



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
NMSF 080538, et al. (wc)

3162.7 (07100)

April 23, 2002

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

RE: Accept downhole commingle applications and allocation factors

Dear Mr. Donahue:

The following wells were reviewed for downhole commingling. After reviewing the production history for these wells, we concur with the allocation factors established in your application. The effective dates of commingling, using the ratio method, are specified for each well. The wells and the approved allocation factors are listed below.

Well Name	Lease	Location	API#	Formation Allocation	Formation Allocation	Effective Date
San Juan 30-5 #113	SF 080538 MV PA	sec 11, T30N, R5W	3003926366	MV gas 55% Oil 100%	DK gas 45% Oil 0%	May 1, 2002
San Juan 29-6 #88	SF 08596 MV PA DK PA	sec 33, T29N, R6W	3003907491	MV gas 92% Oil 100%	DK gas 8% Oil 0%	April 1, 2002
San Juan 29-6 #86	NM 03040A MV PA DK PA	sec 27, T29N, R6W	3003907516	MV gas 81% Oil 100%	DK gas 19% Oil 0%	April 1, 2002
San Juan 29-6 #106	NM 03040A MV PA	sec 31, T29N, R6W	3003921039	MV gas 90% Oil 100%	DK gas 10% Oil 0%	January 1, 2001
San Juan 29-6 #77	NM 05220 MV PA DK PA	sec 22, T29N, R6W	3003907581	MV gas 79% Oil 100%	DK gas 21% Oil 0%	April 1, 2002
San Juan 29-6 #100	NM 012670 MV PA DK PA	sec 35, T29N, R6W	3003920299	MV gas 86% Oil 100%	DK gas 14% Oil 0%	April 1, 2002

If you have any questions, please contact Adrienne Garcia at (505) 599-6358 or the undersigned with this office at (505) 599-6367.

Sincerely,

/s/ Jim Lovato

Jim Lovato
Team Lead, Petroleum Management Team