

August 19, 2002

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

RE:

Allocation for Downhole Commingling

Jicarilla A #22C API#30-039-26913

Sec. 24, T26N, R4W Unit Letter J

Blanco Mesaverde 72319 Basin Dakota 71599

Mr. Chavez

This well was drilled in May 2002 and completed July 22, 2002. Initial flow tests as reported by the field operator indicated:

07/15/2002

Blanco Mesaverde

½" choke, 1,320MCFD 1 BOPD 12 BWPD 200# tbg 450# csg

07/22/2002

Basin Dakota

½" choke, 396 MCFD 15 BOPD 100 BWPD 260# tbg 780# esg

Allocation

DK 23% gas D

Parkery

DK 94% oil

MV 77% gas

MV 6% oil

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

Sincerely,

Deborah Marberry

Regulatory Analyst