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

Re:

Dalsant #1A

I Section 24, T-32-N, R-12-W

30-045-22847

Gentlemen:

216AZ

Attached is a copy of the allocation for the commingling of the subject well. R11363 was issued for this well.

Gas:

Pictured Cliffs

17%

Mesaverde

83%

Oil:

Pictured Cliffs

0%

Mesaverde

100%

These allocations are based on historic production data from the Mesa Verde and Pictured Cliffs. Please let me know if you have any questions.

Sincerely,

Tammy Wimsall

Peggy Cole
Regulatory Supervisor

Xc:

NMOCD - Santa Fe

Bureau of Land Management

Dalsant #1A Production Allocation

Gas

*Pictured Cliffs Cumulative Production: 322 MMcf 17%
*Mesaverde Cumulative Production: 1,550 MMcf 83%
Total: 1,872 100.0%

Oil

*Pictured Cliffs Cumulative Production:

0 BBIs

0%

*Mesaverde Cumulative Production:

3,877 BBIs

100%

Total: 3,877

^{*}Allocation Formula Basis: The fixed percentages are based on cumulative production from 9/78 - 10/00.