

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: NMNM94069 3162.7 (07100)

December 04, 2000

Ms. Cathleen Colby Richardson Operating Company 1700 Lincoln Suite 1700 Denver, CO 80203

RE:

Allocation of Production

WF Federal #3-2

L, Sec.3 T. 29N., R. 14 W.

30-045-30168

Dear Ms. Colby:

We have received your letter and sundry dated July 24, 2000 requesting approval for downhole commingling of the Basin Fruitland Coal and Twin Mounds Pictured Cliffs formations in the WF Federal #3-2 well. After review, we are returning your application for downhole commingling based on the 50% allocation to each zone. Please re-submit your application with allocation factors for this well once you have completed the Pictured Cliffs and made your determination based on production tests.

If you have any questions, please contact Joe Hewitt with this office at (505) 599-6365.

Sincerely,

Joe Hewitt

In Hurt

Geologist, Petroleum Management Team

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

