

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87401

IN REPLY REFER TO 3162.7 (07100)

March 27, 2002

Ms. Peggy Cole Burlington Resources PO Box 4289 Farmington, NM 87499

RE: Accept downhole commingle applications and allocation factors

Dear Ms. Cole:

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

Well Name	Lease/CA#/PA#	Location	API#	Formation Allocation	Formation Allocation
San Juan 27-5 #60A	SF 079393 PC(NMNM078409C) MV(NMNM078409B)	sec 4, T28N, R5W	3003921858	PC gas 29% Oil 0%	MV gas 71% Oil 100%
San Juan 27-5 #100	SF 079491 MV(NMNM078409B) DK(NMNM078409A)	sec 1, T28N, R5W	3003908114	MV gas 82% Oil 43%	DK gas 18% Oil 57%
San Juan 27-5 #105	SF 079491 MV(NMNM078409B) DK(NMNM078409A)	sec 11, T27N, R5W	3003920031	MV gas 77% Oil 0%	DK gas 23% Oil 100%
San Juan 28-5 #58M	SF 079472 MV(NMNM078411A) DK(NMNM078411B)	sec 30, T28N, R5W	3003925597	MV gas 35% Oil 50%	DK gas 65% Oil 50%

If you have any questions, please contact Adrienne Garcia at (505) 599-6358 or the undersigned with this office at (505) 599-6367.

Sincerely,

/s/Jim Lovato

Jim Lovato
Team Lead, Petroleum Management Team