

August 3, 2001

Mr. Frank Chavez
Oil Conservation Division
1000 Rio Brazos Rd.
Aztec. New Mexico 87410

RE: Allocation for Downhole Commingling

San Juan 28-7 #84 API#30-039-07195 G, Sec.5, T27N, R7W

Basin Fruitland Coal (71629), Blanco P.C. South (72439)

Mr. Chavez

The Fruitland Coal and Pictured Cliffs were tested in this well June 28, 2001. This well was also commingled in the Fruitland Coal, and Pictured Cliffs June 28, 2001. Conoco Inc. requests that production from this well be allocated as indicated by the test data below:

Commingled Fruitland Coal and Pictured Cliffs (flow through casing)

06/28/01 301 MCFD + 0 BOPD + 0 BWPD

Fixed Allocation (Gas) Fruitland Coal 24% Pictured Cliffs 76%

Fixed Allocation (Oil) Fruitland Coal 24%

76%

Pictured Cliffs

1 acher, DHC 2728

If you need additional information please give me a call at (281) 293-1005. Thank you for your time.

Sincorely,

Deborah Marberry

Regulatory Analyst

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