



United States Department of the Interior

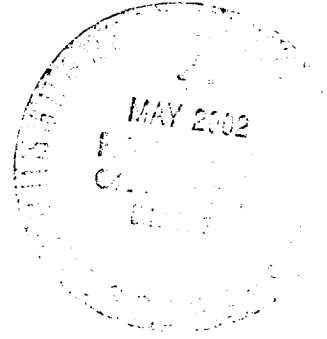
BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:
NMSF 077648, et al. (wc)
3162.7 (07100)

May 21, 2002

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



RE: Accept downhole commingle applications and allocation factors

Dear Ms. Cole:

The following wells were reviewed for downhole commingling. After reviewing the production history for these wells, we concur with the allocation factors established in your application. The effective date is the date that downhole commingling actually occurs. The wells and the approved allocation factors are listed below.

Well Name	Lease	Location	API#	Formation Allocation	Formation Allocation	Formation Allocation
Davis #8E	SF 077648	Sec 11, T31N, R12W	3004523759	NA	MV gas 52%	DK gas 48%
					Oil 0%	Oil 100%
Davis #9E	SF 077648	Sec 12, T31N, R12W	3004523982	PC gas 5%	MV gas 72%	DK gas 23%
				Oil 0%	Oil 0%	Oil 100%
Nye SRC #13	SF 078198	Sec 12, T30N, R11W	3004509757	NA	MV gas 65%	DK gas 35%
					Oil 0%	Oil 100%
Nye Federal #1M	SF 078197	Sec 8, T29N, R10W	3004530798	CH gas 15%	MV gas 55%	DK gas 30%
				Oil 15%	Oil 55%	Oil 30%

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

Sincerely,

/s/ Jim Lovato

Jim Lovato
Team Lead, Petroleum Management Team

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