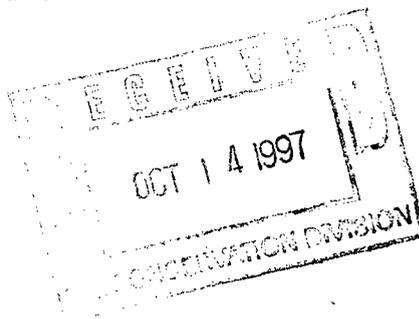


# BURLINGTON RESOURCES

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SAN JUAN DIVISION

October 10, 1997



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

Re: Sunray D #2R  
1065'FNL, 1000'FEL Section 21, T-30-N, R-10-W, San Juan County, NM  
API #30-045-23862

Gentlemen:

The above referenced well is a Mesa Verde/Pictured Cliffs commingle. Order DHC-1510 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	90 % gas	100 % oil
Pictured Cliffs -	10 % gas	0% oil

These percentages are based on historic production from the Mesa Verde and Pictured Cliffs.

Please let me know if you have any questions.

Sincerely,

Peggy Bradfield  
Regulatory/Compliance Administrator

xc: Bureau of Land Management  
NMOCD - Santa Fe

**Sunray D #2R**  
**Allocation Calculation**  
**Blanco Mesaverde and Aztec Pictured Cliffs Commingle**  
**Method: Production History**

**Gas Production:**

Average on line Pictured Cliffs production prior to workover:	16 mcf/d
Total on line Pictured Cliffs and Mesaverde production after workover:	163 mcf/d

**Oil Production:**

Average on line Pictured Cliffs production prior to workover:	0 bbls/d
Total on line Pictured Cliffs and Mesaverde production after workover:	0.63 bbls/d

**Gas Production Allocation:**

**Pictured Cliffs Gas Allocation =**  $\frac{16 \text{ mcf/d}}{163 \text{ mcf/d}} = 10\%$

**Mesaverde Gas Allocation =**  $\frac{163 - 16}{163} \frac{\text{mcf/d}}{\text{mcf/d}} = 90\%$

**Oil Production Allocation:**

**Pictured Cliffs Oil Allocation =**  $\frac{0 \text{ bbls/d}}{0.63 \text{ bbls/d}} = 0\%$

**Mesaverde Oil Allocation =**  $\frac{0.63 - 0}{0.63} \frac{\text{bbls/d}}{\text{bbls/d}} = 100\%$