DHC-1504



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Farmington District Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87401

March 19, 1997

IN REPLY REFER TO: San Juan 27-5 Unit (MVPA/DKPA) 3162.7-3 (07327)

Ms. Peggy Bradfield Regulatory/Compliance Administrator Burlington Resources P.O. Box 4289 Farmington, NM 87499-4289

RE: Downhole Commingling San Juan 27-5 Unit Rio Arriba County, New Mexico

Dear Ms. Bradfield:

We have received your correspondences requesting approval for downhole commingling of the Blanco Mesaverde and Basin Dakota formations in the wells listed below. After review, we hereby approve your application for downhole commingling for the wells listed. Approval is conditional on submittal of allocation factors for each well.

| WELL | LOCATION | LEASE |
|------------|--|------------|
| (No. 117E) | 1175' FNL & 1570' FWL, Sec 22, T.27N., R.5W. | SF-079403 |
| No. 103E | 990' FSL & 790' FEL, Sec 14, T.27N., R.5W. | SF-079492B |
| No. 105 | 820' FSL & 1500' FWL, Sec 11, T.27N., R.5W. | SF-079491A |
| No. 105E | 1190' FSL & 1740' FEL, Sec 11, T.27N., R.5W. | SF-079491 |
| No. 98 | 1850' FNL & 1070' FWL, Sec 15, T.27N.,R.5W. | SF-079492C |
| No. 96 | 1750' FNL & 1480' FWL, Sec 15, T.27N., R.5W. | SF-079492A |
| No. 111M | 1490' FSL & 800' FEL, Sec 2, T.27N., R.5W. | State |
| No. 117 | 800' FNL & 800' FEL, Sec. 22, T.27N., R.5W. | Fee |

If you have further questions regarding this matter, please contact Brian W. Davis at (505) 599-6367 or 599-8900.

Sincerely,

/S/ Duane W. Spencer

Duane W. Spencer Team Leader, Petroleum Management

bcc:

NMOCD, Santa Fe; DOMR; Suspense (Brian); AIRS (8910009500, 891000950A); MV PA; DK PA; Well Files (6)

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