

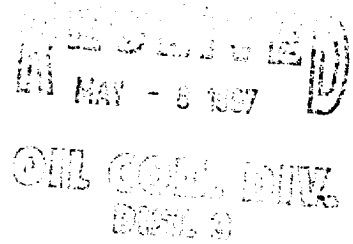
161-240-510

BURLINGTON RESOURCES

SAN JUAN DIVISION

May 8, 1997

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



Re: Klein #24M
1800'FSL, 1190'FEL Section ^I34, T-26-N, R-6-W, Rio Arriba County, NM
API #30-039-23771

Gentlemen:

The above referenced well is a Mesa Verde/Gallup/Dakota commingle. Order R-10239 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	60% gas	40 % oil
Gallup -	5% gas	45 % oil
Dakota -	35% gas	15 % oil

These percentages are based on historical production.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Peggy Bradfield'.

Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management

PRODUCTION ALLOCATION FORMULA METHOD

Klein #24M
(Mesaverde/Gallup/Dakota Commingle)
SE/4, Sec. 34-T26N-R06W
Rio Arriba County, New Mexico

Blanket DHC Order # R-10239

Production Rates

Historical Gas Production from Dakota = 3132 MCFM

Historical Oil Production from Dakota = 18 BOPM

Total Gas Production for all three formations = 9153 MCFD (5 month average)

Total Oil Production for all three formations = 106 BOPM (5 month average)

Allocation for Gas Production:

Production tests in offsetting Klein #24, Klein #19M and Klein #28E indicate that Gallup contributes about 5% of commingled gas and about 45% of commingled oil production. This assumption is made in calculating allocation percentages for this well.

Assumed: (GL) % **Gallup 5%**

[(DK) 3132 MCFM] = (DK) % **Dakota 35%**
(All) 9153 MCFM

(All) 100% - (DK) 35% - (GL) 5% = **Mesaverde 60%**

Allocation for Oil Production:

Assumed: (GL) % **Gallup 45%**

[(DK) 18 BOPM] = (DK) % **Dakota 15%**
(All) 106 BOPM

(All) 100% - (DK) 15% - (GL) 45% = **Mesaverde 40%**



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(808) 334-6176 Fax (808) 334-6170

GARY E. JOHNSON
GOVERNOR

JENNIFER A. SALISBURY
CABINET SECRETARY

May 12, 1997

Ms Peggy Bradfield
Burlington Resources O&G Co
PO Box 4289
Farmington NM 87499

Re: Klein #24M, API# 30-039-23771, I-34-26N-06W, DHC

Dear Ms. Bradfield:

Your recommended allocation of commingled production for the referenced well is hereby accepted as follows:

	Gas	Oil
Blanco Mesaverde	60%	40%
Gallup	5%	45%
Basin Dakota	35%	15%

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/sh

cc: well file