

**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:	<u>50,241</u>	<u>MCF</u>	<u>28%</u>
Total:	181,556	MCF	100%

OIL

Mesaverde Production:	802 bbl	100%
Pictured Cliffs Production:	<u>0 bbl</u>	<u>0%</u>
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.

***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