



**Southern**

**Rockies**

**Business**

**Unit**

May 1, 1996

Mr. Ben Stone  
New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
P. O. Box 6429  
Santa Fe, NM 87505

RECEIVED  
MAY - 6 1996  
OIL CON. DIV.  
DIST. 3

**Downhole Commingling Application - Change of Allocation Method**  
**Gerk Gas Com B #1M Well**  
**Unit N Section 19-T29N-R9W**  
**Blanco Mesaverde (Pool IDN 72319) and Basin Dakota (Pool IDN 71599) Pools**  
**San Juan County, New Mexico**

I am sending this letter per our recent telephone conversation on how to handle differing allocation methods approved by the NMOCD and the BLM. Amoco Production Company filed an application with you on March 20, 1996 recommending a percentage based allocation method which we thought to be acceptable for the subject well. Since filing that application, the United States Bureau of Land Management has recently approved our application, however a condition of their approval is that we must allocate this production by the subtraction method. The BLM has stipulated that we must extrapolate the production for the current producing horizon (Dakota) through the life of the well and attribute that production to the Dakota. Any production in excess of that curve would be attributed to the Mesaverde formation. Attached you will find a tabulated gas production forecast by month for the remaining life of the Dakota. The allocation for the condensate would be the same ratio used for the gas once that was determined from the production each month.

We are simultaneously transmitting this future production schedule to Ray Hager at the BLM for their files. Should you have questions, please do not hesitate to call me at 303-830-5344.

Sincerely,

Pamela W. Staley

Attachment

cc: Steve Webb - Denver  
Don Wall - Farmington  
Frank Chavez, Supervisor  
NMOCD District III  
1000 Rio Brazos Road  
Aztec, NM 87410

Ray Hager  
Bureau of Land Management  
1235 La Plata Hwy.  
Farmington, NM 87401

wellname	Date	Avg Monthly
GERK GAS COM B 1M	7/1/95	30
GERK GAS COM B 1M	8/1/95	29
GERK GAS COM B 1M	9/1/95	28
GERK GAS COM B 1M	10/1/95	27
GERK GAS COM B 1M	11/1/95	26
GERK GAS COM B 1M	12/1/95	25
GERK GAS COM B 1M	1/1/96	24
GERK GAS COM B 1M	2/1/96	23
GERK GAS COM B 1M	3/1/96	22
GERK GAS COM B 1M	4/1/96	22
GERK GAS COM B 1M	5/1/96	21
GERK GAS COM B 1M	6/1/96	20
GERK GAS COM B 1M	7/1/96	19
GERK GAS COM B 1M	8/1/96	19
GERK GAS COM B 1M	9/1/96	18
GERK GAS COM B 1M	10/1/96	17
GERK GAS COM B 1M	11/1/96	17
GERK GAS COM B 1M	12/1/96	16
GERK GAS COM B 1M	1/1/97	16
GERK GAS COM B 1M	2/1/97	15
GERK GAS COM B 1M	3/1/97	14
GERK GAS COM B 1M	4/1/97	14
GERK GAS COM B 1M	5/1/97	13
GERK GAS COM B 1M	6/1/97	13
GERK GAS COM B 1M	7/1/97	12
GERK GAS COM B 1M	8/1/97	12
GERK GAS COM B 1M	9/1/97	12
GERK GAS COM B 1M	10/1/97	11
GERK GAS COM B 1M	11/1/97	11
GERK GAS COM B 1M	12/1/97	10
GERK GAS COM B 1M	1/1/98	10
GERK GAS COM B 1M	2/1/98	10
GERK GAS COM B 1M	3/1/98	9
GERK GAS COM B 1M	4/1/98	9
GERK GAS COM B 1M	5/1/98	9
GERK GAS COM B 1M	6/1/98	8
GERK GAS COM B 1M	7/1/98	8
GERK GAS COM B 1M	8/1/98	8