

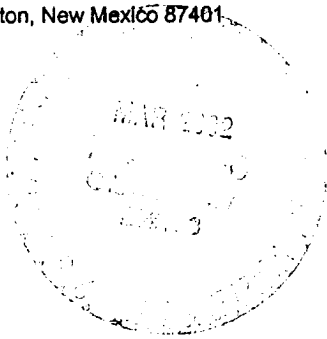


United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3162.7 (07100)



February 7, 2002

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

RE: Accept downhole commingle applications & allocation factors

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 established in your application. The effective date is the date that downhole commingling actually occurs. The wells and the approved allocation factors are listed below.

Well Name	Lease	Location	API#	Formation Allocation	Formation Allocation
Hare #22	SF-076958	sec 14, T29N, R10W	3004523190	PC gas 40% Oil 0%	MV gas 60% Oil 100%
Primo Mudge #1A	SF-078039A	sec 24, T32N, R11W	3004522459	PC gas 37% Oil 0%	MV gas 63% Oil 100%
Grenier #4A	SF-078115	sec 7, T31N, R11W	3004521795	PC gas 6% Oil 0%	MV gas 94% Oil 100%
Tommy Bolack #1	NM-02707	sec 1, T30N, R12W	3004524575	GP gas 62% Oil 39%	DK gas 38% Oil 61%
Decker #2A	SF-078147	sec 26, T32N, R12W	3004522852	PC gas 5% Oil 0%	MV gas 95% Oil 100%
Sunray E #2	SF-077730	sec 9, T30N, R10W	3004509662	PC gas 20% Oil 0%	MV gas 80% Oil 100%
Sunray B #1B	SF-078125	sec 15, T30N, R10W	3004530010	MV gas 47% Oil 0%	DK gas 53% Oil 0%
Reese Mesa #6	NM-6889	sec 10, T32N, R8W	3004523622	MV gas 86% Oil 50%	DK gas 14% Oil 50%