

BURLINGTON

RESOURCES

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

REVISED

Re: Montgomery #2E
SENW, Section 17, T-30-N, R-11-W
30-045-26601

Gentlemen:

The above referenced well is a Mesaverde/Dakota commingle. Attached is a copy of the allocation for the commingling of the subject well completed on November 27, 2002. DHC-3049 was issued for this well.

Gas:	Mesaverde	91%
	Dakota	9%

Oil:	Mesaverde	100%
	Dakota	0%

These percentages are based upon remaining reserves from Mesaverde and Dakota formations. The Dakota formation had not produced condensate in the three years prior to the addition of the Mesaverde formation. Therefore, condensate will be allocated solely to the Mesaverde formation. Please let me know if you have any questions.

Sincerely,



Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

Production Allocation Documentation

Montgomery #2E

Production Allocation

Based on Remaining Reserves

Dakota / Mesaverde Recompletion

Gas

	<u>RR (MMCF)</u>	<u>Allocation %</u>
Mesaverde	908	91%
Dakota	<u>88</u>	9%
All	996	

Oil

	<u>RR (Bbls Oil)</u>	<u>Allocation %</u>
Mesaverde		100%
Dakota		0%
All		



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO
SF-079521A et al. (wc)
3162.7 (07100)

RECEIVED

SEP 08 2003

September 2, 2002

Peggy Cole
Burlington Resources
P.O. Box 4289
Farmington, NM 87401

OIL CONSERVATION DIVISION

Re: Accept Commingle Applications and Allocation Method:

Dear Ms. Cole:

The following wells were reviewed for downhole commingling. After reviewing the production history for these wells, we concur with the allocation factors you established. The effective date is the date that downhole commingling actually occurs. The approved allocation factors are listed below.

Well Name	Location	API #	Lease # CA # / PA #	Formation Allocation	Formation Allocation
San Juan 28-5 Unit, # 67M	O sec 21, T28N, R-05-W	3003923794	FEE MV- (NM78411A) - PA DK -(NM78411B) - PA	MV gas 56% oil 92%	DK gas 44% oil 08%
San Juan 28-5 Unit, # 51A	C sec 31, T28N, R-5-W	3003922232	SF -079521A	PC gas 09% oil 00%	MV gas 91% oil 100%
Montgomery # 2E	sec 17, T30N, R-11-W	3004526601	FEE	MV gas 91% oil 100%	DK gas 09% oil 00%

If you have any questions, please contact Matt Halbert, at (505) 599-6350 or the undersigned at (505) 599-6367.

Sincerely,

Chip Harraden

/s/ Jim Lovato

attest for Jim Lovato
Team Leader, Petroleum Management Team

cc:

NMOCD, Aztec, NM
NMOCD, Santa Fe, NM