



# 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:

AUG 24 1999

NMNM97844  
3162.3-2 (07100)

Richardson Operating Company  
c/o Walsh Engineering  
7415 East Main  
Farmington NM 87402

Re: Well No. 29 #1 WF Federal  
NWNE 29-30N-14W  
San Juan Co., NM  
Lease No. NM-97844

Dear Mr. Thompson:

Reference is made to your application for down hole commingling of gas from the Pictured Cliffs and Fruitland Formations in the above referenced well. After reviewing your application and your estimated production forecast for the Pictured Cliffs Formation, we concur with the use of the subtraction method for allocation of production between zones. Production allocation attributable to the Fruitland Formation will be based on the difference in the production forecast for the Pictured Cliffs and the commingled gas stream of both intervals.

Commingled production from each zone must be reported in accordance with the allocation procedure described above. The effective date will be the date down hole commingling actually occurs.

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

Sincerely,

Errol Becher  
Acting Team Leader, Petroleum Management Team

cc:  
NMOCD, Santa Fe  
NMOCD, Aztec

RECEIVED  
AUG 27 1999  
OIL CON. DIV.  
DIST. 8