

BURLINGTON RESOURCES

February 15, 1999

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

Re: Largo Federal #1
K Section 34, T-29-N, R-9-W
30-045-07645

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2119 was issued for this well.

Gas:	Mesa Verde	39.51%
	Dakota	60.49%
Oil:	Mesa Verde	28.41%
	Dakota	71.59%

These allocations are based on historic production. Please let me know if you have questions on this matter.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

Xc: NMOCD – Santa Fe
Bureau of Land Management – Farmington

Largo Federal #1
Sec.34, T29N R9W
San Juan County, New Mexico

Production Allocation Based On Cumulative Production Through 07/98

	Cumulative Production		% Allocation	
	MCF	Bbl Oil	% Gas	% Oil
Mesa Verde	799,863	4,687	39.51%	28.41%
Dakota	1,224,727	11,812	60.49%	71.59%
Total	2,024,590	16,499	100.00%	100.00%

Gas Allocation:

Mesa Verde (Total Mesa Verde Production) 799,863 MCF

(Total Combined Production) 2,024,590 MCF = **39.51%**

Dakota (Total Dakota Production) 1224727 MCF

(Total Combined Production) 2024590 MCF = **60.49%**

Oil Allocation:

Mesa Verde (Total Mesa Verde Production) 4,687 Bbl Oil

(Total Combined Production) 16,499 Bbl Oil = **28.41%**

Dakota (Total Dakota Production) 11,812 Bbl Oil

(Total Combined Production) 16,499 Bbl Oil = **71.59%**