NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

June 23, 1997

Burlington Resources Oil & Gas Company
P.O. Box 4289
Farmington, New Mexico 87499-4289

Attention: Ms. Peggy Bradfield

Re: Downhole Commingling Application
Allen Com Well No. 1A

Dear Ms. Bradfield:

I have reviewed your application to commingle Blanco-Pictured Cliffs and Blanco-Mesaverde Gas Pool production within the Allen Com Well No. 1A, located in Unit E of Section 16, Township 31 North, Range 9 West, NMPM, San Juan County, New Mexico. It appears that the Mesaverde interval is capable of producing at approximately 461 MCFG per day, and that the Pictured Cliffs interval has the potential to produce at a high rate as well, as evidenced by offset Pictured Cliffs production.

The Division does not consider this type of production to be marginal. If you have any other supporting data to justify your request, please submit. In the event no additional data is submitted, your request will be denied. If you wish to pursue the application at a hearing, please advise.

Sincerely,

David Catanach

David Catanach
Engineer

xc: OCD-Aztec

BURLINGTON RESOURCES

SAN JUAN DIVISION

August 25, 1997

SENT FEDERAL EXPRESS

Mr. David Catanach
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Allen Com #1A
1560'FNL, 1140'FWL Section 16, T-31-N, R-09-W, San Juan County, NM
API #30-045-23572

Dear Mr. Catanach:

This is in reply to your concern of June 23, 1997 regarding the marginality of the Pictured Cliffs in our application for downhole commingling of the subject well. We have attached maps to show that this recompletion is moving away from economic production and heading southeast into the undeveloped marginal area of Township 31 North, Range 9 West.

We have also attached the economic analysis graph from Order R-10692 for the commingling of the San Juan 32-9 Unit for the Pictured Cliffs, which is analogous to this well. This graph will show that the subject well when superimposed on the graph indicates a marginal well for dual completion; therefore, an appropriate candidate for commingling.

We estimate that this recompletion will result in approximately 950 M^2CFG (EUR) of reserves with an initial 195 MCFD of production. The four offsetting wells average approximately 610 M^2CFG (the best of the offset wells has 1.11 MCF remaining) of remaining reserves, which compares favorably with the estimated 950 M^2CFG of recoverable gas for this recompletion.

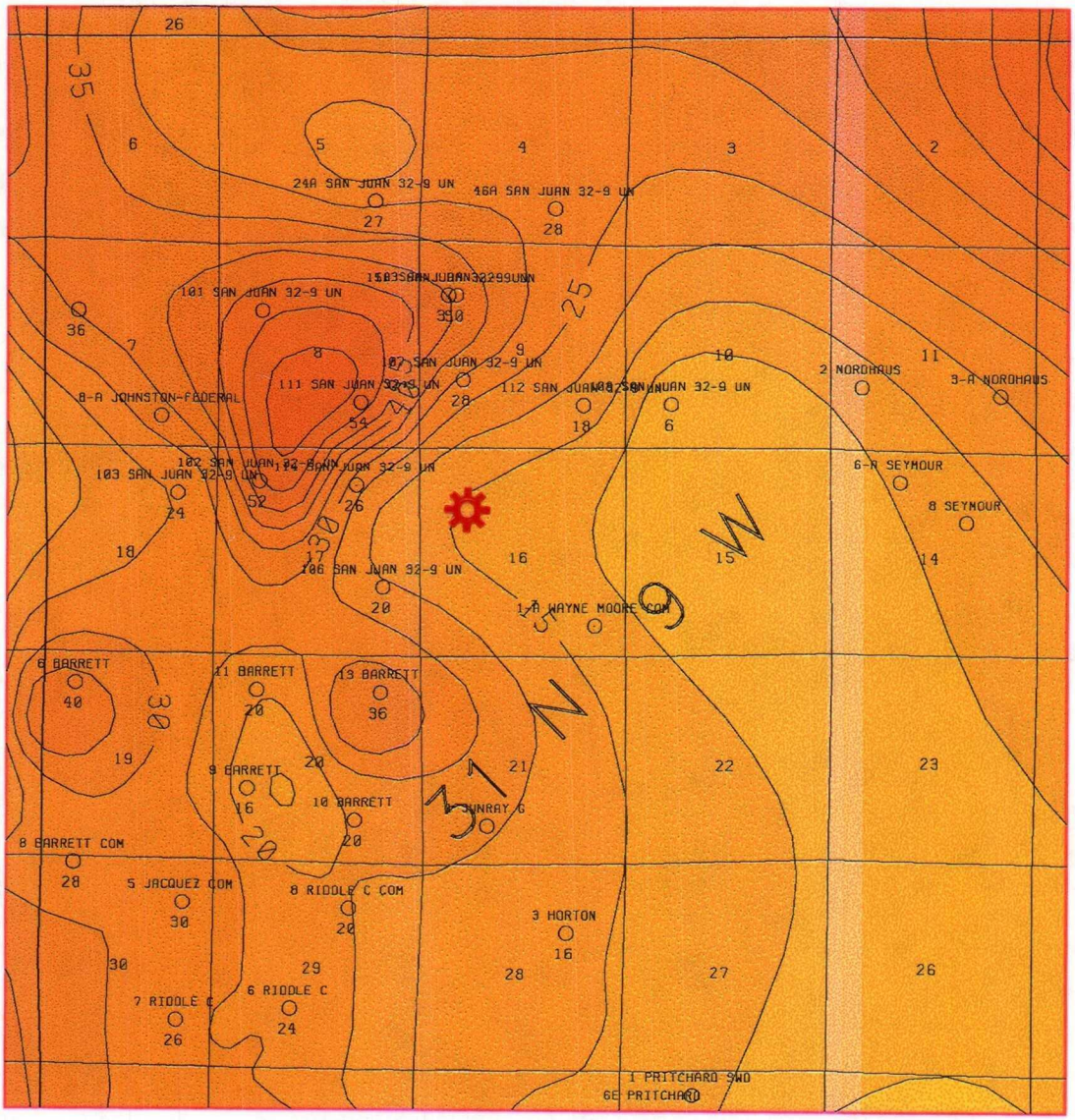
Please note also that we have made application on the Sunray G #1A (NW 21-31-9), to add the Pictured Cliffs and commingle with the existing Mesa Verde. This application is currently being reviewed by your office, and is in the same category as the Allen Com #1A.

We appreciate your reconsideration of this application. Please let me know if you require additional data.

Sincerely,

Peggy Bradfield
Regulatory/Compliance Administrator

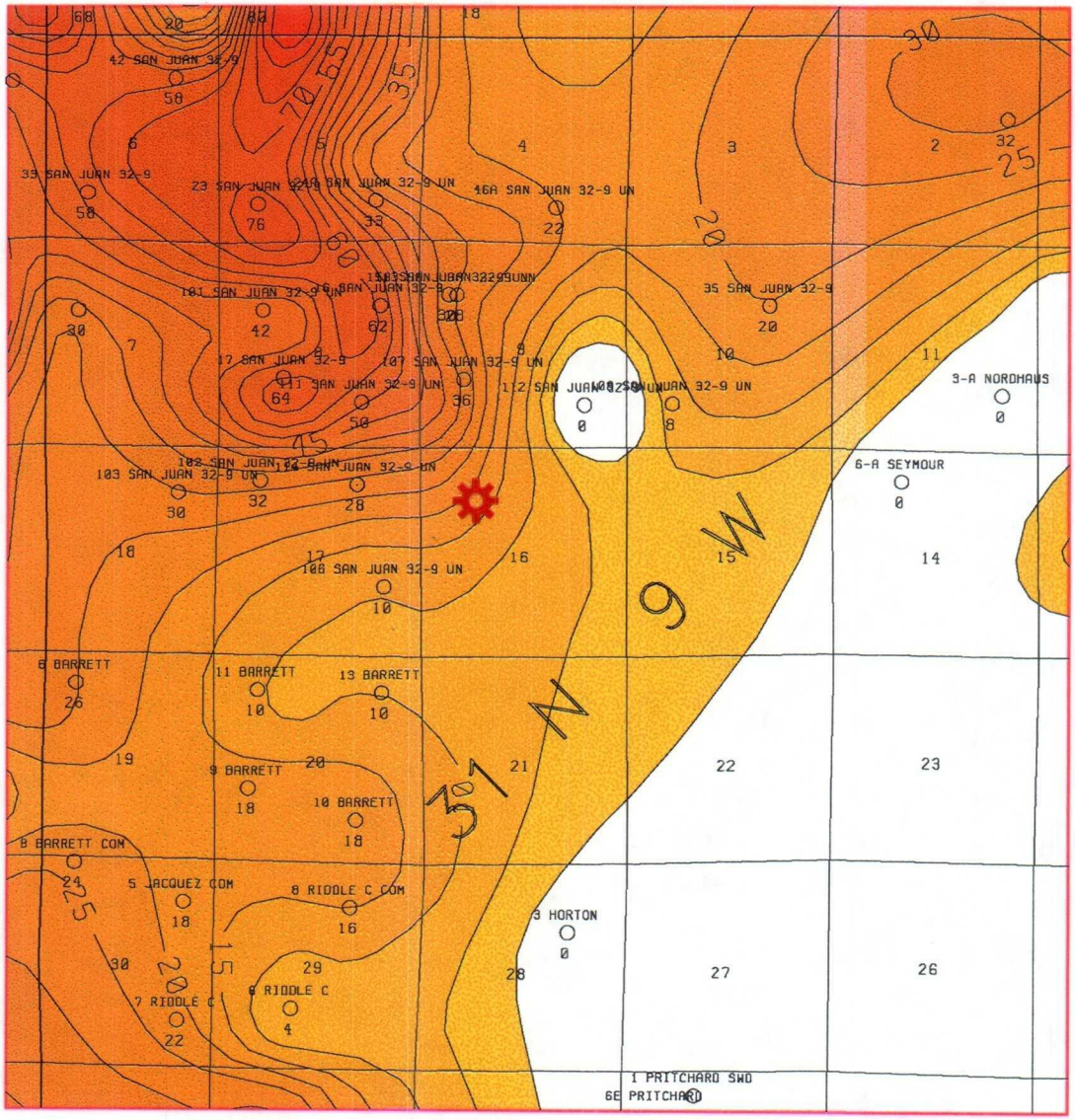
xc: NMOCD - Aztec District
Bureau of Land Management - hand delivered



BURLINGTON RESOURCES O&G
SAN JUAN DIVISION

ALLEN COM #1-A (NW 16-31N-9W)
PICTURED CLIFFS DENSITY ISOPACH
CONTOUR INTERVAL = 5 FT.
ISOPACH DENSITY POROSITY > 10 %

SCALE	DRAWN BEC	DATE 22-AUG-97
REVISIONS		



BURLINGTON RESOURCES O&G
SAN JUAN DIVISION

ALLEN COM #1-A (NW 16-31N-9W)
PICTURED CLIFFS NET PAY ISOPACH
CONTOUR INTERVAL = 5 FT.
NET PAY = RESISTIVITY > 20 OHM-M

	GEC	22-AUG-97

EXHIBIT FROM ORDER# R-10692 (SAN JUAN 32-9 UNIT)

PC ECONOMIC LIMITS

20% AFIT