OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

June 11, 1998

Burlington Resources Oil & Gas Company P.O. Box 4289 Farmington, New Mexico 87499

Attention: Ms. Peggy Bradfield

Re: Downhole Commingling Application

Lively No. 21E

Unit D, Section 31, T-27 North, R-7 West, NMPM

Rio Arriba County, New Mexico

Dear Ms. Bradfield:

Upon review of the downhole commingling application submitted for the Lively No. 2E, it was determined that the well does not qualify for administrative approval under the terms of Rule 303.C.(1)(b)(ii) (pressure requirements). Your application is therefore being returned.

If you wish to pursue this application, you may submit it for hearing before a Division Examiner.

Sincerely,

David Catanach

Engineer

xc: OCD-Aztec

Bureau of Land Management-Farmington