November 21, 2001

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

Re:

San Juan 28-4 Unit #30M O Section 18, T-28-N, R-4-W

30-039-25945

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2027 was issued for this well.

Gas:

Mesaverde

49%

Dakota

51%

Oil:

Mesaverde

0%

Dakota

0%

These allocations are based on isolated flow tests from the Mesaverde and Dakota during completion operations. Please let me know if you have any questions.

Sincerely,

Peggy Cole

Regulatory Supervisor

Xc:

NMOCD - Santa Fe

Bureau of Land Management

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 28-4 #30M (Mesaverde/Dakota) Commingle Unit O, 31-T28N-R4W Rio Arriba County, New Mexico

Allocation Formula Method:

- 3 Hour Flow Test from Mesaverde = 912 MCFD & 0 BO
- 3 Hour Flow Test from Dakota = 962 MCFD & 0 BO

GAS:

OIL:

$$\frac{(MV) \text{ 0 BO}}{(MV/DK) \text{ 0 BO}} = (MV) \% \frac{\text{Mesaverde 0\%}}{\text{Mesaverde 0\%}}$$

$$\frac{(DK) \text{ 0 BO}}{(MV/DK) \text{ 0 BO}} = (DK) \% \underline{Dakota 0\%}$$