



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

AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-8178 Fax (505) 334-8170

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 #192, 30-039-21691, D-33-28N-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 attribution of any production over these projections to the Blanco Mesaverde is hereby approved for the referenced well.

Yours truly,


Ernie Busch
District Geologist/Deputy O&G Inspector

EB/sh

cc: well file

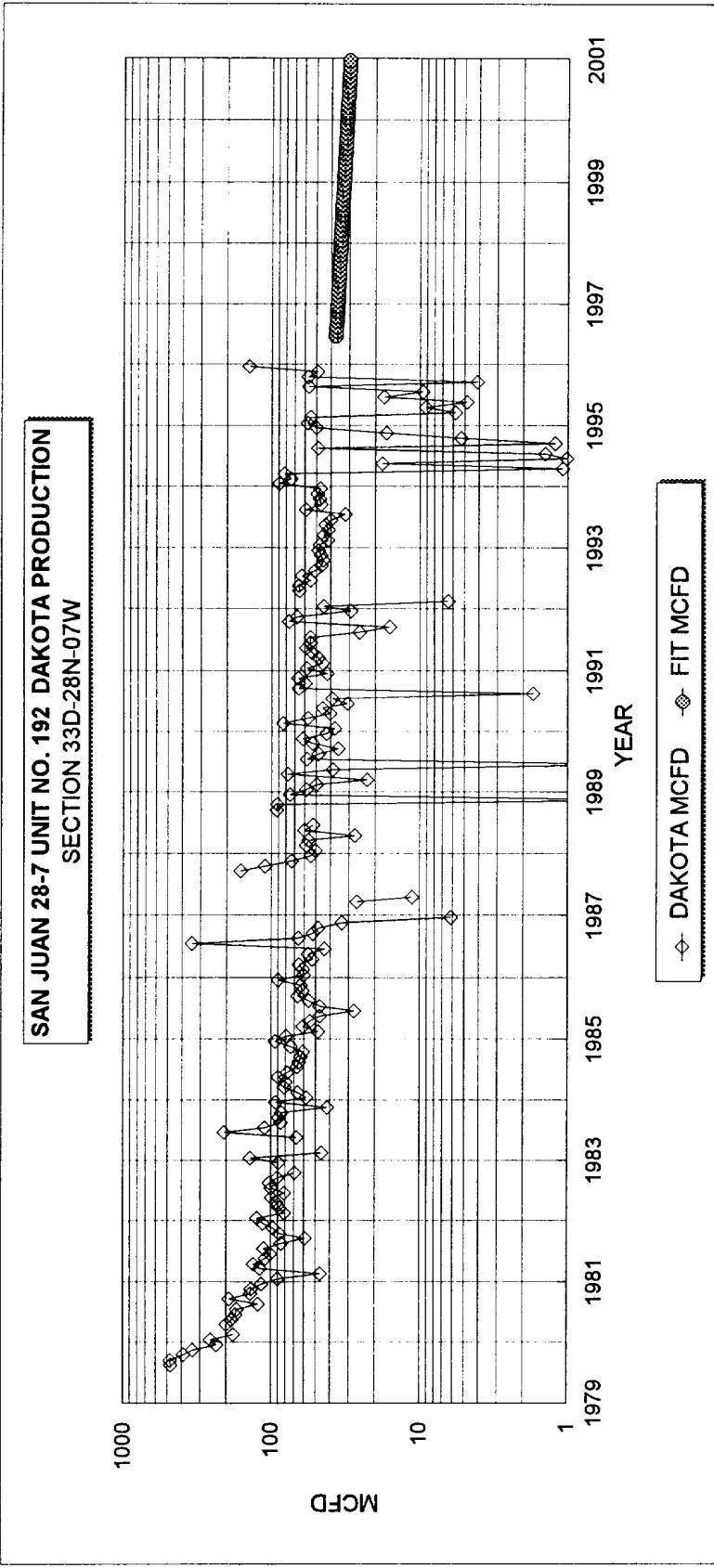
SAN JUAN 28-7 UNIT NO. 192 DAKOTA PRODUCTION

Unit D, Sec. 33, 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	37	0.32
1997	35	0.31
1998	34	0.29
1999	32	0.28
2000	31	0.27
2001	29	0.25
2002	28	0.24
2003	27	0.23
2004	26	0.22
2005	24	0.21
2006	23	0.20
2007	22	0.19
2008	21	0.18
2009	20	0.18
2010	19	0.17
2011	19	0.16
2012	18	0.15
2013	17	0.15
2014	16	0.14
2015	15	0.13
2016	15	0.13
2017	14	0.12
2018	13	0.12
2019	13	0.11
2020	12	0.11
2021	12	0.10
2022	11	0.10
2023	11	0.09
2024	10	0.09
2025	10	0.08



DAKOTA HISTORICAL DATA:	1ST PROD: 8/79
OIL CUM:	3.71 MBO
GAS CUM:	425.1 MMCF
OIL YIELD:	0.0087 BBL/MCF

DAKOTA PROJECTED DATA
6/1/96 Qi: 37 MCFD
DECLINE RATE: 4.5% (EXPONENTIAL)

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
1996*	37	0.32
1997	36	0.30
1998	33	0.29
1999	32	0.28
2000	30	0.27

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 000192

Retrieval Code: 251,039,28N07W33D00DK

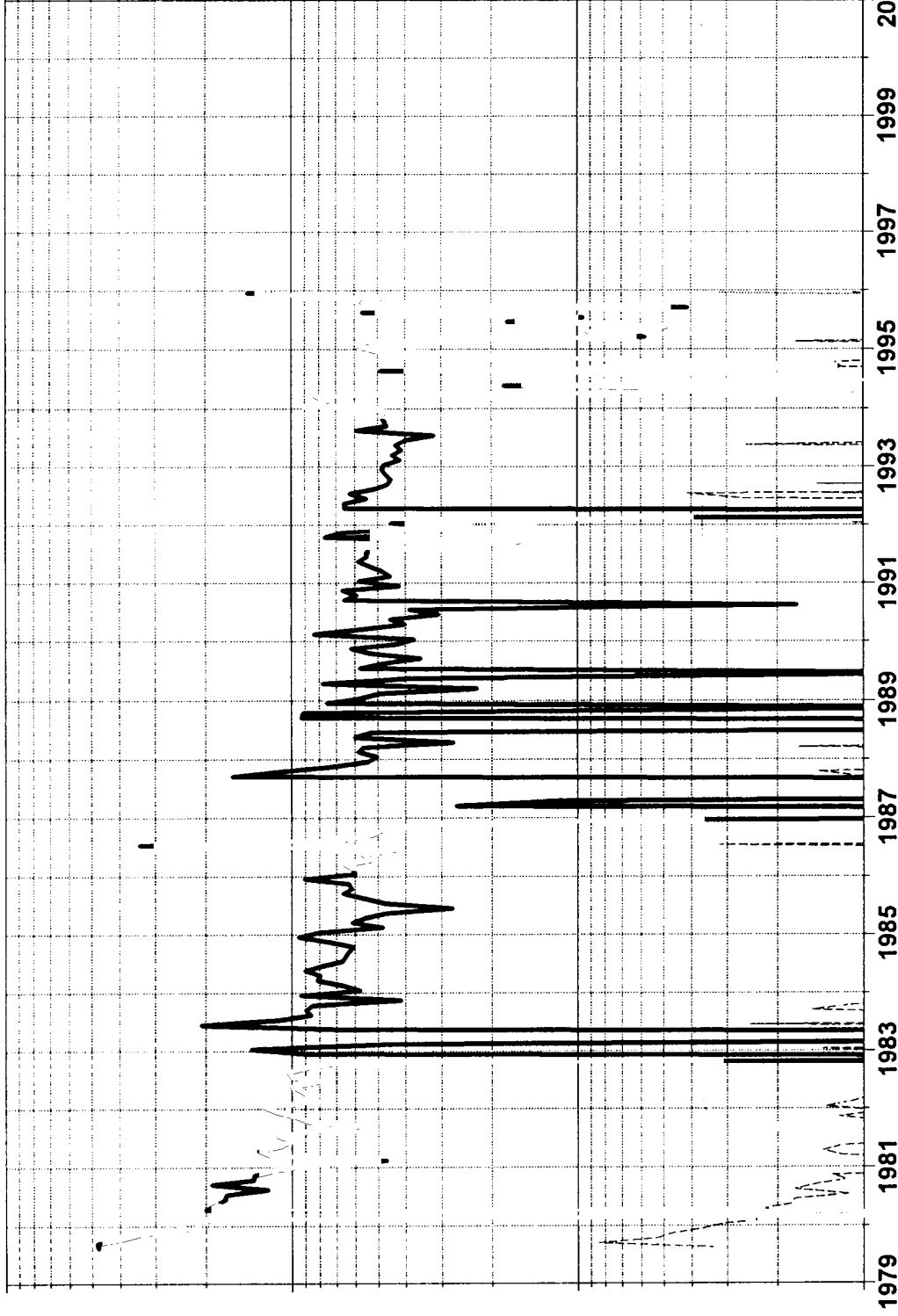
05/29/96

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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: 08/79

Oil Cum: 3708 bbl

Gas Cum: 425.1 mmcf

Location: 33D 28N 7W