



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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August 8, 2003

Burlington Resources Oil & Gas Company
P.O. Box 4289
Farmington, New Mexico 87499

Attn: Ms. Nancy Oltmanns

Re: Downhole Commingling Application
Atlantic D Com Well No. 3B
Unit Letter G, Section 16-30N-10W
Blanco Mesaverde and Basin Dakota Pools
San Juan County, New Mexico

Dear Ms. Oltmanns:

Your application to downhole commingle the Blanco Mesaverde and Basin Dakota production from within the wellbore of the above-captioned well was received on July 31, 2003.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for downhole commingling is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Our approval is subject to the condition that Burlington Resources Oil & Gas Company submit a communitization agreement for the Dakota Formation upon completion of the well.

Please submit your \$30.00 dollar filing fee.

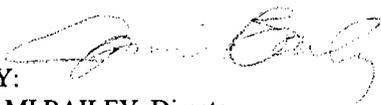
Also, please submit a copy of the Oil Conservation Division's approval order.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:


JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/cpm

Enclosure

xc: Reader File

OCD=Attention=David Catanach=>