

IN REPLY REFER TO:

United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

Star - 1



SF-080673 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. 41 SJ 27-4 Unit Lease No. SF-080673 NESW 7-27N-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:

<b>Formation</b>	<u>Gas</u>	<u>Oil</u>
Mesaverde	74%	50%
Dakota	26%	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,

Chy Harradon Chip Harraden

Acting Team Leader, Petroleum Management Team

cc:

NMOCD, Santa Fe NMOCD, Aztec