SAN JUAN 28-7 UNIT
COMMINGLE ALLOCATION EXAMPLE

	Annual GOR Test (MCF/BBL)	Monthly Gas Prod. MCF
Well 1 (MV)	270	9720
Well 2 (PC)	1850	5880

Commingled condensate - 37 BBL

1. Calculate theoretical condensate production:

Well 1 (MV)	9720 MCF/270 MCF/BBL =	36.00 BBL
Well 2 (PC)	5880 MCF/1850 MCF/BBL =	3.2 BBL
Total		39.2 BBL

2. Determine allocation factor for each well:

Well 1 (MV)	36.0 BBL/39.2 BBL =	0.918
Well 2 (PC)	3.2 BBL/39.2 BBL =	0.082

3. Calculate allocated condensate production:

Well 1 (MV)	37 BBL x 0.918 =	34 BBL
Well 2 (PC)	37 BBL x 0.082 =	3 BBL

NMOCD Hearing, Case #10418
December 5, 1991

Exhibit No. 5