

March 29, 1999

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

Re: San Juan 29-7 Unit #31A 1820'FLS, 1770'FEL, Section 32, T-29-N, R-7-W 30-039-22065

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. (DHC-1853 was issued for this well.

Gas:	Mesa Verde Dakota	49.3% 50.7%
Oil:	Mesa Verde Dakota	57.0% 43.0%

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

Sincerely,

Shankill ÚÚÍL .

Peggy Bradfield Regulatory/Compliance Administrator

Xc: NMOCD – Santa Fe Bureau of Land Management – Farmington

3535 East 30th, Post Office Box 4289, Farmington, NM 87499 505-326-9727 Fax: 505-599-4046

San Juan 29-7 Unit #31A Production Allocation

Gas

*Mesaverde Production:		255,896 Mcf	49.3%
*Dakota Production		263,342 Mcf	50.7%
	Total:	519,238	100.0%

Oil

*Mesaverde Production:		1,453 BBIs	57.0%
*Dakota Production		1,094 BBIs	43.0%
	Total:	2,547	100.0%

*Used 5 yrs production (93-97) even though the MV seemed to be liquid loaded from ~1990 to the present. The DK was either shut-in or logged off for extended periods of time during the late 1980's. Although 1985 seems to be a time when both the MV and DK were producing steadily, it was a time when the DK produced unusually more than the MV, and would lead to an erroneous production allocation.

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