



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE  
AZTEC NM 87410  
(505) 334-6178 FAX: (505) 334-6170  
[http://nemrd.state.nm.us/ocd/District II/3district.htm](http://nemrd.state.nm.us/ocd/District%20II/3district.htm)

GARY E. JOHNSON  
GOVERNOR

Jennifer A. Salisbury  
CABINET SECRETARY

November 19, 1997

Jerry W Hoover  
10 Desta Dr Ste 100W  
Midland TX 79705-4500

Re: San Juan 28-7 Unit # 131M, D-34-28N-07W, 30-039-25547, DHC

Dear Mr. Hoover:

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

	Gas	Oil
Blanco Mesaverde	45%	68%
Basin Dakota	55%	32%

Yours truly,

Ernie Busch  
District Geologist/Deputy O&G Inspector

EB/sh

cc: well file

287131M DHC

CONOCO

Mid-Continent Region  
Exploration/Production

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

November 7, 1997

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

RECEIVED  
NOV 10 1997  
OIL CON. DIV.  
DIST. C

Re: ALLOCATION for Downhole Commingling  
Blanco Mesaverde and Basin Dakota Production  
San Juan 28-7 Unit No. 131M, API #30-039-25547  
Located in Unit D, Sec. 34, T-28N, R-7W

Dear Mr. Chaves:

The subject well was approved for downhole commingling by OCD Order R-10476 prior to being drilled. This order provided for the allocation to be submitted and approved by the District Supervisor of the Aztec OCD Office.

This well was initially drilled and completed in the Dakota. After producing for about three months, a plug was set over the Dakota completion and the Mesaverde was completed and produced for about three months until a decline trend was established. The attached plat shows the production volumes for each of these isolated test periods which were performed sequentially. However, these separate isolated test periods have been superimposed on the same plat so that they can be compared and evaluated for allocation purposes.

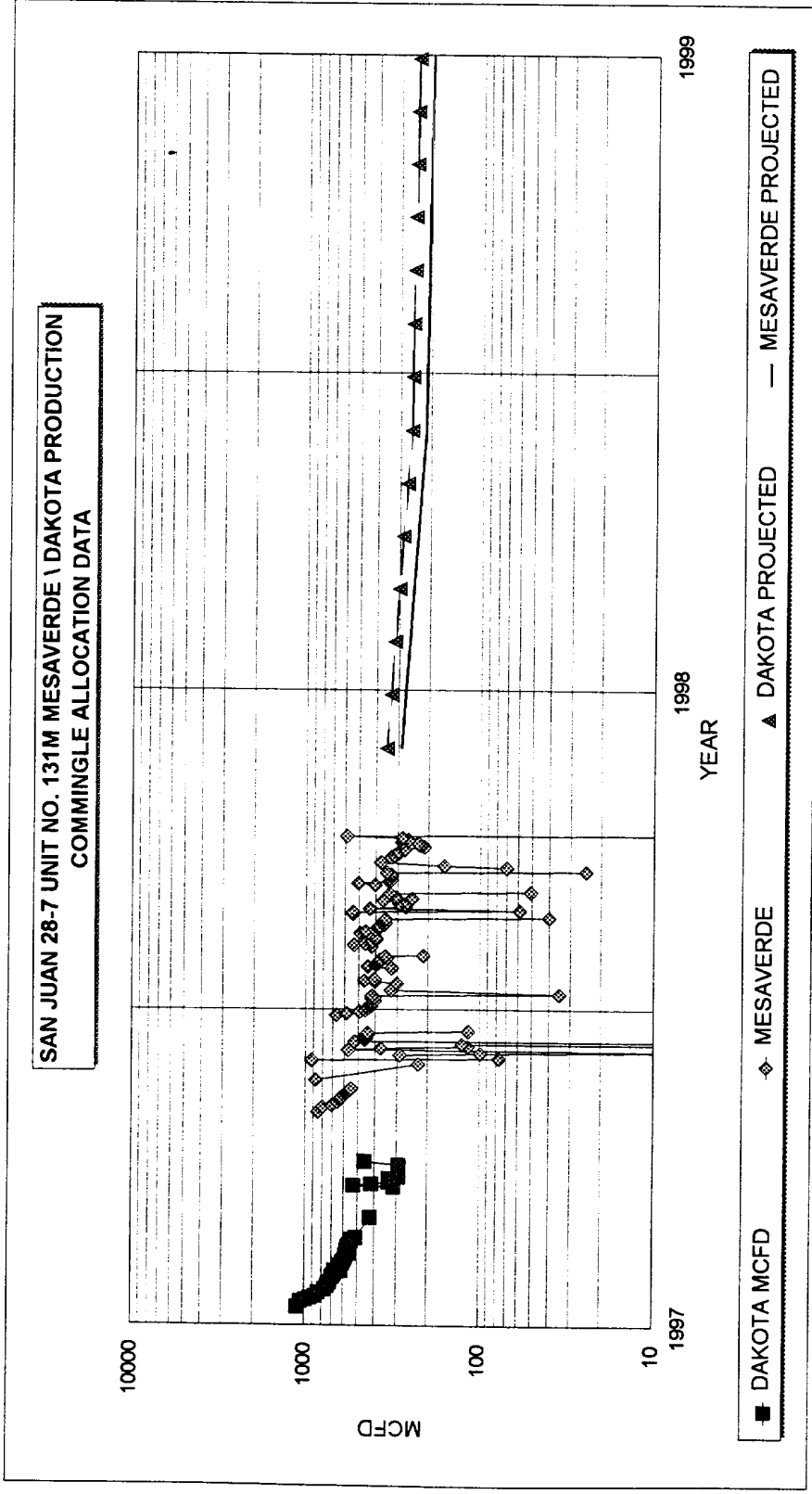
The square symbols represent Dakota production which stabilized to a decline trend that is projected by the solid line. Mesaverde production established a decline trend that is projected by the triangles. The two decline profiles are very similar and based on these projected declines the following fixed allocation factors are recommended:

	Gas	Oil
Mesaverde	45%	68%
Dakota	55%	32%

If there are further questions concerning these factors, please contact me at (915) 686-6548

Very truly yours,

  
Jerry W. Hoover  
Sr. Conservation Coordinator



FIXED COMMINGLE ALLOCATION			
	MV MCFD	DK MCFD	TOTAL
1/1998	262	315	577
6/1998	212	255	467
12/1998	201	241	442
6/1999	186	223	409
FIXED ALLOCATION; GAS	→		
FIXED ALLOCATION; OIL	→		

NORMALIZED OIL PRODUCTION		
MV STBO	1007	DK STBO
		472