



July 9, 2001

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

RE: Allocation for Downhole Commingling
San Juan 28-7 #47
API#30-039-07389
A, Sec.20, T28N, R7W
Basin-Fruitland Coal (71629); Blanco Pictured Cliffs (72359); Blanco Mesaverde (72319)

Mr. Chavez

Conoco Inc. requests that production from this well be allocated as indicated by the initial flow test data below:

Fruitland Coal (production up casing)
05/03/01 95 MCFD + 0 BOPD + 0 BWPD

Pictured Cliffs (production up tubing)
05/03/01 1080 MCFD + 0 BOPD + 0 BWPD

Based on these initial inflow tests, calculated DHC allocation percentages for the FC and PC are:

Fixed Allocation (Gas)	Fruitland Coal	8% 7.2%
	Pictured Cliffs	92% 81.3%
Fixed Allocation (Oil)	Fruitland Coal	0% 11.5%
	Pictured Cliffs	0% 0%

The production forecast for the Mesaverde Formation is as follows:

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
2000	157	0.7
2001	153	0.7
2002	148	0.7
2003	144	0.6
2004	139	0.6
2005	135	0.6
2006	131	0.6
2007	127	0.6
2008	123	0.6
2009	120	0.5
2010	116	0.5
2011	113	0.5
2012	109	0.5
2013	106	0.5
2014	103	0.5

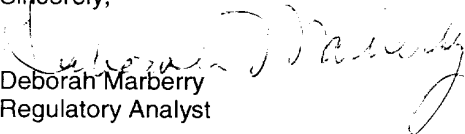
DHC 2824



2015	100	0.4
2016	97	0.4
2017	94	0.4
2018	91	0.4
2019	88	0.4
2020	86	0.4
2021	83	0.4
2022	80	0.4
2023	78	0.4
2024	76	0.3
2025	73	0.3
2026	71	0.3
2027	69	0.3
2028	67	0.3
2029	65	0.3
2030	63	0.3

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

Sincerely,


Deborah Marberry
Regulatory Analyst