BURLINGTON RESOURCES

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

Re: Sunray E #2

NWSW, Section 9, T-30-N, R-10-W

30-045-09662

San Juan County, New Mexico

Gentlemen:

The above referenced well is a Pictured Cliffs/Mesaverde commingle. Attached is a copy of the allocation for the commingling of the subject well completed on July 27, 2000. DHC-2629 was issued for this well.

Gas: Mesa Verde 80%

Pictured Cliffs 20%

Oil: Mesa Verde 100%

Pictured Cliffs 0%

The gas allocations are based on isolated flow tests from the Mesa Verde and Pictured Cliffs during completion operations. The oil allocations were calculated using rate-time reserve estimate comparisons for each respective formation. Please let me know if you have any questions.

Sincerely,

Peggy Cole

Regulatory Supervisor

Xc: NMOCD - Santa Fe

Bureau of Land Management