

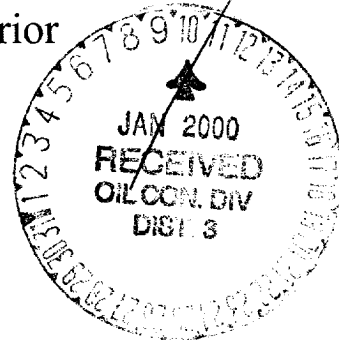


United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

JAN - 7 2000



IN REPLY REFER TO:

SF-080670
3162.3-2 (07100)

Burlington Resources Oil and Gas Company
Attn.: Peggy Cole
P.O. Box 4289
Farmington, New Mexico 87499-4289

Re: Well No. 46 SJ 27-4 Unit
Lease No. SF-080670
SESE 31-27N-4W
Rio Arriba County, NM

Dear Mrs Cole:

Reference is made to your application requesting authorization to down hole commingle gas and associated liquid hydrocarbons from the Mesaverde and Dakota formations in the above referenced well. After reviewing your application and the well completion information you supplied, we concur with using the following fixed allocation factors:

<u>Formation</u>	<u>Gas</u>	<u>Oil</u>
Mesaverde	86%	50%
Pictured Cliffs	14%	50%

Commingled production from each zone must be reported in accordance with these established allocation factors. The effective date of commingling will be the date commingling first occurs.

If you have any questions regarding the above, contact Jim Lovato at (505) 599-6367.

Sincerely,

Chip Harraden
Acting Team Leader, Petroleum Management Team

cc:

NMOCD, Santa Fe

NMOCD, Aztec