

February 15, 1999

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

Re: Hare #19E 1050'FNL, 1650'FWL Section 23, T-29-N, R-10-W 30-045-23742

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. (DHC-1870 was issued for this well.

Gas:	Mesa Verde Dakota	73% 27%
Oil:	Mesa Verde Dakota	100% 0%

These allocations are based on historic production, and commingled production from the Mesa Verde and Dakota after the Menefee was added to the Mesa Verde in July 1998. Please let me know if you have questions on this matter.

Sincerely,

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Peggy Bradfield 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



CALCULATIONS FOR HARE #19E MV-DK

Commingled Blanco Mesaverde **Basin Dakota**

The Dakota and Point Lookout member of MV has been producing dual since 1980. The Dakota has a cumulative of 330 MMCF and 1,296 BO. The Mesaverde has a cumulative of 490 MMCF and 1,760 BO. The Dakota capacity before the Menefee was opened was 41 MCF/D and 0 BOPD. The Point Lookout capacity before the Menefee was opened was 30 MCF/D and trace oil. Completion date of workover to open MV and commingle with DK: 7/19/98. First delivery of commingled DK-MV on 7/21/98.

Total DK and MV rate after about 6 months on line: 150 MCF/D and 0.5 BOPD.

GAS ALLOCATION

Dakota = 41/150 = 27%

Mesaverde = (150-41)/150 = 73%

OIL ALLOCATION

Dakota = 0%

Mesaverde = 100%