



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington Field Office  
1235 La Plata Highway, Suite A  
Farmington, New Mexico 87401

IN REPLY REFER TO:

SEP 16 1999

SF-047039A  
3162.3-2 (07100)

Breck Operating  
Attn.: Paul Thompson  
7415 East Main  
Farmington, NM 87402

Re: Well No. 9 Kutz Government  
Lease No. SF-047039A  
SWNW 20-28N-10W  
San Juan County, NM

Dear Mr. Thompson:

Reference is made to your application dated July 27, 1999 requesting authorization to down hole commingle gas from the Pictured Cliffs and the Fruitland Coal formations in the above referenced well. After reviewing the information you supplied, we concur with the fixed allocation factors established in your application. Authorization is hereby given to allocate production in accordance with the factors outlined below:

<u>Formation</u>	<u>Gas</u>	<u>Oil</u>
Pictured Cliffs	9%	0%
Fruitland Coal	91%	0%

Commingled production from each zone must be reported in accordance with these established allocation factors. The effective date of commingling will be the date commingling first occurs.

If you have any questions regarding the above, contact Jim Lovato at (505) 599-6367.

Sincerely,

Wayne Townsend  
Acting Team Leader, Petroleum Management Team

cc:  
NMOCD, Santa Fe  
NMOCD, Aztec

RECEIVED  
SEP 2 1999  
OIL & GAS