

SAN JUAN DIVISION

October 1, 1997

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

Re: San Juan 32-9 Unit #23A 1600'FNL, 1490'FWL Section 5, T-31-N, R-09-W, San Juan County, NM API #30-045-23382

Gentlemen:

The above referenced well is a Mesa Verde/Pictured Cliffs commingle. Order DHC-1565 was issued for the commingling. The following allocation formula is submitted for your approval:

| Mesa Verde - | 52.6 % gas | 0 % oil |
|-------------------|------------|---------|
| Pictured Cliffs - | 47.4 % gas | 0 % oil |

These percentages are based on flow tests from the Mesa Verde and Pictured Cliffs during recompletion operations.

Please let me know if you have any questions.

Sincerely, Grad fued la que

Peggy Bradfield Regulatory/Compliance Administrator

xc: Bureau of Land Management NMOCD - Santa Fe

PRODUCTION ALLOCATION FORMULA METHOD

San Juan 32-9 #23A (Pictured Cliffs/ Mesaverde) Commingle Unit F, 05-T31N-R09W San Juan County, New Mexico

Allocation Formula Method:

Current Production from Mesaverde formation = <u>1000 MCFD</u>

Current Production from Pictured Cliffs formation = 900 MCFD

[(<u>MV & PC</u>) 1900 MCFD - (<u>MV</u>) 1000 MCFD] = (PC) %=<u>PicturedCliffs 47.4%</u> (<u>MV & PC</u>) 1900 MCFD

[(<u>MV & PC</u>) 1900 MCFD - (<u>PC</u>) 900 MCFD] = (MV) %=<u>Mesaverde 52.6 %</u> (MV & PC) 1900 MCFD

Current Production from Mesaverde formation = 0 BOPD

Current Production from Pictured Cliffs formation = <u>0 BOPD</u>

[(MV & PC) 0 BOPD - (MV) .94 BOPD] = (PC) % = Pictured Cliffs 0%(MV & PC) 0 BOPD

[(MV & PC) 0 BOPD- (PC) 0 BOPD] = (MV) % = Mesaverde 0%(MV & PC) 0 BOPD