

August 19, 2002

Mr. Frank Chavez Oil Conservation Division 1000 Rio Brazos Rd. Aztec, New Mexico 87410

RE:

Allocation for Downhole Commingling

Jicarilla A #15B API#30-039-26912

Sec. 14, T26N, R4W Unit Letter A

Blanco Mesaverde 72319 Basin Dakota 71599





Mr. Chavez

This well was drilled in June 2002 and completed July 29, 2002. Initial flow tests as reported by the field operator indicated:

Prior to the downhole commingle of the Dakota formation, the Mesaverde interval was tested on 7/26/2002 at a rate of 858 Mcfpd, .5 Bopd, and 5 Bwpd (1/2" choke, 130# flow tubing pressure, & 220# flow casing pressure).

The combined Mesaverde & Dakota completions were tested on 8/2/2002 at a rate of 1,320 Mcfpd, 1.5 bopd, and 45 bwpd (1/2" choke, 200# flow tubing pressure, & 450# flow casing pressure). By subtraction, the amount of initial Dakota production is estimated to be 462 Mcfpd, 1 Bopd, and 40 Bwpd.

(Gas) (Oil)

Dakota 35% Dakota 67% Mesaverde 65% Mesaverde 33%

If you need additional information please give me a call at (281) 293-1005. Thank you for your time.

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Sincerely,

Regulatory Analyst