



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6179 FAX: (505) 334-6170
<http://nemnr.state.nm.us/ocd/District%20AZteco.htm>

GARY E. JOHNSON
GOVERNOR

Jennifer A. Salisbury
CABINET SECRETARY

October 20, 1998

Ms Peggy Bradfield
Burlington Resources O&G Co
PO Box 4289
Farmington NM 87499-4289

Re: San Juan 27-4 Unit #38M, C-06-27N-04W, API# 30-039-25939, DHC

Dear Ms Bradfield:

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

	Gas	Oil
Mesaverde	54%	50%
Dakota	46%	50%

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

cc: Jim Lovato-Farmington BLM
David Catanach-NMOCD Santa Fe
well file

274#38m dhc

**BURLINGTON
RESOURCES**

SAN JUAN DIVISION

October 5, 1998

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

Re: San Juan 27-4 Unit #38M
NW Section 6, T-27-N, R-4-W, Rio Arriba County
30-039-25939

RECEIVED
OCT 7 1998
OIL CON. DIV.
DIST. 3

Gentlemen:

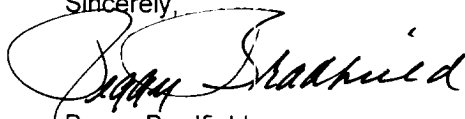
The above referenced well is a Mesa Verde/Dakota commingle. Order DHC-2065 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	54 % gas	50 % oil
Dakota -	46 % gas	50 % oil

These percentages 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,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management
NMOCD - Santa Fe

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-4 Unit #38M
(Mesaverde/Dakota)Commingle
Unit C, 06-T27N-R04W
Rio Arriba County, New Mexico

Allocation Formula Method:

3 Hour Flow Test from Mesaverde = 401 MCFD & 0 BO

3 Hour Flow Test from Dakota = 336 MCFD & 0 BO

GAS:

$$\frac{(MV) 401 \text{ MCFD}}{(MV \& DK) 737 \text{ MCFD}} = (MV) \% \text{ Mesaverde 54\%}$$

$$\frac{(DK) 336 \text{ MCFD}}{(MV \& DK) 737 \text{ MCFD}} = (DK) \% \text{ Dakota 46\%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV \& DK) 0 \text{ BO}} = (MV) \% \text{ Mesaverde 50\%}$$

$$\frac{(DK) 0 \text{ BO}}{(MV \& DK) 0 \text{ BO}} = (DK) \% \text{ Dakota 50\%}$$