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BURLINGTON RESOURCES

SAN JUAN DIVISION

June 24, 1997

RECEIVED
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OIL CON. DIV.
DIST. 3

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

Re: Helms Federal #1
1800' FSL, 1695' FWL Section 22, T-30-N, R-10-W, San Juan County, NM
API #30-045-09330

Gentlemen:

The above referenced well is a Mesa Verde/Dakota commingle. Order DHC-1561 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	42% gas	100 % oil
Dakota -	58% gas	0 % oil

These percentages are based on historical data from the Mesa Verde and Dakota.

Please let me know if you have any questions.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management

PRODUCTION ALLOCATION FORMULA METHOD

**Helms Federal #1
(Mesaverde/Dakota) Commingle
Unit K, 22-T30N-R10W
San Juan County, New Mexico**

Allocation Formula Method:

Current Production from Mesaverde formation = 50 MCFD

Current Production from Dakota formation = 70 MCFD

$$\frac{[(MV \& DK) 120 \text{ MCFD} - (MV) 50 \text{ MCFD}]}{(MV \& DK) 120 \text{ MCFD}} = (DK) \% \quad \textbf{\underline{Dakota 58\%}}$$

$$\frac{[(MV \& DK) 120 \text{ MCFD} - (DK) 70 \text{ MCFD}]}{(MV \& DK) 120 \text{ MCFD}} = (MV) \% \quad \textbf{\underline{Mesaverde 42\%}}$$



**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) 334-6170 Fax (505) 334-6170

JENNIFER A. SALISBURY
CABINET SECRETARY

July 18, 1997

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

Re: Helms Federal #1, API# 30-045-09330, K-22-30N-10W, DHC

Dear Ms. Bradfield:

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

	Gas	Oil
Blanco Mesaverde	42%	100%
Basin Dakota	58%	0%

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/sh

cc: well file