312.649 MMSCF Tot: 1451.2 MMSCF

Production Cums
Oil: 0 MSTB
Gas: 1138.55 MMSCF
Water: 2.30994 MSTB
Cond: 3.88745 MSTB

Monthly Gas1 - MMSCF
Cum: 1138.55 MMSCF
Monthly Gas1 FC 1 - MMSCF
versus time
Qi: 12.175 MMSCF, Jun, 1966
Qf: 0.457454 MMSCF, May, 2022
Di(Hyp->Exp) : 32
n: 2.1
RR: 312.649 MMSCF
EUR: 1451.2 MMSCF
Corr coeff: -0.633123

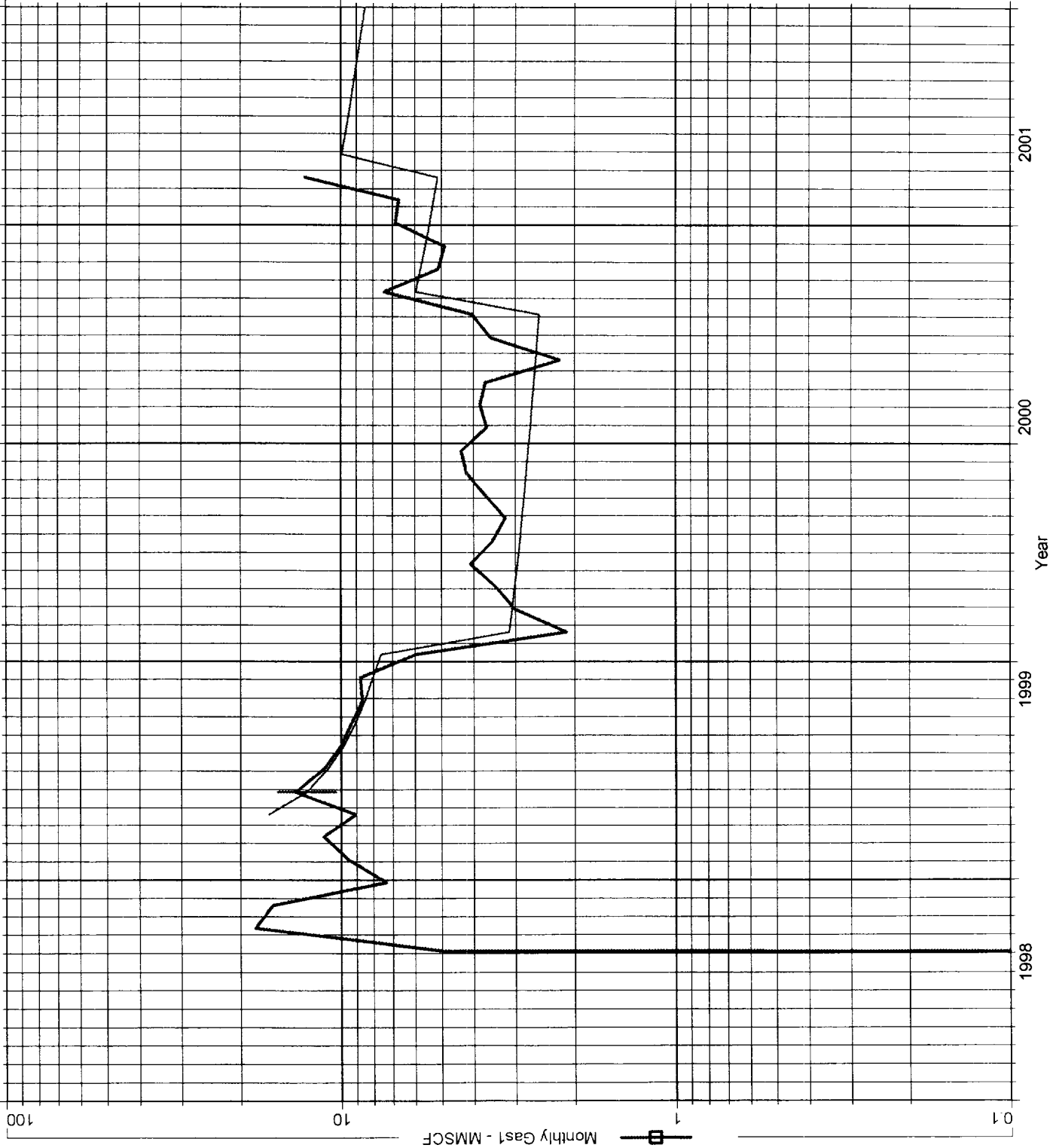


SAN JUAN 27-5 UNIT 100 5218702 (327955153088.091) Data: Jan.1998-May.2001

Operator: BURLINGTON RESOURCES O&G LP
Field: BLANCO MESAVERDE (PRORATED GAS)
Zone:
Type: Gas
Group: None

Monthly Gas1 FC 1 (Rate-Time)
qi: 14.0013 MMSCF, Feb, 1999
qf: 0.457444 MMSCF, Jul, 2039
di(Hyp): 55 CTD: 240.617 MMSCF
RR: 910.239 MMSCF Tot: 1150.86 MMSCF

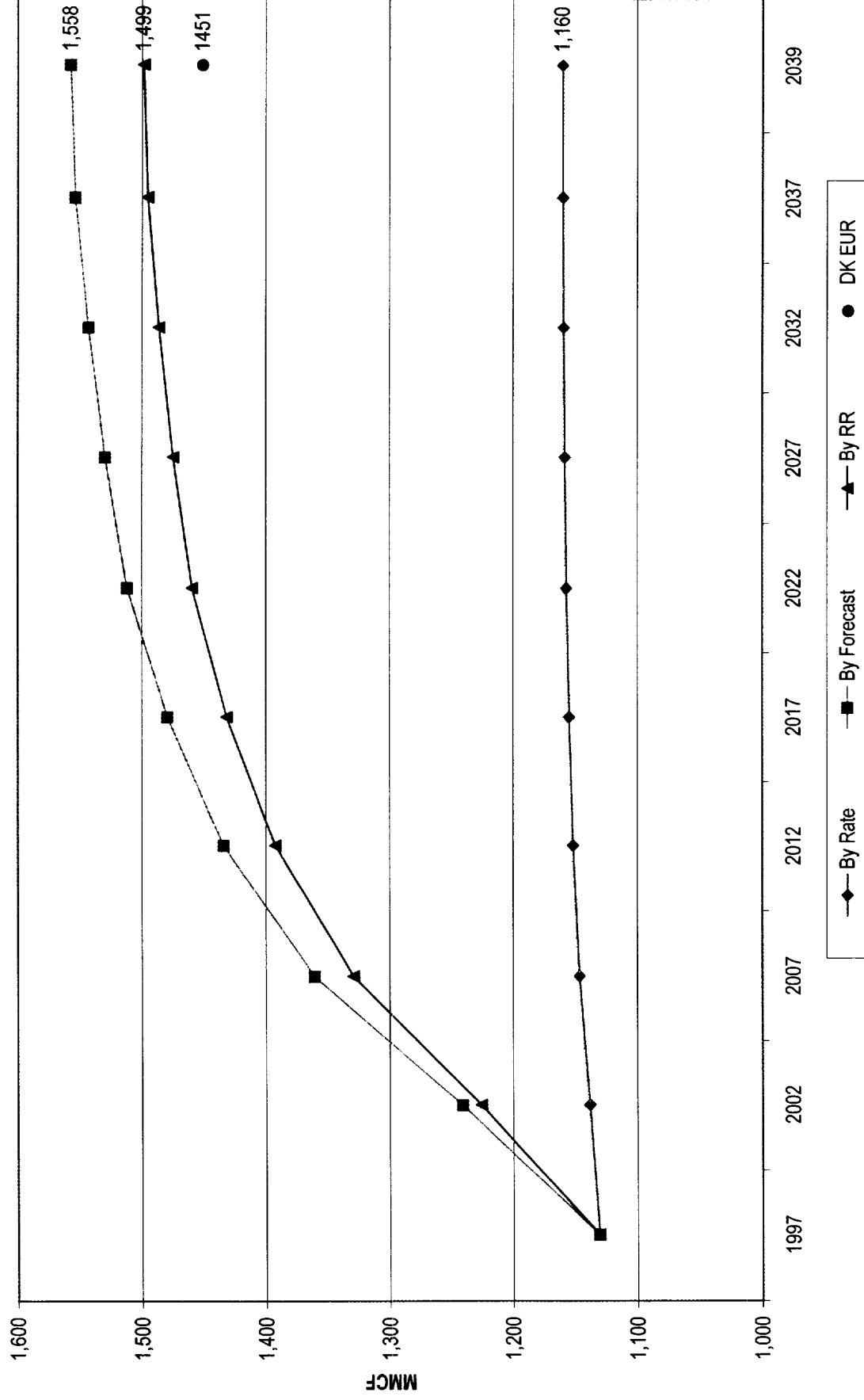
Production Cums
Oil: 0 MSTB
Gas: 240.617 MMSCF
Water: 0.011941 MSTB
Cond: 0.336388 MSTB



Monthly Gas1 - MMSCF

Cum: 240.617 MMSCF
Monthly Gas1 FC 1 - MMSCF
versus time
Qi: 14.0013 MMSCF, Feb, 1999
Qf: 0.457444 MMSCF, Jul, 2039
Di:(Hyp->Exp) : 55
n: 2.7
RR: 910.239 MMSCF
EUR: 1150.86 MMSCF
Corr coeff: -0.462089

Allocation Processes - DK



Allocation Processes - MV

