



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:
San Juan 29-6 #103 Unit G
3162.7 (07100)

December 3, 2001

Mr. Charlie Donahue
Phillips Petroleum Company
5525 Hwy. 64 NBU 3004
Farmington, NM 87401

RE: San Juan 29-6 #103 Unit G - Accept downhole commingle applications & allocation factors

Dear Mr. Donahue:

The San Juan 29-6 #103 well was reviewed for downhole commingling of the Mesaverde/Dakota formations in the San Juan 29-6 Unit G. After reviewing the production history for this well, we concur with the allocation factors established for gas in your application. The associated liquid hydrocarbons in the Mesaverde formation is 100% allocated to that formation, since the Dakota formation has no associated hydrocarbons. The effective date is the date that downhole commingling actually occurs. The well and the approved allocation factors are listed below.

| Well Name | Lease | Location | API# | Formation Allocation | Formation Allocation |
|--------------------|------------|-------------------|------------|------------------------|----------------------|
| San Juan 29-6 #103 | NMNM012698 | sec 11, T29N, R6W | 3003920359 | MV gas 63% Oil 100% | DK gas 37% Oil 0% |

If you have any questions, please contact the undersigned with this office at (505) 599-6367.

Sincerely,

Jim Lovato
Team Lead, Petroleum Management Team

Enclosures: 1 page

cc: NMOCD, Santa Fe, NM
NMOCD, Aztec, NM

bcc: San Juan 29-6 Unit File, Mesaverde (NMNM78416A)), Dakota (NMNM78416B)
1 well file NMNM 012698
DOMR
07100:AGarcia:12/4/01:x6358Phillips

