

RESOURCES

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

Re: Reese Mesa #2

L Section 12, T-32-N, R-8-W

30-045-21260

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. R11363 was issued for this well.

Gas: Dateto.

Gas: Dakota 55.53%

Mesaverde 44.47%

Oil: Dakota 0% Mesaverde 0%

These allocations are based on historic production data from the Mesa Verde and Dakota. Please let me know if you have any questions.

Sincerely,

Xc:

Peggy Cole Regulatory Supervisor

> NMOCD – Santa Fe Bureau of Land Management

3401 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-326-9563

Production Allocation REESE MESA 2

Unit L Sec.12, T32N R08W San Juan County, New Mexico

Production Allocation Based On Cumulative Production From 1973 to present.

	Cumulative P	Cumulative Production		% Allocation	
	MMCF	Bbl Oil		% Gas	% Oil
Dakota	1,005.8	C		55.5%	0.0%
Mesaverde	805.6	C		44.5%	0.0%
Total	1,811.4	(i	100.0%	0.0%

Gas Allocation:	(Total Dakota Production)	1,006 MCF	55.53%	
Dakota	(Total Combined Production)	1,811 MCF		
Mesaverde	(Total Mesaverde Production)	806 MCF		
Mesaverae	(Total Combined Production)			
Oil Allocation:	(Total Dakota Production)	0 Bbl Oil		
Dakota	(Total Combined Production)	0 Bbl Oil	= 0.00%	
	(Total Mesaverde Production)	0 Bbl Oil		
Mesaverde	(Total Combined Production)	0 Bbl Oil	= 0.00%	