

Texaco E & P

205 E. Bender Blvd. Hobbs NM 88240 505 393 7191

June 2, 1997

NMOCD 2040 South Pacheco Santa Fe, New Mexico 87505

Attn: Mr. Ben Stone

Subject:

M. B. Weir "B" #13Y, O-12-20S-37E, DHC in Skaggs Drinkard (63800) and Monument

Tubb (47090) Pools allocation of production.

Dear Mr. Stone:

Application had been made and permission received, Administrative Order <u>DHC-1466</u>, to Down-hole commingle the above mentioned well. In accordance with the Administrative Order, I am notifying you as to the allocation of production from each of the commingled zones.

The Skaggs Drinkard production as reported on the form C-107-A was 10 oil / 128 mcf / 5 water on 1/1/97. The test on the Monument Tubb will be 13 oil / 186 mcf / 30 water on 3/10/97, and the test after the Down-hole commingle is 18 oil / 303 mcf / 8 water on 5/28/97. The allocation factors are as follows:

Monument Tubb

72% OIL

61% GAS

CONSERVATION DIVISION

Skaggs Drinkard

28% OIL

39% GAS

The allocation factors were determined in the following manner:

% Tubb = Tubb Stabilized Production

Down-hole Commingled Production

% Drinkard = 100% - % Tubb

If you have any questions please contact Greg Maes at (505) 397-0431.

Sincerely,

Greg Maes

Engineer Assistant

Texaco Exploration and Production, Inc.

cc: Mr. Paul Cautz