STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

> 1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178

March 1, 1991

Mr. Les K. Smith Meridian Oil Inc. P. O. Box 4289 Farmington, NM 87499-4289

Re: Jicarilla H #8E G-19-26N-4W

Dear Mr. Smith:

Your recommended allocation of commingled production for the referenced well is hereby approved as follows:

	<u>Gas</u>	<u>Oil</u>
Mesaverde	38%	12%
Gallup	23%	39%
Dakota	39%	49%

Sincerely,

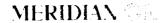
Frank T. Chavez, District Supervisor

cc:

GNM

MOI

BLM



February 25, 1991

New Mexico Oil Conservation Division Mr. Frank T. Chavez 1000 Rio Brazos Road Aztec, New Mexico 87410 FEB 2 6 1991
OIL CON. DIV

Re: Administrative Order #DHC-650 Jicarilla H #8E

Dear Frank:

I have reviewed the gas and oil tests on our Jicarilla H #8E, Unit G, Section 19, T26N, R04W, Rio Arriba County, New Mexico which is a commingled Blanco Mesaverde-Wildhorse Gallup-Basin Dakota well, as per New Mexico Oil Conservation Division Order #DHC-650. Based on tests taken during completion operations and the ultimate reserves of the nearby Gallup, Mesaverde and Dakota wells, the following oil and gas production allocation on the subject well's commingled zones would be reasonably accurate:

	<u>Gas</u>	<u>0i1</u>
Mesaverde	38%	12%
Gallup	23%	39%
Dakota	39%	49%

The attached calculation sheet shows the criteria used to arrive at these percentages. Please let us know if this percentage allocation meets with your approval.

Sincerely,

Les K. Smith

Production Engineer

LKS:tt

CALCULATIONS FOR JICARILLA H #8E

Commingled Blanco Mesaverde Wildhorse Gallup Basin Dakota

GAS

Pitot Gauge MV only: 859 MCF/D
Pitot Gauge MV and GAL: 1374 MCF/D: Gallup = 1374-859 = 515 MCF/D
Pitot Gauge MV, GAL and DK: 2237 MCF/D: Dakota = 2237-1374 = 863 MCF/D

GAS ALLOCATION

Mesaverde	38%
Gallup	23%
Dakota	_39%
TOTAL	100%

OIL

Average Offset Ultimate Reserves

Mesaverde 2.2 MB0
Gallup 7.8 MB0
Dakota 9.8 MB0

OIL ALLOCATION

Mesaverde 12% 39% Gallup Dakota 49%