NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
http://emnrd.state.nm.us/ocd/District III/3district.htm

GARY E. JOHNSON
Governor

Jennifer A. Salisbury
Cabinet Secretary

December 18, 1998

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

Re: Kelly B #1A, C-08-30N-10W, API# 30-045-23156, DHC

Dear Ms Bradfield:

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

	Gas	Oil
Mesaverde	72%	100%
Pictured Cliffs	28%	0%

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

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

Kellyb1a-dhc

BURLINGTON RESOURCES

SAN JUAN DIVISION

November 7, 1998

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

Re: Kelly B #1A
1125' FNL, 1500' FWL, Section 8, T-30-N, R-10-W, San Juan
30-045-23156

Gentlemen:

The above referenced well is a Mesa Verde/Pictured Cliffs commingle. Order DHC-1509 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	72 % gas	100 % oil
Pictured Cliffs -	28 % gas	0 % oil

These percentages are based on historical production from the Mesa Verde and Pictured Cliffs.

Please let me know if you have any questions.

Sincerely,

Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management
NMOCD - Santa Fe

P.O. Box 4289, Farmington, New Mexico 87499-4289, Telephone 505-326-9700, Fax 505-599-4046

Kelly B #1A
Unit C, Section 8, 30N – 10W
San Juan County, New Mexico

Production Allocation

Commingle Date: 6/10/97

GAS

Mesaverde Production:	131,315	MCF	72%
Pictured Cliffs Production:	50,241	MCF	28%
Total:	181,556	MCF	100%

OIL

Mesaverde Production:	802 bbl	100%
Pictured Cliffs Production:	0 bbl	0%
Total:	802 bbl	100%

Used production data from 1/94 to 5/97. This was the most recent period of stable production from both zones.