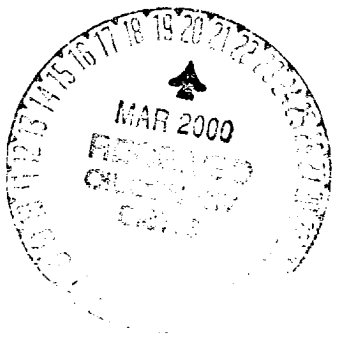
United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:
NMNM03604
3162.7 (07100)

March 16, 2000

Ms. Yolanda Perez
Conoco Inc.
P.O. Box 2197 DU 3066
Houston, TX 77252-2197



RE: Marron WN Fed Com No. 1
1010' FSL & 1490' FWL
Sec. 27, T. 27 N., R. 8 W.
San Juan County, NM

Dear Ms. Perez:

We have received your Application for Downhole Commingling of the Blanco Mesaverde and Otero Chacra formations in the above mentioned well. After review, we hereby approve your application for downhole commingling and the submitted allocation factors. The effective date is the date that downhole commingling occurs. The approved allocation factors are:

Blanco Mesaverde	**100% OIL**	**91% GAS**
Otero Chacra	**0% OIL**	**9% GAS**

If you have any questions, please contact Wayne Townsend with this office at (505) 599-6359.

Sincerely,

/s/ Errol Becher

Charlie Beecham
Acting Team Lead
Petroleum Management Team

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