



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 20, 1998

Conoco Inc.
10 Desta Drive
Suite 100W
Midland, Texas 79705-4500

Attention: Ms. Kay Maddox

Re: Downhole Commingling Application
Jackson No. 2E

Dear Ms. Maddox:

With regards to the downhole commingling application filed for the Jackson Well No. 2E, please submit additional information as to the reason and basis the allocation percentages are proposed to be changed between the Chacra and the Dakota formations.

If you should have any questions, please contact me at (505) 827-8184.

Sincerely,

A handwritten signature in cursive script that reads "David Catanach".

David Catanach
Engineer