

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-8178 FAX: (305) 334-8170
http://emnrd.state.nm.us/ocd/District III/3distric.htm

GARY E. JOHNSON Governor

Jennifer A. Salisbury Cabinet Secretary

November 17, 1999

Mr. Gary Brink Energen Resources 2198 Blmfld Hwy Farmington NM 87401

Re:

San Juan 32-5 Unit #8R, API# 30-039-26005, H-27-32N-06W, DHC

Dear Mr. Brink:

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

	Gas	Oil
Mesaverde	60%	0%
Dakota	40%	100%

Yours truly,

Ernie Busch

District Geologist/Deputy O&G Inspector

EB/mk

cc: Jim Lovato, Farmington BLM Mark Ashley, NMOCD Santa Fe

Ennie Busch

Well File

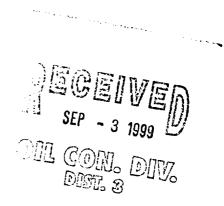
SJ325#8RDHC



September 1, 1999

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

> San Juan 32-5 Unit # 8R Unit H, Section 27, T 32 N, R 6 W Rio Arriba Co., New Mexico Blanco Mesa Verde & Basin Dakota Pools Administrative Order DHC-2278 API# 30-039-26005



Dear Mr. Bush:

In accordance to DHC-2278, Energen Resources Corp. was required to consult with the Aztec office upon completion of this well to determine the fixed allocation method for production. The test data from 1 hour stabilized pitot tube tests during completion are as follows:

Mesa Verde 4295 MCFD Mesa Verde & Dakota 7158 MCFD

It is recommended the production be allocated as follows:

Mesa Verde 4295/ 7158 = .60 or 60% gas Dakota 2863/ 7158 = .40 or 40% gas

Oil Production 100% to Dakota

It is not anticipated the well will produce any oil.

If additional information is needed, please contact me.

Gary W. Brink

Sincerely

Production Superintendent