

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. FEE, et al. (wc) 3162.7 (07100)

May 22, 2002

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

RE: Accept downhole commingle applications and 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	Formation Allocation
San Juan 27-5 #107	FEE MV PA DK PA	Sec 13, T27N, R5W	3003920024	NA	MV gas 65% Oil 50%	DK gas 35%
San Juan 28-6 #157	FEE MV PA DK PA	Sec 25, T27N, R6W	3003920399	NA	Oil 50% MV gas 7% Oil 0%	Oil 50% DK gas 93%
Grenier #11E	FEE CA	Sec 13, T31N, R12W	3004523646	NA	MV gas 51% Oil 0%	Oil 100% DK gas 49% Oil 100%
Dusenberry #3E	FEE CA	Sec 1, T31N, R12W	3004523644	MV gas 88%	GP gas 1%	DK gas 11%
			_	Oil 88%	Oil 1%	Oil 11%

If you have any questions, please contact Adrienne Garcia at (505) 599-6358 or the undersigned with this office at (505) 599-6367.

Sincerely,

/s/Jim Lovato

Jim Lovato Team Lead, Petroleum Management Team

NMOCD, Santa Fe, NM NMOCD, Aztec, NM