

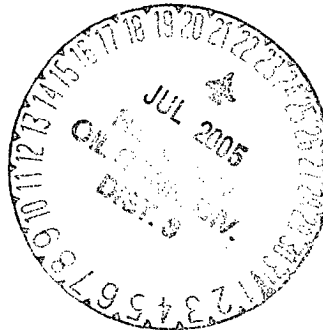
CDX RIO, LLC

2010 Afton Place
Farmington, New Mexico 87401
(505) 326-3003 – Fax (505) 325-4007

July 21, 2005

Mr. Steve Hayden
Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

RE: Jicarilla B #3E
1685' FSL, 955' FEL,
Section 15, T-26-N, R-5-W
Rio Arriba County, New Mexico
API number 30-039-22301



Dear Mr. Hayden,

The Jicarilla B #3E was recompleted in the Blanco Mesaverde on June 16, 2005 and commingled with the existing Dakota formation under DHC-1834az. Allocation factors were determined using the subtraction method. The allocation factors for the Jicarilla B #3E are as follows:

GAS

OIL

Mesaverde - 62%
Dakota - 38%

Mesaverde - 70%
Dakota - 30%

If you have questions, please contact me.

Sincerely,

Nancy Oltmanns

Nancy Oltmanns
Agent

Xc: BLM, Farmington
Oil Conservation Division, Santa Fe