BURLINGTON RESOURCES

SAN JUAN DIVISION

September 8, 1997

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

Re:

Sunray D #1A

1660'FNL, 1760'FWL, Section 21, T-30-N, R-10-W

30-045-24139

Gentlemen:

The above referenced well is a Pictured Cliffs/Mesa Verde commingle. Order DHC-1231 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -

86 % gas

100 % oil

Pictured Cliffs -

14 % gas

0 % oil

These percentages are based on production history.

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#1A

Allocation Calculation Blanco Mesaverde and Aztec Pictured Cliffs Commingle Method: Production History

Gas Production:

Average on line Pictured Cliffs production prior to workover: 26 mcf/d
Total on line Pictured Cliffs and Mesaverde production after the workove 189 mcf/d

Oil Production:

Average on line Pictured Cliffs production prior to workover:

O bbls/d

Total on line Pictured Cliffs and Mesaverde production after the workove

0.65 bbls/d

Gas Production Allocation:

Pictured Cliffs Gas Allocation =
$$\frac{26 \text{ mcf/d}}{189 \text{ mcf/d}}$$
 = 14%

Mesaverde Gas Allocation =
$$\frac{189 - 26}{189 \text{ mcf/d}} = \frac{86\%}{\text{mcf/d}}$$

Oil Production Allocation:

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

 0.65 bbls/d

Mesaverde Oil Allocation =
$$0.65 - 0$$
 bbls/d = 100%