BURLINGTON RESOURCES

SAN JUAN DIVISION

November 7, 1998

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

Re:

San Juan 32-9 Unit #24A

935' FSL, 1120' FEL, Section 5, T-31-N, R-9-W, San Juan

30-045-29268

Gentlemen:

The above referenced well is a Mesa Verde/Pictured Cliffs commingle. Order DHC-1567 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -

91 % gas

100% oil

Pictured Cliffs -

9 % gas

0% oil

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

Please let me know if you have any questions.

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Sincerely,

Peggy Bradfield

Regulatory/Compliance Administrator

XC:

Bureau of Land Management

NMOCD - Santa Fe

San Juan 32-9 Unit #24A Unit P, Section 5, 31N - 9W San Juan County, New Mexico

Production Allocation

Commingle Date: 11/21/97

GAS

12 month average daily production before (MV only) = 419 MCF/D 4 month average daily production after (PC & MV) = 462 MCF/D Difference (Uplift from MV) = 43 MCF/D

Percent Allocation for the Mesaverde = 419 MCF/D / 462 MCF/D = 91%

Percent Allocation for the Pictured Cliffs = 43 MCF/D / 462 MCF/D = 9%

OIL

1997 Oil Production (Mesaverde) = 320 BBL 100% 1997 Oil Production (Pictured Cliffs) = 0 BBL 0%

The percent allocations for the gas are based upon the uplift in total production after the Pictured Cliffs was recompleted. To get this uplift, the average of 6 months of production before the before the work was completed, was subtracted from the average of 6 months of production after the work was completed. These two time frames were: 4/96-9/97 and 3/98-8/98.