

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: 3162.7 (07100)

March 20, 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. 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	Lease/CA#/PA#	Location	API#	Formation Allocation	Formation Allocation
San Juan 28-5 #72M	FEE MV(NMNM078411A) DK(NMNM078411B)	sec 35, T28N, R5W	3003925621	MV gas 47% Oil 39%	DK gas 53% Oil 61%
San Juan 27-5 #115M	FEE MV(NMNM078409B) DK(NMNM078409A)	sec 23, T27N, R5W	3003925824	MV gas 44% Oil 44%	DK gas 56% Oil 56%
Allison Unit #61	FEE MV(NMNM078372A)	sec 7, T32N, R6W	3004529628	MV gas 64% Oil 64%	DK gas 36% Oil 36%
San Juan 28-6 #94M	SF 079386 MV(NMNM078412A) DK(NMNM078412C)	sec 36, T28N, R6W	3003926644	MV gas 76% Oil 76%	DK gas 24% Oil 24%

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