

***BURLINGTON
RESOURCES***

SAN JUAN DIVISION

October 2, 1998

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

Re: San Juan 27-4 Unit #73
1720'N, 1190'E, Section 17, T-27-N, R-4-W
30-039-21032

Gentlemen:

The above referenced well is a Mesa Verde/Pictured Cliffs commingle. Order DHC-1787 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	80 % gas	100 % oil
Pictured Cliffs -	20 % gas	0 % oil

These percentages are based on historical production from the Mesa Verde and Pictured Cliffs.

Please let me know if you have any questions.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management
NMOCD - Santa Fe

Calculations for San Juan 27-4 Unit #73 - PC/MV

H 17 T27N R04W

Commingled
Tapacito Pictured Cliffs
Blanco Mesaverde

This is an existing PC/MV completion that has been commingled per DHC 1787.

Average PC production prior to commingle:	35	MCFD
	0	BOPD

Average MV production prior to commingle:	140	MCFD
	0.5	BOPD

Gas Allocation

PC = $35/(35+140)*100$ 20 %

MV = $140/(35+140)*100$ 80 %

Oil Allocation

Since the Pictured Cliffs has never produced oil and the Mesaverde does produce a minimal amount of oil, the following oil allocation is recommended:

PC = 0 %

MV = 100 %

NOTE:

The Menefee was added to the Mesaverde completion during the commingling workover. A Mesaverde only production test was performed under a packer; however, no incremental production was observed. As a result, the allocation was based on prior production rates.