NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
http://emnrd.state.nm.us/ocd/District III/3distric.htm

GARY E. JOHNSON
Governor

Jennifer A. Salisbury
Cabinet Secretary

June 23, 1999

Mr. Mark Stodola
Phillips Petroleum Company
5525 HWY 64 NBU 3004
Farmington NM 87499

Re: San Juan 29-5 #55, M-18-29N-05W, API# 30-039-20458, DHC

Dear Mr. Stodola:

Your recommended allocation of commingled production for the referenced well is hereby accepted as follows:

	Gas	Oil
Mesa Verde	80%	0%
Dakota	20%	0%

Yours truly,

Ernie Busch

Ernie Busch
District Geologist/Deputy O&G Inspector

cc: Jim Lovato-Farmington BLM
David Catanach-NMOCD Santa Fe
Well file

SJ29555. DHC

ok

PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

RECEIVED
APR 22 1999
OIL CON. DIV.
DIST. 3

April 20, 1999

NM Oil & Gas Conservation Division
Attn: Ernie Busch
1000 Rio Bravos Rd.
Aztec, NM 87410

Recommended Allocation Method based on
Historical Production Values SJ 29-5 #55
Unit M, 1100' FSL & 860' FWL
API – 30-039-20458

Dear Mr. Busch:

Phillips plans on using the ratio method from March 1999 production throughout the life of the well. Based on historical production values, we believe this will be the most accurate method of allocating production. Attached is the historical data that we used to determine the ratio of 20% to be allocated to the Dakota, with 80% allocated to the Mesaverde.

If you have any questions, please call me at 505-599-3455.

Sincerely,

PHILLIPS PETROLEUM COMPANY

Mark W. Stodola

Mark W. Stodola
Reservoir Engineer

cc: BLM – Mr. Jim Lovato (Farmington)
Pat Konkel

San Juan 29-5 Mesaverde #55
Monthly Production

Month	Total Well Prod.	Allocation Order*	Dakota Allocated	Days Prod.	Days in month	Should Allocate	MV Allocation	MV Should be	MV Daily	Dakota Daily	MV %
May	3,899		3,899	31	31					126	
Jun	3,807	3,600	3,807	30	30					127	
Jul	3,955	3,570	3,955	31	31					128	
Aug	1,010	3,541	1,010	8	31					126	
Sep	5,898	3,512	-	14	30	-	5,898	5,898	421	0	100%
Oct	19,216	3,483	-	31	31	-	19,216	19,216	620	0	100%
Nov	38,918	3,454	19,480	30	30	-	19,438	38,918	1,297	0	100%
Dec	20,156	3,426	-	31	31	-	20,156	20,156	650	0	100%
Jan	19,939	3,398	-	31	31	-	19,939	19,939	643	0	100%
Feb	16,623	3,371	-	28	28	-	16,623	16,623	594	0	100%
Mar	17,540	3,343	1,509	17	31	1,797	16,031	15,743	926	106	90%
Apr	24,124	3,316	3,251	30	30	3,251	20,873	20,873	696	108	87%
May	25,106	3,290	3,225	31	31	3,226	21,881	21,880	706	104	87%
Jun	19,626	3,263	3,199	30	30	3,199	16,427	16,427	548	107	84%
Jul	22,833	3,237	3,174	31	31	3,174	19,659	19,659	634	102	86%
Aug	22,210	3,211	3,148	31	31	3,148	19,062	19,062	615	102	85.8%
Sep	19,030	3,185	3,122	30	30	3,123	15,908	15,907	530	104	83.6%
Oct	20,164	3,160	3,098	31	31	3,098	17,066	17,066	551	100	84.6%
Nov	16,760	3,135	3,073	30	30	3,074	13,687	13,686	456	102	81.7%
Dec	7,958	3,110	3,049	31	31	3,049	4,909	4,909	158	98	61.7%
Jan	17,447	3,085	3,025	31	31	3,025	14,422	14,422	465	98	82.7%
Feb	17,789	3,061	3,001	28	28	3,001	14,788	14,788	528	107	83.1%

* These volumes are not converted to 14.65 pressure base; all other volumes are

Last six months average Mesaverde allocation = **80%**

San Juan 29-5 #55 Mesaverde Production