

December 11, 2001

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

Re: San Juan 27-4 Unit #30M

F Section 32, T-27-N, R-4-W

30-039-26679



Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well completed on 10-21-01. DHC-556az was issued for this well.

Gas: Mesaverde 32%

Dakota 68%

Oil: Mesaverde 0%

Dakota 0%

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

Sincerely,

Peggy Cole

Regulatory Supervisor

Xc: NMOCD - Santa Fe

Bureau of Land Management

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-4 Unit #30M (Mesaverde/Dakota) Commingle Unit F, 32-T27N-R04W Rio Arriba County, New Mexico

Allocation Formula Method:

- 3 Hour Flow Test from Mesaverde = 450 MCFD & 0 BO
- 3 Hour Flow Test from Dakota = 977 MCFD & 0 BO

GAS:

$$\frac{\text{(MV) }450 \text{ MCFD}}{\text{(MV/ DK) }1427 \text{ MCFD}} = \text{(MV) }\% \text{ Mesaverde } 68\%$$

OIL:

$$\frac{\text{(MV) 0 BO}}{\text{(MV/ DK) 1 BO}} = \text{(MV) \% } \frac{\text{Mesaverde 0\%}}{\text{Mesaverde 0\%}}$$