



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

SEP - 9 1993

IN REPLY REFER TO:

NMSF080674  
3162.3-2 (07100)

Burlington Resources  
Attn. Peggy Cole  
P.O. Box 4289  
Farmington, New Mexico 87499

Re: San Juan 27-4 No. 138  
SWSE 16-27N-4W  
Lease No. SF-080674  
Rio Arriba Co., NM

Dear Ms. Cole:

Reference is made to your application for down hole commingling of Mesaverde and Pictured Cliffs production from the above referenced well. After reviewing the information you supplied in your application and the production history for both zones, you are hereby authorized to commingle production in accordance with the fixed allocation factors outlined below:

| <u>Formation</u> | <u>Gas</u> | <u>Oil</u> |
|------------------|------------|------------|
| Mesaverde        | 84%        | 88%        |
| Pictured Cliffs  | 16%        | 12%        |

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,

Errol Becher  
Acting Team Leader, Petroleum Management Team

cc:  
NMOCD, Santa Fe  
✓ NMOCD, Aztec

SEP 10 1993  
OIL & GAS DIV.  
BLL:3