

BURLINGTON RESOURCES

SAN JUAN DIVISION

October 1, 1997

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

Re: Atlantic #5A
950'FSL, 1800'FEL, Section 22, T-31-N, R-10-W
30-045-22428

Gentlemen:

The above referenced well is a Mesa Verde/Pictured Cliffs commingle. Order DHC-1638 was issued for the commingling. The following allocation formula is submitted for your approval:

| | | |
|-------------------|------------|-----------|
| Mesa Verde - | 66.3 % gas | 100 % oil |
| Pictured Cliffs - | 33.7 % gas | 0 % oil |

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

Please let me know if you have any questions.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: Bureau of Land Management
NMOCD - Santa Fe

**Atlantic No. 5A
Production Allocation**

For zonal allocation, 1997 January through February production volumes are utilized:

Mesa Verde Production from 1/97 through 2/97: 20,341 MCF , 63 BO

Pictured Cliffs Production from 1/97 through 2/97: 10,353 MCF, 0 BO

Total Mesa Verde and Pictured Cliffs

Production from 1/97 through 2/97: 30,694 MCF, 63 BO

Gas Allocation Calculation:

$$\text{Mesa Verde Allocation} = \frac{(\text{Mesa Verde Production})}{(\text{Total Production})}$$

$$\text{Mesa Verde Allocation} = \frac{(20,341 \text{ MCF})}{(30,694 \text{ MCF})} = 66.3\%$$

Mesa Verde Gas Allocation = 66.3%

$$\text{Pictured Cliffs Allocation} = \frac{(\text{Pictured Cliffs Production})}{(\text{Total Production})}$$

$$\text{Pictured Cliffs Allocation} = \frac{(10,353 \text{ MCF})}{(30,694 \text{ MCF})} = 33.7\%$$

Pictured Cliffs Gas Allocation = 33.7%

Oil Allocation Calculation:

$$\text{Mesa Verde Allocation} = \frac{(\text{Mesa Verde Production})}{(\text{Total Production})}$$

$$\text{Mesa Verde Allocation} = \frac{(63 \text{ BO})}{(63 \text{ BO})} = 100\%$$

Mesa Verde Oil Allocation = 100%

Pictured Cliffs Oil Allocation = 0%