



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)

March 15, 2002

Ms. Peggy Cole
Burlington Resources
Farmington, NM 87499

RE: Accept downhole commingle applications and allocation factors

Dear Ms. Cole:

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

Well Name	Lease/CA#	Location	API#	Formation Allocation	Formation Allocation
Dalsant #1B	SF 078147	Sec 24, T32N, R12W	3004530547	MV gas 50%	DK gas 50%
				Oil 50%	Oil 50%

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 file
DOMR
07100:AGarcia:3/15/02:x6358:Burlington

BURLINGTON RESOURCES

2002 MAR 12 PM 1:20

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SF 078147

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

Re: Dalsant #1B
SWNE, Section 24, T-32-N, R-12-W
30-045-30547
San Juan County, New Mexico

Gentlemen:

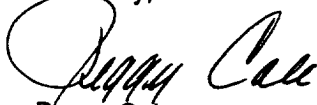
The above referenced well is a Mesaverde/Dakota commingle. Attached is a copy of the allocation for the commingling of the subject well completed on February 1, 2002. DHC-574az was issued for this well.

Gas:	Mesa Verde	50%
	Dakota	50%

Oil:	Mesa Verde	50%
	Dakota	50%

These allocations are based on isolated flow tests from the Mesa Verde and Dakota during completion operations. Oil was not present during flow test operations. For that reason, oil percentages are based upon gas allocation and are provided in the event this wellbore begins producing oil at some point in the future. Please let me know if you have any questions.

Sincerely,



Peggy Cole
Regulatory Supervisor

Xc: NMOCD - Santa Fe
Bureau of Land Management

3401 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-326-9563

FARMINGTON COPY

PRODUCTION ALLOCATION FORMULA USING WELL TEST INFORMATION

Dalsant #1B
(Mesaverde/Dakota) Commingle
Unit G, 24-T32N-R12W
San Juan County, New Mexico

Allocation Formula Method:

Separator test from Mesaverde = 863 MCFD & 0 BO

Separator test from Dakota = 865 MCFD & 0 BO

GAS:

$$\frac{(MV) 863 \text{ MCFD}}{(MV/ DK) 1728 \text{ MCFD}} = (MV) \% \text{ Mesaverde 50\%}$$

$$\frac{(DK) 865 \text{ MCFD}}{(MV/DK) 1728 \text{ MCFD}} = (DK) \% \text{ 50\%}$$

OIL:

$$\frac{(MV) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (MV) \% \text{ Mesaverde 50\%}$$

$$\frac{(DK) 0 \text{ BO}}{(MV/ DK) 0 \text{ BO}} = (DK) \% \text{ Dakota 50\%}$$