

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87401

in reply refer to: 3162.7 (07100)

March 13, 2002

Ms. Peggy Cole Burlington Resources PO Box 4289 Farmington, NM 87499 Assa socc

RE:

Accept downhole commingle applications and allocation factors

Dear Ms. Cole:

The following wells were reviewed for downhole commingling. After reviewing the production history for these wells, we concur with the allocation factors established in your application. The effective date is the date that downhole commingling actually occurs. The wells and the approved allocation factors are listed below. In the case where oil allocations were not provided, it was agreed upon that the proportions established for gas would also be used for oil.

Well Name	Lease/CA#	Location	API#	Formation Allocation	Formation Allocation
Riddle B # 5	SF 078200B	Sec 23, T30N, R10W	3004520353	DK gas 93% Oil 93%	GP gas 7% Oil 7%
Kelly #2B	NM 04240	Sec 35, T30N, T10W	3004530418	MV gas 69% Oil 100%	CH gas 31% Oil 0%
San Juan 27-5 #11	SF 079403 PC(NMNM078409C) MV(NMNM078409B)	Sec 27, T27N, R5W	3003906914	PC gas 70% Oil 70%	MV gas 30% Oil 30%
San Juan 28-6 #105M	SF 079051B MV(NMNM078412A) DK(NMNM078412C)	Sec 35, T28N, R6W	3003926643	MV gas 56% Oil 54%	DK gas 44% Oil 44%

If you have any questions, please contact Adrienne Garcia at (505) 599-6358 or the undersigned with this office at (505) 599-6367.



BURLINGTON RESOURCES

NM DYAYD

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

Re:

Kelly #2B

NENE, Section 35, T-30-N, R-10-W

30-045-30418

San Juan County, New Mexico

Gentlemen:

The above referenced well is a Mesaverde/Chacra commingle. Attached is a copy of the allocation for the commingling of the subject well completed on February 13, 2002. DHC-619az

Gas:

Mesa Verde

69% -

Chacra

31% -

Oil:

Mesa Verde

Chacra

100% -

0%

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

Péggy Cóle

Regulatory Supervisor

Xc:

NMOCD - Santa Fe

Bureau of Land Management

3401 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-326-9563

PRODUCTION ALLOCATION FORMULA USING WELL TEST INFORMATION

Kelly #2B (Mesaverde/Chacra) Commingle Unit A, 35-T30N-R10W San Juan County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = <u>584 MCFD & .07 BO</u>

Separator test from Chacra = 266 MCFD & 0 BO

GAS:

$$\frac{\text{(MV) 584 MCFD}}{\text{(MV/ CH) } 850 \text{ MCFD}} = \text{(MV) } \% \text{ Mesaverde } 69\%$$

$$(CH) \ 266 \ MCFD = (CH) \% \ Chacra \ 31\%$$
 (MV/CH) 850 MCFD

OIL:

$$(MV) .07 BO$$
 = $(MV) % Mesaverde 100% (MV/ CH) .07 BO$

$$(CH) 0 BO = (CH) \% Chacra 0\%$$