BURLINGTON

May 6, 2003

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

Re:

San Juan 28-6 Unit #164M C Section 34, T-28-N, R-6-W 30-039-25732



Gentlemen:

Attached is a copy of the allocation for the subject well that was completed 12-1-97. DHC-1727 was issued for this well.

Gas:

Mesaverde

79%

Dakota

21%

Oil:

Mesaverde

50%

Dakota

50%

These percentages were calculated using rate-time reserve estimate comparisons for each respective formation. Oil was not present during flow test operations. For that reason, oil percentages are allocated evenly and are provided in the event this wellbore begins producing oil at some point in the future.

Please let me know if you have any questions.

Sincerely,

Peggy Cole

Regulatory Supervisor

Xc:

NMOCD - Santa Fe

Bureau of Land Management

3401 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-326-9563

PRODUCTION ALLOCATION FORMULA USING WELL TEST INFORMATION

San Juan 28-6 Unit #164M (Mesaverde/Dakota) Commingle Unit C, 34-T28N-R06W Rio Arriba County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = <u>1520 MCFD & 0 BO</u>

Separator test from Dakota = $\underline{402 \text{ MCFD } \& 0 \text{ BO}}$

GAS:

$$\underline{\text{(MV) } 1520 \text{ MCFD}} = \text{(MV) } \% \text{ Mesaverde } 79\%$$

OIL:

$$\frac{\text{(MV) 0 BO}}{\text{(MV/ DK) 0 BO}} = \text{(MV) \% } \frac{\text{Mesaverde } 50\%}{\text{Mesaverde } 50\%}$$

$$(DK) \ 0 \ BO$$
 = (DK) % Dakota 50% (MV/ DK) 0 BO