

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

DHC/923

CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD

AZTEC NM 67410 (506) 334-6178 FAX: (506) 334-6170 http://emnrd.state.nm.us/ocd/District II/3distric.htm

GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary

December 18, 1998

Ms. Kay Maddox Conoco Inc. 10 Desta Drive, Suite 100W Midland, TX 79705-4500

Re: San Juan 29-7 Unit # 249M, O-30-28N-07W, API# 30-039-25802, DHC

Dear Ms Maddox:

Your recommended allocation of commingled production for the referenced well is hereby accepted as follows:

| | Gas | Oil |
|------------------|-----|-----|
| Blanco Mesaverde | 68% | 33% |
| Basin Dakota | 32% | 67% |

Yours truly,

Ernie Busch

District Geologist/Deputy O&G Inspector

EB/mk

cc: Jim Lovato-Farmington BLM

David Catanach-NMOCD Santa Fe

well file