



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
SF-078125 et al. (wc)
3162.7 (07100)

Sept 16, 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. In the case where oil allocations were not provided, it was agreed upon that the proportions established for gas would also be used for oil.

Well Name	Location	API #	Lease Number	Formation Allocation	Formation Allocation
Childers # 3 617A2	sec 01, T31N, R-11-W	3004525936	SF-078040A	MV gas 68% oil 00%	DK gas 32% oil 100%
Richardson # 11 211A2	sec 22, T31N, R-12-W	3004512178	SF-077651	MV gas 81% oil 00%	DK gas 19% oil 100%
Sunray A # 1 B 366A2	sec 15, T30N R-10-W	3004530011	SF -078125	MV gas 45% oil 00%	DK gas 55% oil 100%
San Juan 30-6 Unit # 94M 1735A2	E sec 28, T30N, R-7-W	3003926895	NM- 02151A	MV gas 49% oil 49%	DK gas 51% oil 51%
San Juan 28-5 Unit # 65N 681A2	I sec 28, T28N, R-5-W	3003926276	SF -079521A	MV gas 52% oil 52%	DK gas 48% oil 48%
San Juan 27-5 Unit # 170N 682A2	N sec 34, T27N, R-5-W	3003926270	SF -079394	MV gas 55% oil 55%	DK gas 45% oil 45%
San Juan 27-4 Unit # 43M 596A2	J sec 17, T27N, R-4-W	3003926532	SF -080669	MV gas 91% oil 91%	DK gas 09% oil 09%
San Juan 27-4 Unit # 99B 596A2	N sec 16, T27N, R-4-W	3003926376	SF -080674	MV gas 58% oil 58%	DK gas 42% oil 42%
Morris Com # 102 64A2	sec 28, T30N, R-11-W	3004529542	SF-078138	CH gas 21% oil 00%	MV gas 79% oil 100%
Fifield # 4 A 2815	sec 21, T30N, R-11-W	3004529438	SF-078138	CH gas 19% oil 00%	MV gas 81% oil 100%

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

Sincerely,

/s/ Jim Lovato

Jim Lovato
Team Leader, Petroleum Management Team

cc:

NMOCD, Aztec, NM
NMOCD, Santa Fe, NM