

BURLINGTON RESOURCES

SAN JUAN DIVISION

October 1, 1997

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

Re: Mangum #5E
860'FNL, 825'FEL, Section 29, T-29-N, R-11-W
30-045-23672

Gentlemen:

The above referenced well is a Chacra/Dakota commingle. Order DHC-1632 was issued for the commingling. The following allocation formula is submitted for your approval:

Chacra -	30 % gas	0 % oil
Dakota -	70 % gas	100 % oil

These percentages are based on historical production data 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

**Mangum No. 5E
Production Allocation**

For zonal allocation, 1996 production volumes are utilized:

Chacra Production in 1996: 27,284 MCF, 0 BO

Dakota Production in 1996: 65,107 MCF, 432 BO

Total Chacra and Dakota
Production in 1996: 92,391 MCF, 432 BO

Gas Allocation Calculation:

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

$$\text{Chacra Allocation} = \frac{(27,284 \text{ MCF})}{(92,391 \text{ MCF})} = 30.0\%$$

Chacra Gas Allocation = 30.0%

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

$$\text{Dakota Allocation} = \frac{(65,107 \text{ MCF})}{(92,394 \text{ MCF})} = 70.0\%$$

Dakota Gas Allocation = 70.0%

Oil Allocation Calculation:

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

$$\text{Dakota Allocation} = \frac{(432 \text{ BO})}{(432 \text{ BO})} = 100\%$$

Dakota Oil Allocation = 100%

Chacra Oil Allocation = 0%