

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: Lively #21E 3162.7 (07100)

December 11, 2001

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

Dear Ms. Cole:

RE:

Lively #21E - Accept downhole commingle applications & allocation factors

commingling actually occurs. The well and the approved allocation factors are listed below.

The Lively #21E well was reviewed for downhole commingling of the Chacra/Mesaverde/Dakota formations. After reviewing the production history for this well, we concur with the allocation factors established for gas and the associated hydrocarbons in your application. The effective date is the date that downhole

Well Name	Lease	Location	API#	Formation Allocation	Formation Allocation	Formation Allocation
Lively #21E	NMSF080511	sec 31, T27N, R7W	3003922670	CH gas 31%	MV gas 52%	DK gas 17%
		13,77		oil 0%	oil 10%	oil 90%

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

Sincerely

Jim Lovato

Team Leader, Petroleum Management Team

cc: NMOCD, Santa Fe, NM NMOCD, Aztec, NM

bcc: 1 well file DOMR

07100:AGarcia:12/11/01:x6358Burlington

