New Mexico Oil Conservation Division 1000 Rio Brazos Road Aztec, New Mexico 87410

Re:

Oliver SRC #1

A Section 25, T-31-N, R-12-W

30-045-10395

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-303az was issued for this well.

Mesa Verde

78%

Dakota

22%

Mesa Verde Dakota

49%

51%

These allocations are based on historic production data from the Mesa Verde and Dakota. Please let me know if you have any questions.

Sincerely,

Regulatory Supervisor

Xc:

NMOCD - Santa Fe

Bureau of Land Management

Oliver SRC #1 Production Allocation

-	-		
•	-	-	

*Mesaverde Cumulative Production: *Dakota Cumulative Production:		1,435 MMcf 407 MMcf	78% 22%
	Total:	1,843	100.0%
		Oil	
*Mesaverde Cumulative Production: *Dakota Cumulative Production:	on: Total [:]	5,908 BBIs 6,254 BBIs 12,162	49% 51%

^{*}Allocation Formula Basis: The fixed percentages are based on cumulative production from 1/70 - 12/00.