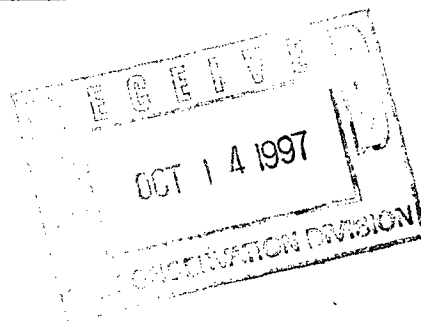


BURLINGTON RESOURCES

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

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