

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: NMSF 079391, et al. (wc) 3162.7 (07100)

April 30, 2002

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

RE:

Accept downhole commingle applications and allocation factors

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 established in your application. The effective date is the date that downhole commingling actually occurs. The wells and the approved allocation factors are listed below.

| Well Name | Lease | Location | API# | Formation Allocation | Formation Allocation |
|------------------------|-----------------------------|----------------------|------------|-------------------------|-------------------------|
| San Juan 27-5 #69M | SF 079391 MV PA DK PA | Sec 7, T27N, R5W | 3003923823 | MV gas 41% Oil 37% | DK gas 59% Oil 63% |
| San Juan 27-5 #86M | SF 079391 MV PA DK PA | Sec 9, T27N, R5W | 3003922394 | MV gas 33% Oil 41% | DK gas 67% Oil 59% |
| San Juan 27-5 #59M | SF 079393 MV PA DK PA | Sec 6, T27N, R5W | 3003922224 | MV gas 56% Oil 74% | DK gas 44% Oil 26% |
| San Juan 27-5 #105M | SF 079491 MV PA DK PA | Sec 11, T27N, R5W | 3003922435 | MV gas 63% Oil 48% | DK gas 37% Oil 52% |
| San Juan 27-5 #102M | SF 079491 MV PA DK PA | Sec 12, T27N, R5W | 3003923896 | MV gas 34% Oil 43% | DK gas 66% Oil 57% |

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: Well files (5) MV PA, DK PA

DOMR

07100:AGarcia:4/15/02:x6358:Phillips