

July 16, 1999

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

Re: San Juan 28-4 Unit #32M J Section 32, T-28-N, R-4-W 30-039-26009

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. (DHC-2028) was issued for this well.

Gas:	Mesa Verde Dakota	82% 18%
Oil:	Mesa Verde Dakota	0% 100%

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

Sincerely,

Spannied

Peggy Bradfield Regulatory/Compliance Administrator

Xc: NMOCD – Santa Fe Bureau of Land Management – Farmington

3535 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-599-4046

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 28-4 Unit #32M (Mesaverde/Dakota) Commingle Unit J, 32-T28N-R04W Rio Arriba County, New Mexico

Allocation Formula Method:

3 Hour Flow Test from Mesaverde = 2,370 MCFD & 0 BO

3 Hour Flow Test from Dakota = 517 MCFD & 0.25 BO

GAS:

4.4

<u>(MV) 2,370 MCFD</u> = (MV) % <u>Mesaverde 82%</u> (MV & DK) 2,887 MCFD

(<i>DK</i>) 517 MCFD	= (DK) % <u>Dakota 18%</u>
(MV & DK) 2,887 MCFD	• • •

<u>OIL:</u>

<u>(MV) 0 BO</u> = (MV) % <u>Mesaverde 0%</u> (MV & DK) 0.25 BO

<u>(*DK*) 0.25 BO</u> (*MV & DK*) 0.25 BO = (DK) % <u>Dakota 100%</u>