

BURLINGTON RESOURCES

May 25, 1999

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

Re: Nye Federal Com #1
1450'FSL, 990'FWL Section 8, T-29-N, R-10-W
30-045-11994

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-1967 was issued for this well.

Gas:	Mesa Verde	84%
	Dakota	16%
Oil:	Mesa Verde	0%
	Dakota	100%

These allocations are based on historic production from the Mesa Verde and Dakota during completion operations. Please let me know if you have any questions.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

Xc: NMOCD – Santa Fe
Bureau of Land Management – Farmington

CALCULATIONS FOR NYE FEDERAL COM #1 MV-DK

Commingled
Blanco Mesaverde
Basin Dakota

The Dakota well has been producing since 1960.
The Dakota has a cumulative of 1,811 MMCF and 15,584 BO.
The Dakota capacity before the Mesaverde was opened was about 70 MCF/D and 0.14 BOPD.
Completion date of workover to open MV and commingle with DK: 2/11/99.
First delivery of commingled DK-MV on 2/26/99.
Total DK and MV rate after about 3 months on line: 430 MCF/D and 0.125 BOPD.

GAS ALLOCATION

Dakota = $70/430 = 16\%$

Mesaverde = $(430-70)/430 = 84\%$

OIL ALLOCATION

Since the well is making approximately the same oil after the workover as before the workover, we attribute all the oil production to the Dakota.

Dakota = 100%

Mesaverde = 0%