

November 7, 2000

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

Jicarilla 152W #2
Unit B, Section 5, T 26 N, R 5 W
Rio Arriba Co., New Mexico
S Blanco Pictured Cliffs, Blanco Mesa Verde & Basin Dakota Pools
API # 30-039-06726
Administrative Order DHC-2515

Dear Mr. Chavez:

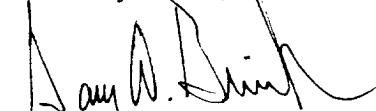
We completed the field operations to downhole commingle the subject well and recently returned it to production. In accordance to DHC-2515, the supervisor of the Aztec District Office of the NMOCD shall determine the proper production allocation based on a subtraction method recommended in the order.

Prior to downhole commingling, the Pictured Cliffs was producing 33 MCFD, the Mesa Verde was producing 124 MCFD & .5 BOPD and the Dakota was temporarily abandoned. The combined Pictured Cliffs, Mesa Verde and Dakota has stabilized at 267 MCFD & 2 BOPD with the aid of a plunger lift system. Based on the stabilized rates, it is recommended the allocation be as follows:

	Gas	Oil
Pictured Cliffs	12%	0%
Mesa Verde	46%	25%
Dakota	42%	75%

If additional information is needed, please contact me.

Sincerely Yours;



Gary W. Brink
Production Superintendent