

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)

April 5, 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 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 wells and the approved allocation factors are listed below.

Well Name	Lease/CA#/PA#	Location	API#	Formation Allocation	Formation Allocation
San Juan 27-5 #40	FEE MV PA DK PA	sec 16, T27N, R5W	3003920228	MV gas 37% Oil 37%	DK gas 63% Oil 63%

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 7 NMOCD, Aztec, NM