

DHC-1700



# 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:  
NMSF078089  
3162.7 (07100)

March 15, 2000

Mr. Alan Merrill  
Bonneville Fuels Corporation  
1660 Lincoln Street, Suite 1800  
Denver, CO 80264



RE: Scott E. Federal No. 9  
1850' FNL & 790' FWL  
Sec. 23, T. 27 N., R. 11 W.  
San Juan County, NM

Dear Mr. Merrill:

We have received your Application for Downhole Commingling of the Gallegos Fruitland Sand and West Kutz Pictured Cliffs formations in the above mentioned well. After review, we hereby approve your application for downhole commingling and the submitted allocation factors. The effective date is the date that downhole commingling occurs. The approved allocation factors are:

Gallegos Fruitland Sand	50% OIL	7% GAS
West Kutz Pictured Cliffs	50% OIL	93% GAS

As per a telephone conversation on March 15, 2000, the gas production is being reported using the wrong allocation factors and corrections are necessary.

If you have any questions, please contact Wayne Townsend with this office at (505) 599-6359.

Sincerely,

**/s/ Charlie Beecham**  
Charlie Beecham  
Acting Team Lead  
Petroleum Management Team

cc: NMOCD, Santa Fe, NM  
NMOCD, Aztec, NM