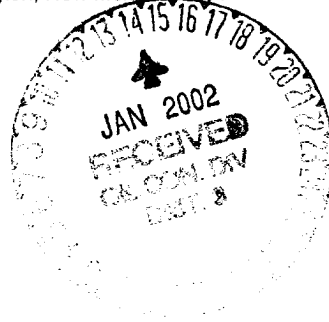




United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



IN REPLY REFER TO:
San Juan 27-5 #68A Unit I
3162.7 (07100)

January 8, 2002

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

RE: San Juan 27-5 #68A Unit I - Accept downhole commingle applications & allocation factors

Dear Ms. Cole:

The San Juan 27-5 #68A well was reviewed for downhole commingling of the Pictured Cliffs and Mesaverde formations in the San Juan 27-5 Unit I. After reviewing the production history for this well, we concur with the allocation factors established in your application. The effective date is the date that downhole commingling actually occurs. The well and the approved allocation factors are listed below.

Well Name	Lease	Location	API#	Formation Allocation	Formation Allocation
San Juan 27-5 #68A	NMSF079394	sec 33, T27N, R5W	3003922106	PC gas 14% oil 0%	MV gas 86% oil 100%

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

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

bcc: San Juan 27-5 Unit File, Pictured Cliffs (NMNM78409C), Mesaverde (NMNM78409B)
1 well file
DOMR
07100:AGarcia:1/8/02:x6358Burlington