

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 26, 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/CA#/PA#	Location	API#	Formation Allocation	Formation Allocation
San Juan 28-5 #34	FEE MV(NMNM078411A) DK(NMNM078411B)	sec 18, T28N, R5W	3003907403	MV gas 72% Oil 100%	DK gas 28% Oil 0%
San Juan 27-5 #99E	SF 079491A MV(NMNM078409B) DK(NMNM078409A)	sec 11, T27N, R5W	3003922639	MV gas 40% Oil 45%	DK gas 60% Oil 55%

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