

BURLINGTON

RESOURCES

August 25, 2003

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

Re: San Juan 28-5 Unit #51A
C Section 31, T-28-N, R-5-W
30-039-22232

Gentlemen:

Attached is a copy of the allocation for the subject well that was commingled 7-25-03. DHC-2052 was issued for this well. ✓

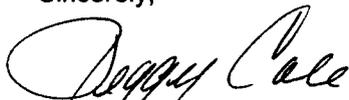
Gas:	Pictured Cliffs	9%
	Mesaverde	91%

Oil:	Pictured Cliffs	0%
	Mesaverde	100%

These percentages were calculated using rate-time reserve estimate comparisons for each respective formation. Oil allocation is based on cumulative production through July, 2003.

Please let me know if you have any questions.

Sincerely,



Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Santa Fe
Bureau of Land Management

SAN JUAN 28-5 UNIT 51A
Unit C, Sec. 31, T28N, R05W
Rio Arriba County, New Mexico

Production Allocation Based On Remaining Reserves by Formation

	Remaining Reserves		% Allocation	
	MMSCF	* Bbl Oil	% Gas	% Oil
Mesaverde	601	4.23	91%	0%
Pictured Cliffs	60	0.00	9%	0%
Total	661	4.23	100%	0%

Gas Allocation:

Mesaverde (Total Mesaverde Production) 601 MCF

(Total Combined Production) 661 MCF = **91%**

Pictured Cliffs (Total Pictured Cliffs Production) 60.27 MCF

(Total Combined Production) 660.95 MCF = **9%**

*** Oil Allocation:**

Mesaverde (Total Mesaverde Production) 4 Bbl Oil

(Total Combined Production) 4 Bbl Oil = **100%**

Pictured Cliffs (Total Pictured Cliffs Production) 0 Bbl Oil

(Total Combined Production) 4 Bbl Oil = **0%**

* Oil Allocation based on cumulative production through 07/03.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO
SF-079521A et al. (wc)
3162.7 (07100)

RECEIVED

SEP 08 2003

September 2, 2002

Peggy Cole
Burlington Resources
P.O. Box 4289
Farmington, NM 87401

**OIL CONSERVATION
DIVISION**

Re: Accept Commingle Applications and Allocation Method:

Dear Ms. Cole:

The following wells were reviewed for downhole commingling. After reviewing the production history for these wells, we concur with the allocation factors you established. The effective date is the date that downhole commingling actually occurs. The approved allocation factors are listed below.

Well Name	Location	API #	Lease # CA # / PA #	Formation Allocation	Formation Allocation
San Juan 28-5 Unit, # 67M	O sec 21, T28N, R-05-W	3003923794	FEE MV- (NM78411A) - PA DK -(NM78411B) - PA	MV gas 56% oil 92%	DK gas 44% oil 08%
San Juan 28-5 Unit, # 51A	C sec 31, T28N, R-5-W	3003922232	SF -079521A	PC gas 09% oil 00%	MV gas 91% oil 100%
Montgomery # 2E	sec 17, T30N, R-11-W	3004526601	FEE	MV gas 91% oil 100%	DK gas 09% oil 00%

If you have any questions, please contact Matt Halbert, at (505) 599-6350 or the undersigned at (505) 599-6367.

Sincerely,

Chip Haraden

/s/ Jim Lovato

Jim Lovato
Jim Lovato
Team Leader, Petroleum Management Team

cc:

NMOCD, Aztec, NM
NMOCD, Santa Fe, NM