

SAN JUAN DIVISION

September 30, 1997

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

Re:

San Juan 27-5 Unit #96

1750'FNL, 1480'FWL Section 15, T-27-N, R-05-W, Rio Arriba County, NM

API #30-039-60123

Gentlemen:

The above referenced well is a Mesa Verde/Dakota commingle. Order DHC-1516 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -

65 % gas

57 % oil

Dakota -

35 % gas

43 % oil

These percentages are based upon pre-recompletion rates for the Dakota only and post completion rates for the Mesa Verde and Dakota commingled.

Please let me know if you have any questions.

Sincerely,

Peggy Bradfield

Regulatory/Compliance Administrator

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xc:

Bureau of Land Management

NMOCD - Santa Fe

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 Unit #96 (Mesaverde/Dakota)Commingle Unit F, 15-T27N-R05W Rio Arriba County, New Mexico

Allocation Formula Method:

1996 Dakota Average = 212 MCFD & 1.6 BO

1997 Commingled Production = 605 MCFD & 3.7 BO

1997 Commingled Production - 1996 Dakota Average = Mesaverde Contribution

GAS:

(MV & DK) 605 MCFD (100%) - (DK) 212 MCFD (35%) = (MV) % Mesaverde 65%

OIL:

(MV & DK) 3.7 BOPD (100%) - (DK) 1.6 BOPD (43%) = (MV) % Mesaverde 57%