

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87

IN REPLY REFER TO 1149IND8468 3162.7 (07100)

May 7, 2003

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

Re:

Accept Commingle Applications and Allocation Method:

Dear Ms. Cole:

The following well was reviewed for downhole commingling. After reviewing the production history for this well, 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.

// 1

Well Name	Location	API No.	Lease No.	Formation Allocation	Formation Allocation	Formation Allocation
Navajo Indian	Sec 30, T27N,	30045	1149IND	CH gas 81%	MV gas 04%	DK gas 15%
B # 5M	R-8-W	23639	8468	oil 00%	oil 17%	oil 83%

CF

If you have any questions, please contact Matt Halbert, at (505) -599-6350 or the undersigned at (505) 599-6367.

Sincerely,

Is / Jim Lovato

Jim Lovato
Team Leader, Petroleum Management Team

cc:

NMOCD, Aztec, NM NMOCD, Santa Fe, NM

