

November 25, 2000

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

Re: Reese Mesa #1 H Section 12, T-32-N, R-8-W 30-045-20536

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. Order DHC-2602 was issued for this well for commingling.

Gas:	-Mesa Verde Dakota	65.7% 34.3%
Oil:	Mesa Verde Dakota	0% 0%

_These_allocations_are_based_on historical production from the Mesa Verde and Dakota. Please let me know if you have any questions.

Sincerely,

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Peggy Cole Regulatory Supervisor

Xc: NMOCD – Santa Fe Bureau of Land Management

3401 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-599-4046

REESE MESA 1 Sec. 12, T32N R08W San Juan County, New Mexico

Production Allocation Based On Cumulative Production From 11/1/99 - 11/30/99

	Cumulative Production		% Allocation	
	MCF	Bbl Oil	% Gas	% Oil
Dakota	81	0	34.3%	0.0%
Mesaverde	155	0	65.7%	0.0%
Total	236	0	100.0%	0.0%

<u>Gas Allocation:</u> Dakota	(Total Dakota Production)	81 MCF = 34.32%	
	(Total Combined Production)	236 MCF	
Mesaverde	(Total Mesaverde Production)	155 MCF	65.68%
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<u>Oil Allocation:</u> Dakota	(Total Dakota Production) (Total Combined Production)	0 Bbl Oil = 0 Bbl Oil	0.00%
Mesaverde	(Total Mesaverde Production) (Total Combined Production)	0 Bbl Oil = 0 Bbl Oil	0.00%

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