

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87

IN REPLY REFER TO SF - 078461 et al. (Wc) 3162.7 (07100)

October 30,2002

Peggy Cole Burlington Resources P.O. Box 4289 Farmington, NM 87401

Re:

Accept Commingle Applications and Allocation Method:

Dear Ms. Cole:

The following wells were reviewed for downhole commingling. After reviewing the production history for these wells, we concur with the allocation factors you established. The effective date is the date that downhole commingling actually occurs. The approved allocation factors are listed below.



Well Name	Location	API No.	Lease No.	Formation Allocation			Formation Allocation		Formation Allocation	
Filan # 6	G Sec 05,T27N, R-8-W	30045 20355	SF - 078461	СН	gas oil	56% 00%	MV	gas 20% oil 00%	DK	gas 24% oil 100%
Grenier B #4E	Sec 04,T29N, R-10-W	30045 29406	NM - 03561	СН	gas Oil	06% 00%	MV	gas 61% oil 00%	DK	gas 33% oil 100%
Rock Island Federal # 1	Sec 09,T29N, R-10-W	30045 08473	SF - 078197	СН	gas oil	34% 00%	MV	gas 25% oil 00%	DK	gas 41% oil 100%
Albright # 12	Sec22,T29N, R-10-W	30045 25720	SF - 077865	СН	gas oil	35% 00%	MV	gas 65% oil 00%	GP	gas 00% oil 100%

If you have any questions, please contact Matt Halbert, at (505) -599-6350 or the undersigned at (505) 599-6367.

Sincerely,

Is/ fim Lovato

Jim Lovato Team Leader, Petroleum Management Team

cc:

NMOCD, Aztec, NM NMOCD, Santa Fe, NM