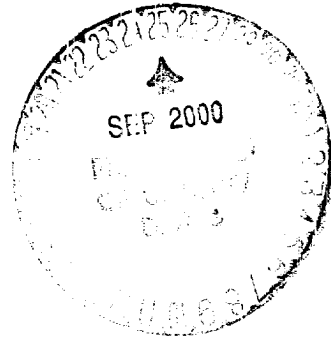


September 21, 2000

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



RE: Allocation for Downhole Commingling  
San Juan 28-7 #99M  
API#30-039-25847  
P, Sec.29, T27N, R7W  
Blanco Mesaverde 72319 Basin Dakota 71599

Mr. Chavez:

The Mesaverde was tested in this well September 7, 2000. The Dakota was tested September 9, 2000. This well was commingled in the Mesaverde and Dakota on September 14, 2000. Conoco Inc. requests that production from this well be allocated as indicated by the test date below:

|           | MCFD | BOPD | BWPD | GAS% | OIL% |
|-----------|------|------|------|------|------|
| DAKOTA    | 528  | 2    | 10   | 57   | 25   |
| MESAVERDE | 396  | 6    | 15   | 43   | 75   |
| TOTALS    | 924  | 8    | 25   | 100  | 100  |

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

Sincerely,

*Deborah Marberry*  
Deborah Marberry  
Regulatory Analyst