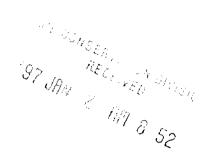


## United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington District Office 1235 La Plata Highway Farmington, New Mexico 87401

IN REPLY REFER TO: SF-079364 (WF) 3162.7-3 (07327) December 11, 1996



Mr. Brett H. Liggett Production Engineer Unocal Corporation P.O. Box 850 Bloomfield, NM 87413

RE: (No. 183 Rincon Unit 1697' FSL & 1460' FWL Section 31, T. 27 N., R. 6 W. No. 168E Rincon Unit 1845' FSL & 840' FEL Section 36, T. 27 N., R. 7 W. Rio Arriba County, New Mexico

Dear Mr. Liggett:

The Farmington District Office (FDO) of the Bureau of Land Management (BLM) has received your letter dated November 15, 1996, for downhole commingling of production from the Blanco Mesa Verde and Basin Dakota Pools in the No. 183 Rincon, and from the Blanco Mesa Verde, Largo Gallup, and Basin Dakota in the No. 168E Rincon..

Allocation is approved using the following percentages:

Well	Formation	Gas Allocation	Oil Allocation
No. 183	Mesaverde	62%	52%
No. 183	Dakota	38%	48%
No. 168E	Mesaverde	65%	44%
No. 168E	Gallup	9%	0%
No. 168E	Dakota	26%	56%

Approval for downhole commingling is hereby granted for each of the referenced Wells.

If you have further questions regarding this matter, please contact Brian W. Davis at (505) 599-6367 or (505) 599-8900.

Sincerely,

/s/Duane W. Spencer

Duane W. Spencer Team Leader, Petroleum Management

bcc: NMOCD, Santa Fe;