

BURLINGTON RESOURCES

November 10, 2000

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

Re: Zachry #40
I Section 10, T-28-N, R-10-W
30-045-25469

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2705 was issued for this well.

Gas:	Mesa Verde	11%
	Gallup	89%

Oil:	Mesa Verde	23%
	Gallup	77%

These allocations are based on isolated flow tests from the Mesa Verde and Gallup during completion operations. Please let me know if you have any questions.

Sincerely,



Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

Zachry 40
Unit I, Sec. 10, T28N R10W
San Juan County, New Mexico

Production Allocation Based On Cumulative Production Through 11/99

	Cumulative Production		% Allocation	
	MMSCF	MSTB	% Gas	% Oil
Gallup	346	11	89%	77%
Mesa Verde	42	3	11%	23%
Total	388	14	100%	100%

Gas Allocation:

Gallup	(Total Gallup Production)	346 MCF	= 89%
	(Total Combined Production)	388 MCF	

Mesa Verde	(Total Mesa Verde Production)	42.0824 MCF	= 11%
	(Total Combined Production)	387.9494 MCF	

Oil Allocation:

Gallup	(Total Gallup Production)	11 Bbl Oil	= 77%
	(Total Combined Production)	14 Bbl Oil	

Mesa Verde	(Total Mesa Verde Production)	3 Bbl Oil	= 23%
	(Total Combined Production)	14 Bbl Oil	