



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)

January 14, 2002

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

RE: Unacceptable Allocation Factors

Dear Ms. Cole:

We have received your allocation factors and your Application to Downhole Commingle the wells listed below. After review, we disagree with your submitted allocation factors because production data on file was not consistent with the allocation factors provided. In addition, since production data is available for condensate, allocation for oil must also be provided.

Unacceptable Allocation Factors

Well Name	Lease	Location	API#	Formation Allocation	Formation Allocation
San Juan 27-4 Unit #99B	SF-080674	K sec 16, T27N, R4W	30039-26376	MV gas 62% Oil 0%	DK gas 38% Oil 0%
San Juan 28-5 Unit #35	SF-080505B	M sec 19, T28N, R5W	30039-07356	MV gas 86% Oil 0%	DK gas 14% Oil 100%
Howell L #4R	SF-078385A	sec 34, T30N, R8W	30045-27576	MV gas 66% Oil 0%	PC gas 34% Oil 0%
Grenier A #8B	SF-077282	sec 35, T30N, R10W	30045-30326	MV gas 71% Oil 0%	CH gas 29% Oil 0%
Sanchez #3B	NM-06738	sec 37, T30N, R10W	30045-30406	MV gas 80% Oil 0%	CH gas 20% oil 0%

Need oil allocation

Well Name	Lease	Location	API#	Formation Allocation	Formation Allocation
San Juan 27-5 Unit #170M	SF-079394	P sec 34, T27N, R5W	30039-26295	MV gas 59% Oil 0%	DK gas 41% Oil 0%
Riddle B #5	SF-078200B	sec 23, T30N, R10W	30045-20353	DK gas 93% Oil 0%	Gallup gas 7% Oil 0%

It is required that you review and resubmit revised allocation factors. If you have any questions, please contact Adrienne Garcia at (505) 599-6358 or the undersigned with this office at (505) 599-6367.

Under the provisions of 43 CFR 3165.3, you may request an Administrative Review of any instructions, orders, or decisions issued by the Authorized Officer. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request will not result in a suspension of the instructions, orders, or decision unless the reviewing official so determines. Procedures governing appeals from the instructions, orders, or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

Sincerely,

Jim Lovato
Team Leader, Petroleum Management Team

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

bcc: 7 well files
DOMR
07100:AGarcia:1/14/02:x6358.Burlington