

United States Department of the Interior

TAKE PRIDE'

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO: SF - 079365 et al. (wc) 3162.7 (07100)

March 30, 2004

Nancy Oltmanns Burlington Resources P.O. Box 4289 Farmington, NM 87401

Re: Accept Commingle Applications and Allocation Method:

Dear Ms. Oltmanns:

The following wells were reviewed for down hole commingling. After reviewing the production history for these wells, we concur with the allocation factors you established. The effective date is the date that downhole commingling Actually occurs. The approved allocation factors are listed below.

Well Name	Location	API#	Lease Number	Formation Allocation	Formation Allocation
San Juan 28-6 Unit # 168M	I Sec 14 T27N, R-6-W	3003927029	SF - 079365	MV Gas 58% Oil 00%	DK Gas 42% Oil 100%
San Juan 28-6 Unit # 94	B Sec 36, T28N, R-6-W	3003907267	SF - 079419	MV Gas 47% Oil 54%	DK Gas 53% Oil 46%
Scott #4B	G Sec 17,T31N, R-10-W	3004530831	SF - 078604	MV Gas 86% Oil 86%	DK Gas 14% Oil 14%

If you have any questions, please contact Matt Halbert, at (505) 599-6350 or the undersigned at (505) 599-6367.

Sincerely

/s/ Jim Lovato

Jim Lovato Team Leader, Petroleum Management Team

cc:

NMOCD, Aztec, NM