



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

October 19, 1987

Mr. Doyle Baxter
Beta Development Co.
238 Petroleum Plaza
Farmington, NM 87401

Re: Edgar Federal #2 G-01-27N-12W

Dear Mr. Baxter:

Your recommended allocation of commingled production to the referenced well is hereby accepted as follows:

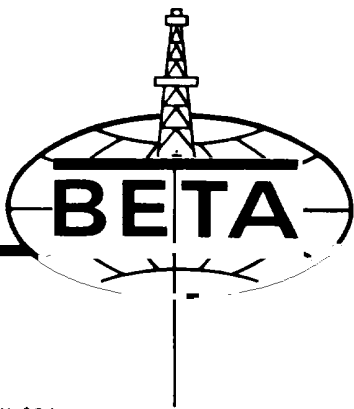
	<u>Gas</u>	<u>Oil</u>
Gallup	23%	100%
Dakota	77%	0%

Sincerely,

Frank T. Chavez
District Supervisor

FTC/dj

xc: Well File



DEVELOPMENT CO.
Incorporated

September 30, 1987

Reply to:

238 Petroleum Plaza
Farmington, New Mexico 87401

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

RE: Edgar Federal #2
Sec. 1, T-27N, R-12W
Kutz Gallup & Basin Bakota
Downhole comingled gas

Dear Sir:

We at this time are asking for a percentage allocation for the production of gas and oil on the above mentioned well, due to the length of the Gallup zone test for (90 day period), which had a GOR of 6,385 CFGD to 1 bbl. oil or 13 bbl's oil and 83,016 ~~CFG~~ CFG per day, at end of 90 day test we had 7 bbl's oil and 54,125 CF gas daily or a GOR of 7,732 C.F. to 1 bbl. oil, so at this time we are asking for a allocation of 54,125 CF monthly be assigned to the Gallup Zone, the remainder of gas sales credited to the Dakota Zone.

Sincerely yours,

D. E. Baxter
D. E. Baxter

DEB: rnp

Gallup Gas Oil
Dk ~~25000~~ 1975 75000/002
070

RECEIVED
OCT 02 1987
OIL CON. DIV.
DIST. 3