

# **BURLINGTON**

## **RESOURCES**

**RECEIVED**

AUG 13 2003

**OIL CONSERVATION  
DIVISION**

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

Re: Grenier B #5  
NWSW, Section 6, T-29-N, R-10-W  
30-045-20055  
San Juan County, New Mexico

Gentlemen:

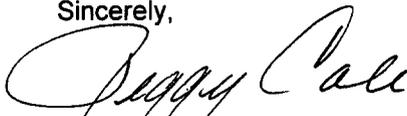
The above referenced well is a Chacra/Mesaverde/Dakota commingle. Attached is a copy of the allocation for the commingling of the subject well completed on August 16, 2002. DHC-2971 was issued for this well.

Gas:	Chacra	26%
	Mesa Verde	58%
	Dakota	16%

Oil:	Chacra	0%
	Mesa Verde	81%
	Dakota	19%

These percentages are based upon reserves assigned to each formation founded on production from the respective formations before and after workover operations and separator tests completed on the Chacra and Mesaverde formations. The Chacra formation does not produce any oil therefore; oil percentages are allocated between the Mesaverde and Dakota formation. Please let me know if you have any questions.

Sincerely,



Peggy Cole  
Regulatory Supervisor

Xc: NMOCD – Santa Fe  
Bureau of Land Management

## Production Allocation Documentation

### Grenier B #5

Production Allocation

Based on Remaining Reserves

Dakota / Mesaverde / Chacra Recompletion

### Gas

	<u>RR (MMCF)</u>	<u>Allocation %</u>
Mesaverde	713	58%
Chacra	320	26%
Dakota	<u>192</u>	16%
All	1,224.56	

### Oil

	<u>RR (Bbls Oil)</u>	<u>Allocation %</u>
Mesaverde	990.00	81%
Chacra	0.00	0%
Dakota	<u>230.00</u>	19%
All	1,220.00	



# 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  
NM - 03561 et al. (wc)  
3162.7 (07100)

August 29, 2002

Peggy Cole  
Burlington Resources  
P.O. Box 4289  
Farmington, NM 87401

Re: Accept Commingle Applications and Allocation Method:

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 you established. The effective date is the date that downhole commingling actually occurs. The approved allocation factors are listed below.

Well Name	Location	API No.	Lease # CA # / PA #	Formation Allocation	Formation Allocation	Formation Allocation
Grenier B # 5	sec 06, T29N, R-10-W	3004520055	NM- 03561	CH gas 26% oil 00%	MV gas 58% oil 81%	DK gas 16% oil 19%
Albright # 10	sec 22, T29N, R-10-W	3004525689	SF - 077865	FC gas 22% oil 00%	MV gas 40% oil 00%	GLP gas 38% oil 100%

If you have any questions, please contact Matt Halbert, at (505) -599-6350 or the undersigned at (505) 599-6367.

Sincerely,

*Chip Haraden*

/s/ *Jim Lovato*

*acting for* Jim Lovato  
Team Leader, Petroleum Management Team

Enclosures:

cc:

NMOCD, Aztec, NM  
NMOCD, Santa Fe, NM