

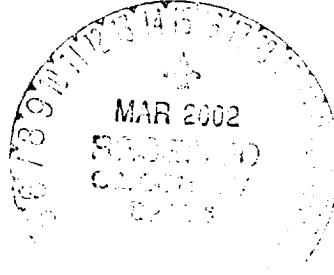


United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3162.7 (07100)



February 8, 2002

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

RE: Accept downhole commingle applications & 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
Holder A #1E	SF-081239	sec 6, T30N, R12W	3004525030	GP gas 60% Oil 58%	DK gas 40% Oil 42%
Grenier A #1A	SF-077282	sec 26, T30N, R10W	3004523076	PC gas 16% Oil 0%	MV gas 84% Oil 100%

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

bcc: well files
DOMR
07100:AGarcia:2/8/02:x6358:Burlington