



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

**AZTEC DISTRICT OFFICE
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AZTEC, NEW MEXICO 87410
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**GARY E. JOHNSON
GOVERNOR**

**JENNIFER A. SALISBURY
CABINET SECRETARY**

August 23, 1996

Mr Jerry Hoover
Senior Conservation Coordinator
Conoco Inc
10 Desta Dr Ste 100W
Midland TX 79705-4500

Re: San Juan 28-7 Unit #233, 30-039-21328, E-14-28N-07W

Dear Jerry:

I received your letter dated June 4, 1996, in which you detailed mid-year production projections. Your recommended allocation based on annual mid-year production projections for the existing Basin Dakota and your attribution of any production over these projections to the Blanco Mesaverde is hereby approved for the referenced well.

Yours truly,

A handwritten signature in cursive script that reads "Ernie Busch".

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/sh

cc: well file

CONOCO 1. DHC

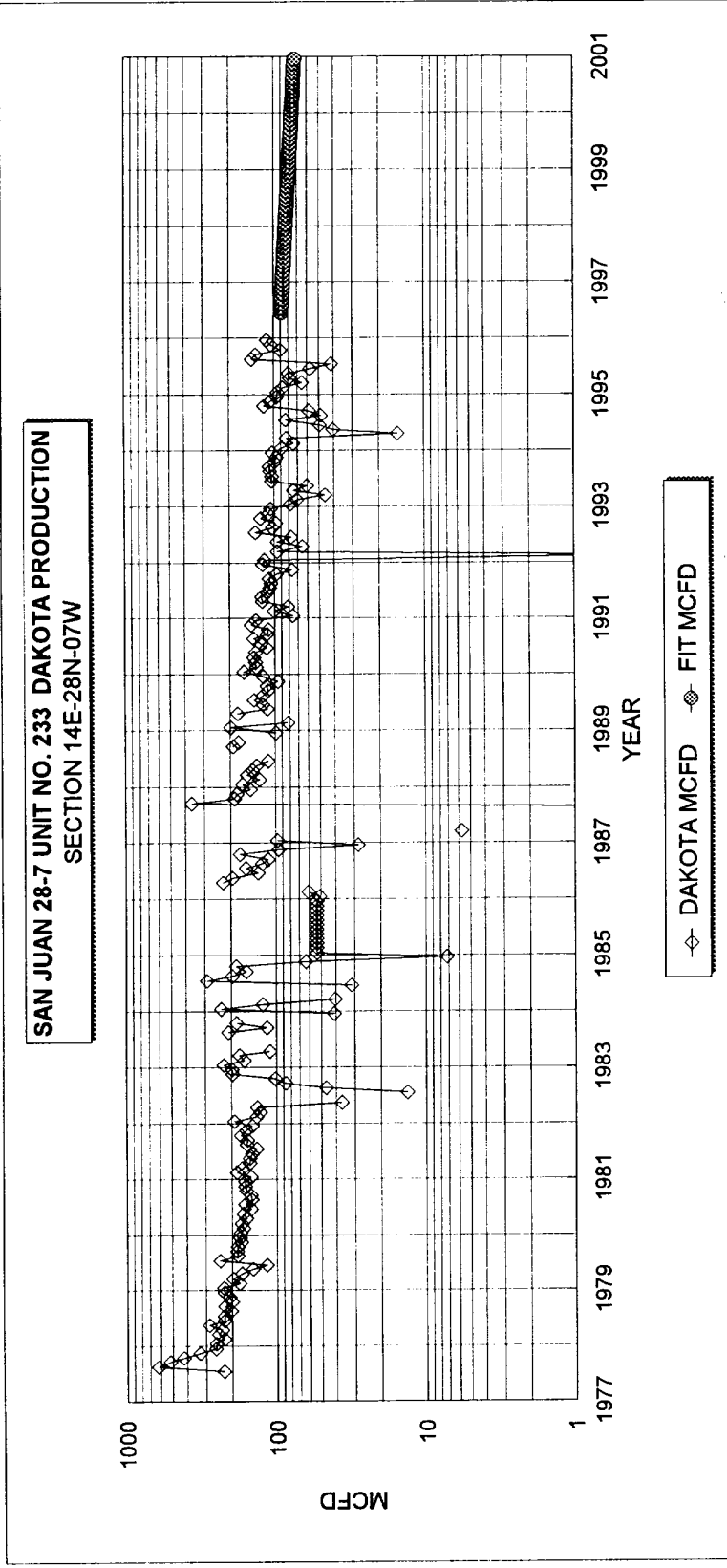
SAN JUAN 28-7 UNIT NO. 233 DAKOTA PRODUCTION

Unit E, Sec. 14, T-28N, R-7W

ANNUAL MID-YEAR DAKOTA PRODUCTION RATES TO ABANDONMENT

@ 4.5 % Annual Decline

YEAR	Mid-Year Avg. MCFGPD	Mid-Year Avg. BOPD
1996	88	0.12
1997	84	0.11
1998	80	0.11
1999	77	0.10
2000	73	0.10
2001	70	0.10
2002	67	0.09
2003	64	0.09
2004	61	0.08
2005	58	0.08
2006	56	0.08
2007	53	0.07
2008	51	0.07
2009	48	0.07
2010	46	0.06
2011	44	0.06
2012	42	0.06
2013	40	0.05
2014	38	0.05
2015	37	0.05
2016	35	0.05
2017	33	0.05
2018	32	0.04
2019	31	0.04
2020	29	0.04
2021	28	0.04
2022	27	0.04
2023	25	0.03
2024	24	0.03
2025	23	0.03



DAKOTA HISTORICAL DATA:		DAKOTA PROJECTED DATA	
OIL CUM:	1.13 MBO	6/196 Qi:	89 MCFD
GAS CUM:	835.1 MMCF	DECLINE RATE:	4.5% (EXPONENTIAL)
OIL YIELD:	0.0014 BBL/MCF		

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
1996*	88	0.12
1997	84	0.11
1998	80	0.11
1999	77	0.10
2000	73	0.10

CONTINUE DECLINE UNTIL ABANDONMENT

*1996 AVG IS FOR 2ND HALF OF YEAR

PRODUCTION FORECAST FOR SUBTARCTION METHOD COMMINGLE ALLOCATION

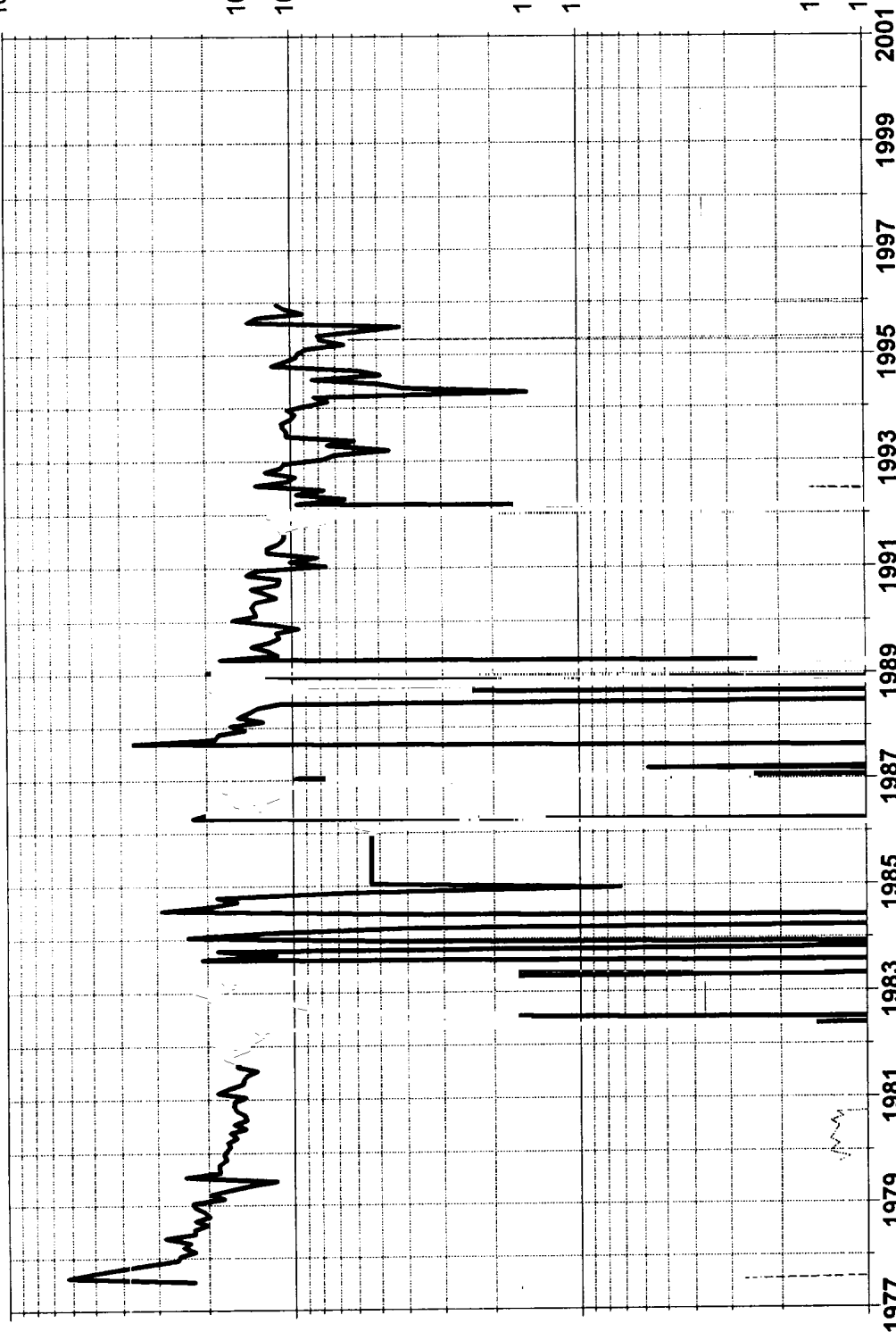
Dwights

Lease: SAN JUAN 28 7 UNIT 000233

Retrieval Code: 251,039,28N07W14E00DK

05/29/96

10³
10³
10³
10²
10²
10
10
1
1



Gas (mcf/day)

Water (bbl/day)

Oil (bbl/day)

Well Count

County: RIO ARRIBA, NM

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

Operator: CONOCO INC

F.P. Date: 07/77

Oil Cum: 1131 bbl

Gas Cum: 835.1 mmcf

Location: 14E 28N 7W