



July 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 #155E
API#30-039-26460
C, Sec.22, T27N R7W
Blanco Mesaverde 72319 Basin Dakota 71599



Mr. Chavez:

DHC 28242
Conoco Inc. requests that production from this well be allocated as indicated by the test data below: Initial flow tests as reported by the field operator indicated:

Mesaverde (2 3/8" tubing at 5502')
04/20/01 225 psi csg. press. 825 MCFD + 0 BOPD + 10 BWPD

Commingled Dakota and Mesaverde (2 3/8" tubing at 7438')
04/20/01 1000 psi csg. press. 3300 MCFD + 0 BOPD + 10 BWPD

Based on these initial inflow tests, calculated DHC allocation percentages are:

Fixed Allocation (Gas)	Dakota	75%
	Mesaverde	25%

Fixed Allocation (Oil)

Dakota
Mesaverde

~~75%~~
~~25%~~ *no! 0 = 0% oil*

No oil was produced during the flow test, so any oil production is suggested allocated using the same percentages as for the gas.

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

Sincerely,

Deborah Marberry
Deborah Marberry
Regulatory Analyst