

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 SF - 080146 et al. (wc) 3162.7 (07100)

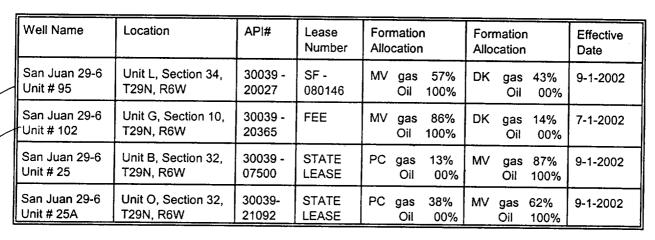
October 24, 2002

Charlie Donahue Phillips Petroleum Company 5525 HWY. 64 NBU 3004 Farmington, NM 87401

Re: Accept Commingle Applications and Allocation Method:

Dear Mr. Donahue:

We have received your allocation factors and your Application for Downhole Commingling of the wells you submitted. After review, we hereby accept your submitted allocation factors. The effective date of using the ratio method is listed below.



If you have any questions, please contact Matt Halbert, at 505-599-6350 or the undersigned at (505) 599-6357.

Sincerely,

/s/ Jim Lovato

Jim Lovato Team Leader, Petroleum Management Team

Enclosures:

cc:

NMOCD, Aztec, NM NMOCD, Santa Fe, NM

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