

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: Williams 1M 3162.7 (07100)

January 25, 2002

Mr. J.C Ridens Cordillera Energy, Inc. 5802 Highway 64 Farmington, NM 87401

RE: Williams 1M - Accept downhole commingle applications & allocation factors

Dear Mr. Ridens:

The Williams 1M well was reviewed for downhole commingling of the Blanco Mesaverde and Basin Dakota formations. After reviewing the production history for this well, we concur with the allocation factors established for gas 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
Williams 1M	NMNM048376	sec 24, T31N, R13W	3004523024	MV gas 47.5 %	DK gas 52.5%
				oil 23.9%	oil 76.1%

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

Sincerely,

Jim Lovato
Team Leader, Petroleum Management Team

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

bcc: 1 well file DOMR

07100:AGarcia:1/25/02:x6358:Cordillera