



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

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
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GARY E. JOHNSON
GOVERNOR

JENNIFER A. SALISBURY
CABINET SECRETARY

April 18, 1997

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

Re: San Juan 32-9 Unit #17R, API# 30-045-29404, M-08-31N-09W, DHC

Dear Ms. Bradfield:

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

	Gas	Oil
Pictured Cliffs	45%	0%
Mesa Verde	55%	100%

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/sh

cc: well file

5532917A

BURLINGTON RESOURCES

SAN JUAN DIVISION

March 21, 1997

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

Re: San Juan 32-9 Unit #17R
1185'FSL, 1125'FWL Section 8, T-31-N, R-9-W, San Juan County, NM
API #30-045-29404

Gentlemen:

The above referenced well is a Pictured Cliffs/Mesa Verde commingle. Order DHC-1391 was issued for the commingling. The following allocation formula is submitted for your approval:

Pictured Cliffs -	⁴⁵ 31% gas	0% oil
Mesa Verde -	⁵⁵ 69% gas	100% oil

These percentages are based on a three hour flow test from the Mesa Verde and Dakota, compared to actual 1996 average Dakota production.

Please let me know if you have any questions.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management

RECEIVED
MAR 28 1997

OIL CON. DIV.
DIST. 8

PRODUCTION ALLOCATION FORMULA METHOD

San Juan 32-9 Unit #17R
(Mesaverde/Pictured Cliffs Commingle
SW/4, Sec. 8-T31N-R09W
San Juan County, New Mexico

DHC Order # 1391

Production Rates

Gas Production from Pictured Cliffs formation = 1050 MCFD

Total Gas Production for Mesaverde and Pictured Cliffs formations = 2330 MCFD

Oil Production from Mesaverde formation = 1 BOPD

Oil Production from Pictured Cliffs formation = 0 BOPD

Allocation for Gas Production:

$$\frac{[(PC) 1050 \text{ MCFD}]}{(MV \& PC) 2330 \text{ MCFD}} = (PC) \% \quad \textbf{Pictured Cliffs 31\%}$$

$$(PC \& MV) 100\% - (PC) 31\% = \quad \textbf{Mesaverde 69\%}$$

Allocation for Oil Production:

$$\frac{[(MV \& PC) 1 \text{ BOPD} - (PC) 0 \text{ BOPD}]}{(MV \& PC) 1 \text{ BOPD}} = (MV)\% = \textbf{Mesaverde 100\%}$$

$$\frac{[(MV \& PC) 1 \text{ BOPD} - (MV) 1 \text{ BOPD}]}{(MV \& PC) 1 \text{ BOPD}} = (PC)\% = \textbf{Pictured Cliffs 0\%}$$