



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:

Grenier B #3
3162.7 (07100)

January 8, 2002

Ms. Peggy Cole
Burlington Resources
PO Box 4289
Farmington, NM 87499

RE: Grenier B #3 - Accept downhole commingle application & allocation factors

Dear Ms. Cole:

The Grenier B #3 well was reviewed for downhole commingling of the Mesaverde and Dakota formations. After reviewing the production history for this well, we concur with the allocation factors established in your application. The effective date is the date that downhole commingling actually occurs. The well and the approved allocation factors are listed below.

Well Name	Lease	Location	API#	Formation Allocation	Formation Allocation
Grenier B #3	NMNM03561	sec 5, T29N, R10W	3004508695	MV gas 90% oil 23%	DK gas 10% oil 77%

If you have any questions, please contact Adrienne Garcia at (505) 599-6358 or the undersigned with this office at (505) 599-6367.

Sincerely,

Jim Lovato
Team Lead, Petroleum Management Team

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

bcc: 1 well file
DOMR
07100:AGarcia:1/8/02:x6358Burlington