

February 28, 2000

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

Re: San Juan 32-9 Unit #47A E Section 4, T-31-N, R-9-W 30-045-29332

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well DHC-1275 was issued for this well.

Gas:	Mesa Verde Pictured Cliffs	78.71% 21.29%
Oil:	Mesa Verde Pictured Cliffs	100% 0%

These allocations are based on isolated flow tests from the Mesa Verde and Pictured Cliffs during completion operations. Please let me know if you have any questions.

Sincerely,

Peggy Bradfield Cole Regulatory/Compliance Administrator

Xc: NMOCD – Santa Fe Bureau of Land Management – Farmington

3535 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-599-4046

PRODUCTION ALLOCATION FORMULA

San Juan 32-9 Unit # 47A Pictured Cliffs / Mesaverde Commingle PC/MV New Drill Completed August 1996 Unit E, Sec 4, T31N-R9W San Juan County, NM

Allocation Formula Method		
Pictured Cliffs production test	264 mcf/d	0 Bbls/d
Commingled production test	1240 mcf/d	2 Bbls/d

Gas Allocation

(PC) 264 mcf/d (Commingled) 1240 mcf/d	1	21.29% PC Allocation percentage
Commingled Production (100%)	-	PC allocation percentage (21.29%)
	Ξ	78.71% PC Allocation percentage
Oil Allocation		
(PC) 0 Bbls/d (Commingled) 2 Bbls/d	Ξ	0.00% PC Allocation percentage
Commingled Production (100%)		PC allocation percentage (0%)
	-	100.00% MV Allocation percentage