



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

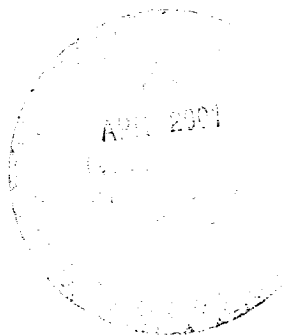
Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO
NMNM-012737
3162.7 (07100)

April 17, 2001

Mr. John Roe
Dugan Production Corp.
P.O. Box 420
Farmington, NM 87499-4020

RE: Change of Allocation Factors
El Nino #6E
Unit J, Section 11, T. 26N., R. 9 W.
30-045-29639



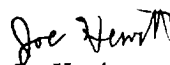
Dear Mr. Roe:

This letter is approval of your revised downhole commingling allocation factors that you documented to us in letters dated 1/3/01 and 2/23/01. After review we approve of the following allocation factors:

Blanco Mesaverde	5.5% OIL	5.5% GAS
Basin Dakota	94.5% OIL	94.5% GAS

If you have any questions, please contact Joe Hewitt with this office at (505) 599-6365.

Sincerely,


Joe Hewitt

Geologist, Petroleum Management Team

cc: NMOCD, Santa Fe, NM
NMOCD, Aztec, NM