

SAN JUAN DIVISION

November 9, 1998

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

Re:

San Juan 27-4 Unit #101

2010' FNL 1690' FEL Section 28, T-27-N, R-4-W, San Juan

30-039-20874

Gentlemen:

The above referenced well is a Mesa Verde/Dakota commingle. Order DHC-2110 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -

62.04 % gas

25.06 % oil

Dakota -

37.96 % gas

74.94 % oil

These percentages are based on historical data for the Mesa Verde and Dakota.

Please let me know if you have any questions.

Sincerely

⁽Peggy Bradfield

Regulatory/Compliance Administrator

XC:

Bureau of Land Management

NMOCD - Santa Fe

San Juan 27-4 Unit No. 101 Sec. 28, T27N R04W Rio Arriba County, New Mexico

Production Allocation Based On Cumulative Production Through 06/98

	Cumulative Production		% Allocation	
	MCF	Bbl Oil	% Gas	% Oil
Mesa Verde	1,060,365	6,158	62.04%	25.06%
Dakota	648,883	18,415	37.96%	74.94%
Total	1,709,248	24,573	100.00%	100.00%

Gas Allocation:	(Total Mesa Verde Production)	1,060,365 MCF	
Mesa Verde	(Total Combined Production)	= 62.04 % 1,709,248 MCF	
Dakota	(Total Dakota Production)	648883 MCF = 37.96 %	
	(Total Combined Production)	1709248 MCF	
Oil Allocation:	(Total Mesa Verde Production)	6,158 Bbl Oil	
Mesa Verde	(Total Combined Production)	= 25.06 % 24,573 Bbl Oil	
	(Total Dakota Production)	18,415 Bbl Oil	
Dakota	(Total Combined Production)	= 74.94 % 24,573 Bbl Oil	