NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
GOVERNOR

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

JENNIFER A. SALISBURY
CABINET SECRETARY

October 3, 1997

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

Re: San Juan 27-5 Unit #117M, C-22-27N-05W, API# 30-039-23703, DHC

Dear Ms. Bradfield:

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

	Gas	Oil
Blanco Mesaverde	79%	85%
Basin Dakota	21%	15%

Yours truly,

Ernie Busch

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/sh

cc: well file

27511 7M. dhc

BURLINGTON RESOURCES

SAN JUAN DIVISION

September 30, 1997

RECEIVED
OCT - 1 1997
OIL CON. DIV.
DIST. 3

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

Re: San Juan 27-5 Unit #117M (E)
1175'FNL, 1570'FWL Section 22, T-27-N, R-05-W, Rio Arriba County, NM
API #30-039-23703

Gentlemen:

The above referenced well is a Mesa Verde/Dakota commingle. Order DHC-1505 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	79 % gas	85 % oil
Dakota -	21 % gas	15 % oil

These percentages are based upon precompletion rates for the Dakota and post completion rates for the Mesa Verde and Dakota combined.

Please let me know if you have any questions.

Sincerely,

Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management
NMOCD - Santa Fe

3535 East 30th St., 87402-8801, P.O. Box 4289, Farmington, New Mexico 87499-4289, Telephone 505-326-9700, Fax 505-326-9833

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 Unit #117M
(Mesaverde/Dakota)Commingle
Unit C, 22-T27N-R05W
Rio Arriba County, New Mexico

Allocation Formula Method:

1996 Dakota Average = 116 MCFD & 0.7 BO

1997 Commingled Production = 564 MCFD & 4.66 BO

1997 Commingled Production - 1996 Dakota Average = Mesaverde Contribution

GAS:

$$\frac{\textit{(DK) 116 MCFD}}{\textit{(MV \& DK) 564 MCFD}} = \textbf{(DK) \% Dakota 21\%}$$

$$\frac{\textit{(MV \& DK) 564 MCFD (100\%)} - \textit{(DK) 116 MCFD (21\%)}}{} = \textbf{(MV) \% Mesaverde 79\%}$$

OIL:

$$\frac{\textit{(DK) 0.7 BOPD}}{\textit{(MV \& DK) 4.66 BOPD}} = \textbf{(DK) \% Dakota 15\%}$$

$$\frac{\textit{(MV \& DK) 4.66 BOPD (100\%)} - \textit{(DK) 0.7 BOPD (15\%)}}{} = \textbf{(MV) \% Mesaverde 85\%}$$