

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
AZTEC NM 87410
(505) 334-6178 FAX: (505) 234-6170
http://emnrd.state.nm.us/ocd/District IIV3distric.htm

GARY E. JOHNSON GOVERNOR

Jennifer A. Salisbury

March 13, 1998

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

Re:

Allison Unit #8A, API# 30-045-29502, O-15-32N-06W, DHC

Dear Ms. Bradfield:

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

| | Gas | Oil |
|-----------|-----|-----|
| Mesaverde | 90% | 50% |
| Dakota | 10% | 50% |

Yours truly,

Ernie Busch

District Geologist/Deputy O&G Inspector

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EB/sh

CC:

Farmington BLM-Duane Spencer

well file

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BURLINGTON RESOURCES

SAN JUAN DIVISION

March 12, 1998

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

Re:

Allison Unit #8A

930'FSL, 1650'FEL Section 15, T-32-N, R-06-W, San Juan County, NM

API #30-045-29502

Gentlemen:

The above referenced well is a Mesa Verde/Dakota commingle. Order DHC-1721 was issued for the commingling. The following allocation formula is submitted for your approval:

OIL COM. DIV.

Mesa Verde -

90 % gas

50 % oil

Dakota -

10 % gas

50 % oil

These percentages are based on pitot gauge tests from the Mesa Verde only flow and Mesa Verde/Dakota combined flow during completion cleanup operations. The attempt to perform the standard production test failed due to liquid loading. Efforts will be made, after approximately twelve months of production, to revisit the well and possibly adjust the allocation.

Please let me know if you have any questions.

Stadfield

Sincerely,

Peggy Bradfield

Regulatory/Compliance Administrator

xc:

Bureau of Land Management

NMOCD - Santa Fe

Calculations Sheet

Flow from Mesaverde to atmosphere (Pitot gauge)

1236 Mcfd

Flow from Mesaverde and Dakota to atmosphere (Pitot gauge)

1374 Mcfd

% Oil flow from Mesaverde = N/A = 50 %

% Oil flow from Dakota = = N/A = 50 %