



December 26, 1997

Mr. Frank Chavez
New Mexico Oil Conservation Division - Aztec
1000 Rio Brazos Road
Aztec, NM 87410

Re: NMOCD DHC-1718
Dugan's Mona Lisa #1
API No. 30-039-25739
P-14-26N-7W
Rio Arriba County, NM

Dear Mr. Chavez:

As stipulated in the subject downhole commingling order, we are writing to advise that the Otero Chacra and South Blanco Pictured Cliffs were downhole commingled in the subject well on 10-22-97 during completion efforts. Frac load clean up and production testing began 10-23-97 and the commingled gas stream was first delivered into El Paso's pipeline on 11-26-97 and 12:10 p.m.

Please let me know if you have questions or need additional information.

Sincerely,

John D. Roe
Engineering Manager

JDR/tmf

