

## NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

Oil CONSERVATION DIVISION AZTRC DISTRICT OFFICE 1000 RIO BRAZOS ROAD AZTRC NM\* 87410 (505) 334-8178 FAX: (505) 334-8170

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GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary

December 18, 1998

Ms. Kay Maddox Conoco Inc. 10 Desta Drive, Suite 100W Midland, TX 79705-4500

Re: San Juan 28-7 Unit # 110M, E-19-27N-07W, API# 30-039-25884, DHC

Dear Ms Maddox:

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

	Gas	Oil
Blanco Mesaverde	48%	33%
Basin Dakota	52%	67%

Yours truly,

Emie Busch

District Geologist/Deputy O&G Inspector

EB/mk

cc:

Jim Lovato-Farmington BLM

David Catanach-NMOCD Santa Fe

well file

287#110m. She



Mid-Continent Region Exploration/Production

November 16, 1998

Conoco Inc. 10 Desta Drive, Suite 100W Midland, TX 79705-4500 (915) 686-5400

Mr. Frank Chavez Oil Conservation Division 1000 Rio Brazos Rd Aztec, New Mexico 87410

RE: Allocation For Downhole Commingling Blanco Mesaverde (72319) Basin Dakota (71599) San Juan 28-7 Unit Well # 110M API # 30-039-25884 Unit E, Section 19, T-27-N, R-7-W Rio Arriba County, NM

OIL GOW. DIV.

Dear Mr. Chavez,

The subject well was approved for downhole commingling by Administrative Order # DHC 2036 prior to being completed. This order provided for the allocation to be submitted and approved by the District supervisor of the Aztec office.

Extensive historical data and modeling of early time profiles from these two pools have shown that once a stabilized flow rate had been established in both of them, they exhibit essentially identical decline patterns and rates. Therefore, it is valid and prudently accurate to establish commingling allocation percentages in early time stabilized rates in newly drilled wells where both the Mesaverde and Dakota are sequentially completed and to expect these percentages to be reasonably accurate for the life of the well.

The well was initially completed and fracture stimulated in the Mesaverde and Dakota. Subject well was cleaned out and tested the Mesaverde on November 10, 1998, and the Dakota, November 12, 1998. The Mesaverde and Dakota 12-hour tests resulted in the following submitted data.

The stabilized gas and associated oil rates and the resulting percentage allocations for both completions are shown below:

	OIL RATE BOPD	STABILIZED GAS RATES		OIL	GAS	WATER
MV	.5	429 MCFD	2 BWPD	33%	48%	29%
DK	1	462 MCF D	5 BWPD	67%	52%	71%

If there are any further questions regarding this request, please contact me at (915) 686-5798. Thank you.

Sincerely.

Kay Maddox - Regulatory Agent, Conoco, Inc.

cc: BLM-Farmington