



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](http://emnrd.state.nm.us/ocd/District%20III/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 #64M, E-21-29N-05W, API# 30-039-25834, DHC

Dear Mr. Stodola:

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

	Gas	Oil
Mesa Verde	60%	0%
Dakota	40%	0%

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

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

SJ29569M-DHC



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

May 26, 1999

RECEIVED
MAY 28 1999
OIL CON. DIV.
DIST. 3

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 #64M
Unit E, 1850' FNL & 790' FWL, Sec. 21
APD # - 30-039-25834

Dear Mr. Busch:

Phillips plans on using the ratio method from April 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. The stabilized Dakota production prior to commingling was 220 mcf. The stabilized Mesaverde/Dakota commingled production was 560 mcf. Therefore, we will be allocating 60% to the Mesaverde and 40% to the Dakota.

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

Sincerely,

PHILLIPS PETROLEUM COMPANY

Mark W. Stodola

Mark W. Stodola
Reservoir Engineer