

BURLINGTON RESOURCES

SAN JUAN DIVISION

October 22, 1997

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

Re: New Mexico B Com #1E
800'FNL, 800'FWL, Section 16, T-29-N, R-11-W
30-045-24536

Gentlemen:

The above referenced well is a Chacra/Dakota commingle. Order DHC-1659 was issued for the commingling. The following allocation formula is submitted for your approval:

Chacra -	46.8 % gas
Dakota -	53.2 % gas

These percentages are based on historic production from the Chacra and Dakota formations.

Please let me know if you have any questions.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management
NMOCD - Santa Fe

**New Mexico B Com No. 1E
Production Allocation**

For zonal allocation, 1996 production volumes are utilized:

Chacra Production in 1996: 25,156 MCF

Dakota Production in 1996: 28,570 MCF

Total Chacra and Dakota
Production in 1996: 53,726 MCF

Gas Allocation Calculation:

$$\text{Chacra Allocation} = \frac{(\text{Chacra Production})}{(\text{Total Production})}$$

$$\text{Chacra Allocation} = \frac{(25,156 \text{ MCF})}{(53,726 \text{ MCF})} = 46.8\%$$

Chacra Gas Allocation = 46.8%

$$\text{Dakota Allocation} = \frac{(\text{Dakota Production})}{(\text{Total Production})}$$

$$\text{Dakota Allocation} = \frac{(28,570 \text{ MCF})}{(53,726 \text{ MCF})} = 53.2\%$$

Dakota Gas Allocation = 53.2%