



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
SF-079049 et al. (wc)
3162.7 (07100)

July 3, 2003

Peggy Cole
Burlington Resources
P.O. Box 4289
Farmington, NM 87401

Re: Accept Commingle Applications and Allocation Method:

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 you established. The effective date is the date that downhole commingling actually occurs. The approved allocation factors are listed below. In the case where oil allocations were not provided, it was agreed upon that the proportions established for gas would also be used for oil.

| Well Name | Location | API # | Lease Number | Formation Allocation | Formation Allocation |
|---------------------------|---------------------|------------|--------------|-----------------------|------------------------|
| San Juan 28-6 Unit # 112M | I Sec 09, T27N, R6W | 3003927024 | SF -079049 | MV gas 62% oil 62% | DK gas 38% oil 38% |
| San Juan 28-6 Unit # 209M | I Sec 15, T27N, R6W | 3003927023 | SF - 079365 | MV gas 68% oil 50% | DK gas 32% oil 50% |
| San Juan 30 -6 Unit # 33B | D Sec 08, T30N, R6W | 3003926429 | SF - 079002 | MV gas 68% oil 68% | DK gas 32% oil 32% |
| Culpepper Martin SRC # 4B | Sec 28, T32N, R12W | 3004530048 | FEE | MV gas 54% oil 00% | DK gas 46% oil 100% |

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
NMOCD, Santa Fe, NM

RECEIVED

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Oil Conservation Division

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