

OIL CONSERVATION DIV. 02 JUN - 4 AMII: 48

May 31, 2002

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

REVISED

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well for the Lewis pay add that was completed 9-15-01. DHC-1280 was issued for this well.

Gas:	Mesaverde Dakota	39% 61%
Oil:	Mesaverde Dakota	0% 100%

These percentages were calculated using rate-time reserve estimate comparisons for each respective formation. Because the Lewis formation was the only formation added during operations, the oil allocation has stayed the same as it was prior to working over the well.

Please let me know if you have any questions.

Sincerely,

Peggy Cole

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

Re: San Juan 27-5 Unit #125E I Section 21, T-27-N, R-5-W 30-039-23899

Production Allocation Documentation

San Juan 27-5 Unit #125E

Production Allocation Based on Remaining Reserves Lewis Payadd September 2001

REVISED

<u>GAS</u>

Dakota	<u>RR</u> 518.1	Allocation % 61%
All	<u>854.8</u>	
Mesaverde	336.7	39%

Condensate

Since only the Lewis was added, and the Lewis is not an oil-producing formation, the condensate allocation remains the same.



