NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
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

January 6, 1998

Mr Jerry Hoover
Senior Conservation Coordinator
Conoco Inc
10 Desta Dr Ste 100W
Midland TX 79705-4500

Re: State #32E, A-36-30N-11W, API 30-045-29442

Dear Mr. Hoover:

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

	Gas	Oil
Blanco Mesaverde	77%	58%
Basin Dakota	23%	42%

Yours truly,

Ernie Busch

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/sh

cc: well file

state32e.dhc

conoco

wp 6.1

December 3, 1997

Mr. Frank Chavez
Oil Conservation Division
1000 Rio Brazos Rd.
Aztec. New Mexico 87410

RECEIVED
DEC - 5 1997
OIL CON. DIV.
DIST. 3

Re: ALLOCATION for Downhole Commingling
Blanco Mesaverde and Basin Dakota Production
in the State No. 32E, Unit A, Sec. 36, T-30N, R-11W
San Juan County, New Mexico

Dear Mr. Chaves:

The subject well was approved for downhole commingling by Administrative Order DHC-1644 prior to being drilled. This order provided for the allocation to be submitted and approved by the District Supervisor of the Aztec OCD Office.

Extensive historical data and modeling of early time flow profiles from these two pools have shown that once a stabilized flow rate has been established in both of them, they exhibit essentially identical decline patterns and rates. Therefore, it is valid and prudently accurate to establish commingling allocation percentages on early time stabilized rates in newly drilled wells where both the Mesaverde and Dakota are sequentially completed and to expect these percentages to be reasonably accurate for the life of the well.

Attached are records of the flowing pressures of both completions that illustrate the attainment of stabilized flow. The stabilization of flowing pressures established toward the ends of these plots indicates that the flow rates had stabilized.

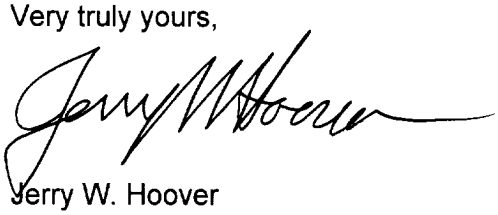
This well was initially drilled and completed in the Dakota. When a stabilized rate had been obtained, a plug was set and the Mesaverde completed and tested. Since oil rates are too small to accurately measure in short term tests, allocation was determined using average oil yield values (BO/MCF) from this 9-section area and applying them to the measured gas rates.

The oil yield values, stabilized gas rates, and resulting percentage allocations for both completions are shown below:

	Oil Yield bbl/mcf	Stabilized Gas Rates	Oil %	Gas %
Mesaverde	.0021	2268 mcfpd	58	77
Dakota	.0050	690 mcfpd	42	23

If there are further questions concerning these factors, please contact me at (915) 686-6548.

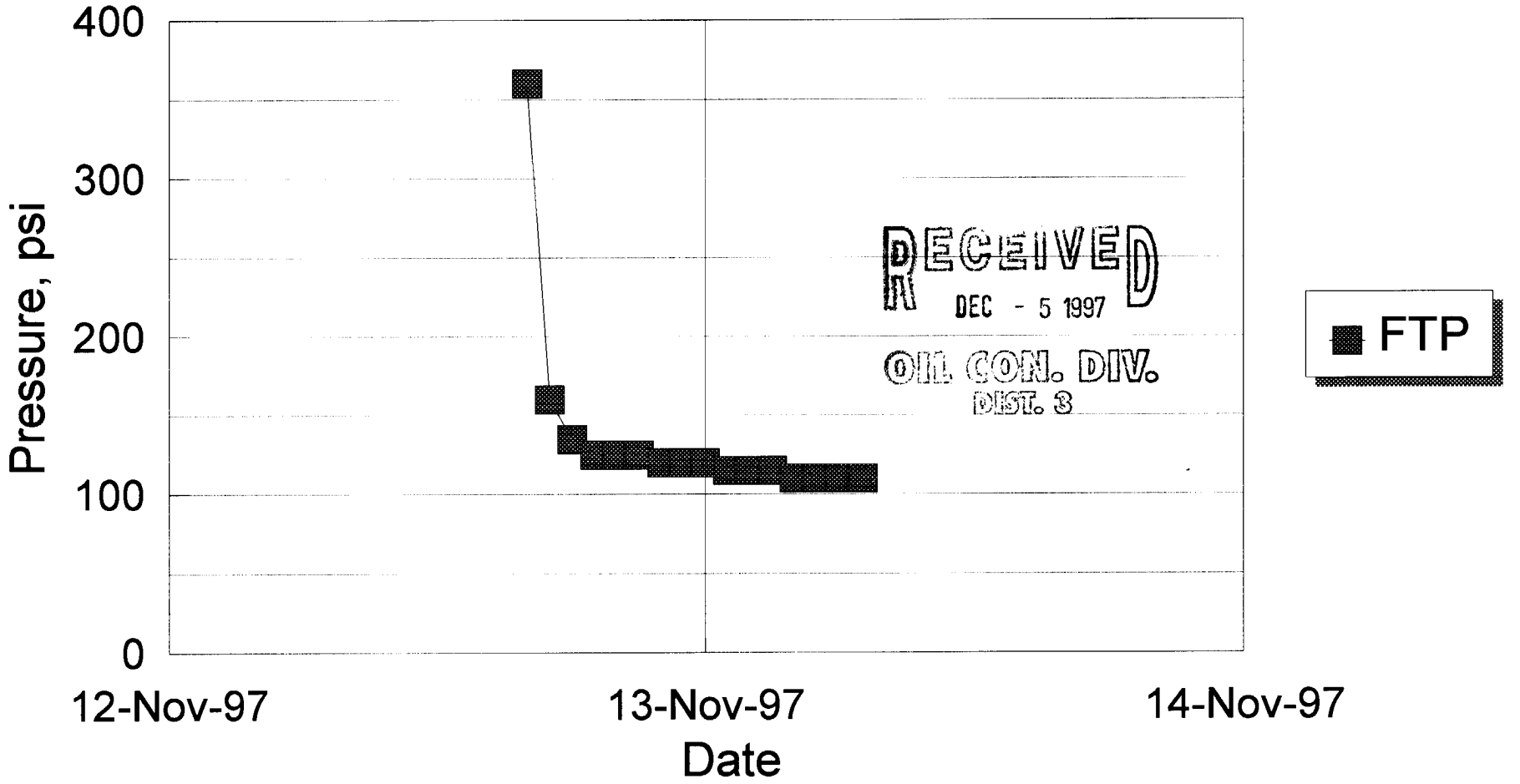
Very truly yours,



Jerry W. Hoover
Sr. Conservation Coordinator

State 32E

Flowing Pressures - DK



Flowing under packer

State 32E

Flowing Pressures - MV