

***BURLINGTON
RESOURCES***

SAN JUAN DIVISION

September 17, 1998

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

Re: Zachry #17E
1100'FSL, 1585'FEL Section 35, T-29-N, R-10-W
30-045-24801

Gentlemen:

The above referenced well is a Chacra/Dakota commingle. Order DHC-2000 was issued for the commingling. The following allocation formula is submitted for your approval:

Chacra -	30.08 % gas	0 % oil
Dakota -	69.92 % gas	100 % oil

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

Please let me know if you have any questions.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management
NMOCD - Santa Fe

Zachry #17E
Sec. 35, T29N R10W
San Juan County, New Mexico

Production Allocation Based On Cumulative Production Through 4/98

Cumulative Production Thru 4/98			% Allocation	
	MCF	Bbl Oil	% Gas	% Oil
Dakota	379,439	2,889	69.92%	100.00%
Charca	163,223	0	30.08%	0.00%
Total	542,662	2,889	100.00%	100.00%

Gas Allocation:

	(Total Dakota Production)	379,439 MCF	
Dakota	-----		= 69.92%
	(Total Combined Production)	542,662 MCF	

	(Total Charca Production)	163223 MCF	
Charca	-----		= 30.08%
	(Total Combined Production)	542662 MCF	

Oil Allocation:

	(Total Dakota Production)	2,889 Bbl Oil	
Dakota	-----		= 100.00%
	(Total Combined Production)	2,889 Bbl Oil	

	(Total Charca Production)	0 Bbl Oil	
Charca	-----		= 0.00%
	(Total Combined Production)	2,889 Bbl Oil	