



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

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6170 FAX: (505) 334-6170
[http://nemrnl.state.nm.us/ocd/District NM3distric.htm](http://nemrnl.state.nm.us/ocd/District%20NM3distric.htm)

GARY E. JOHNSON
GOVERNOR

Jennifer A. Salisbury
CABINET SECRETARY

October 20, 1998

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

Re: Zachry #17E, O-35-29N-10W, API# 30-045-24801, DHC

Dear Ms Bradfield:

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

| | Gas | Oil |
|--------|-----|------|
| Chacra | 30% | 0% |
| Dakota | 70% | 100% |

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

cc: Jim Lovato-Farmington BLM
David Catanach-NMOCD Santa Fe
well file

Zac
Zachry 17E.dhc

**BURLINGTON
RESOURCES**

SAN JUAN DIVISION

RECEIVED
SEP 21 1998
OIL CON. DIV.
DIST. 3

September 17, 1998

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

Re: Zachry #17E
1100'FSL, 1585'FEL Section 35, T-29-N, R-10-W
30-045-24801

Gentlemen:

The above referenced well is a Chacra/Dakota commingle. Order DHC-2000 was issued for the commingling. The following allocation formula is submitted for your approval:

30
Chacra - 30.08 % gas 0 % oil
Dakota - 69.92 % gas 100 % oil

70
These percentages are based on historic production from the Chacra and Dakota.

Please let me know if you have any questions.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management
NMOCD - Santa Fe

Production Allocation Based On Cumulative Production Through 4/98

| Cumulative Production Thru 4/98 | | | % Allocation | |
|---------------------------------|---------|---------|--------------|---------|
| | MCF | Bbl Oil | % Gas | % Oil |
| Dakota | 379,439 | 2,889 | 69.92% | 100.00% |
| Charca | 163,223 | 0 | 30.08% | 0.00% |
| Total | 542,662 | 2,889 | 100.00% | 100.00% |

Gas Allocation:

| | | | |
|---------------|-----------------------------|-------------|-----------------|
| | (Total Dakota Production) | 379,439 MCF | |
| Dakota | | | |
| | (Total Combined Production) | 542,662 MCF | |
| | | | = 69.92% |

| | | | |
|---------------|-----------------------------|------------|-----------------|
| Charca | (Total Charca Production) | 163223 MCF | = 30.08% |
| | (Total Combined Production) | 542662 MCF | |

Oil Allocation:

| | | | |
|---------------|-----------------------------|---------------|------------------|
| | (Total Dakota Production) | 2,889 Bbl Oil | |
| Dakota | ----- | ----- | = 100.00% |
| | (Total Combined Production) | 2,889 Bbl Oil | |

| | | | |
|---------------|-----------------------------|---------------|----------------|
| Charca | (Total Charca Production) | 0 Bbl Oil | = 0.00% |
| | (Total Combined Production) | 2,889 Bbl Oil | |