

January 5, 2001

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

Re: San Juan 27-5 Unit #32 G Section 25, T-27-N, R-5-W 30-039-06912

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2626 was issued for this well.

Gas:	Mesa Verde Pic.Cliffs	74% 26%
Oil:	Mesa Verde Pic.Cliffs	50% 50%

These allocations are based on isolated flow tests from the Mesa Verde and Dakota during completion operations. Please let me know if you have any questions.

Sincerely, lake ellan

Peggy Cole Regulatory Supervisor

Xc: NMOCD – Santa Fe Bureau of Land Management

3401 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-326-9563

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 #32 (Pictured Cliffs / Mesaverde) Commingle Unit G, 25-T27N-R5W Rio Arriba County, New Mexico

Allocation Formula Method:

3 Hour Flow Test from Pictured Cliffs = <u>110 MCFD & 0 BO</u>

3 Hour Flow Test from Mesaverde = <u>307 MCFD & 0 BO</u>

GAS:

<u>(PC) 110 MCFD</u> = (PC) % <u>Pictured Cliffs 26%</u> (PC/MV) 417 MCFD

<u>(MV) 307 MCFD</u> = (MV) % <u>Mesaverde 74%</u> (*PC/MV*) 417 MCFD

OIL:

 $\frac{(MV) \ 0 \ BO}{(PC/MV) \ 0 \ BO} = (MV) \ \% \ \underline{\text{Mesaverde 50\%}}$