NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
http://emnrd.state.nm.us/ocd/District III/3district.htm

GARY E. JOHNSON
Governor

Jennifer A. Salisbury
Cabinet Secretary

November 17, 1999

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

Re: San Juan 27-5 Unit #106M, C-01-27N-05W, API# 30-039-26036, DHC

Dear Ms. Cole:

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

	Gas	Oil
Mesa Verde	51%	50%
Dakota	49%	50%

Yours truly,

Ernie Busch

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/mk

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

SJ 27-5 #106M DHC

BURLINGTON RESOURCES

September 1, 1999

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

Re: San Juan 27-5 Unit #106M
C Section 1, T-27-N, R-5-W
30-039-26036

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2212 was issued for this well.

Gas:	Mesa Verde	51%
	Dakota	49%
Oil:	Mesa Verde	50%
	Dakota	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,

Peggy Bradfield
Regulatory/Compliance Administrator

Xc: NMOCD – Santa Fe
Bureau of Land Management – Farmington

3535 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-599-4046

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 Unit #106M
(Mesaverde/Dakota) Commingle
Unit C, 01-T27N-R05W
Rio Arriba County, New Mexico

Allocation Formula Method:

3 Hour Flow Test from Mesaverde = 636 MCFD & 0.10 BO

3 Hour Flow Test from Dakota = 606 MCFD & 0.10 BO

GAS:

$$\frac{\textit{(MV) 636 MCFD}}{\textit{(MV \& DK)}\ 1{,}242\ \text{MCFD}} = \text{(MV) \% Mesaverde 51\%}$$

$$\frac{\textit{(DK) 606 MCFD}}{\textit{(MV \& DK)}\ 1{,}242\ \text{MCFD}} = \text{(DK) \% Dakota 49\%}$$

OIL:

$$\frac{\textit{(MV)}\ 0.10\ \text{BO}}{\textit{(MV \& DK)}\ 0.20\ \text{BO}} = \text{(MV) \% Mesaverde 50\%}$$

$$\frac{\textit{(DK)}\ 0.10\ \text{BO}}{\textit{(MV \& DK)}\ 0.20\ \text{BO}} = \text{(DK) \% Dakota 50\%}$$