

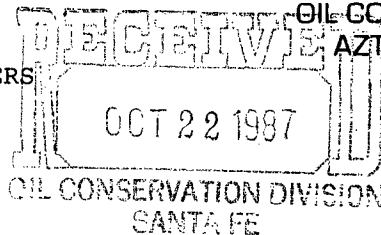


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178



October 19, 1987

Mr. Jim L. Jacobs
Dugan Production Corp.
P.O. Box 208
Farmington, NM 87499-0208

Re: Blanco Wash #2 F-2-24N-9W


Dear Jim:

Your recommended allocation of commingled production to the referenced well is hereby approved as follows:

	<u>Gas</u>
Fruitland	90%
Pictured Cliffs	10%

If you have any questions, please contact this office.

Your truly,


Ernie Busch
Geologist/Deputy Oil & Gas Inspector

EB/dj

xc: Well File
Operator File
DPC
Santa Fe