

Vaughn 12M-DHC

BURLINGTON RESOURCES

SAN JUAN DIVISION

May 8, 1997

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

RECEIVED
MAY - 8 1997

OIL CON. DIV.
DIST. 3

Re: Vaughn #12M
1000'FNL, 1850'FWL Section 26, T-26-N, R-6-W, Rio Arriba County, NM
API #30-039-23922

Gentlemen:

The above referenced well is a Mesa Verde/Gallup/Dakota commingle. Order R-10239 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	50% gas	30 % oil
Gallup -	5% gas	45 % oil
Dakota -	45% gas	25 % oil

These percentages are based on historical production.

Please let me know if you have any questions.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management

PRODUCTION ALLOCATION FORMULA METHOD

Vaughn #12M
(Mesaverde/Gallup/Dakota Commingle)
NW/4, Sec. 26-T26N-R06W
Rio Arriba County, New Mexico

Blanket DHC Order # R-10239

Production Rates

Historical Gas Production from Dakota = 9587 MCFM

Historical Oil Production from Dakota = 86 BOPM

Total Gas Production for all three formations = 21274 MCFD (4 month average)

Total Oil Production for all three formations = 330 BOPM (4 month average)

Allocation for Gas Production:

Production tests in offsetting Klein #24, Klein #19M and Klein #28E indicate that Gallup contributes about 5% of commingled gas and about 45% of commingled oil production. This assumption is made in calculating allocation percentages for this well.

Assumed: (GL) % Gallup 5%

[(DK) 9587 MCFM] = (DK) % Dakota 45%
(All) 21274 MCFM

(All) 100% - (DK) 45% - (GL) 5% = Mesaverde 50%

Allocation for Oil Production:

Assumed: (GL) % Gallup 45%

[(DK) 86 BOPM] = (DK) % Dakota 25%
(All) 330 BOPM

(All) 100% - (DK) 25% - (GL) 45% = Mesaverde 30%



**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

May 12, 1997

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

Re: Vaughn #12M, API# 30-039-23922, C-26-26N-06W, DHC

Dear Ms. Bradfield:

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

	Gas	Oil
Blanco Mesaverde	50%	30%
Gallup	5%	45%
Basin Dakota	45%	25%

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/sh

cc: well file