

## 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 fil/3distric.htm

GARY E. JOHNSON Governor

Jennifer A. Salisbury Cabinet Secretary

December 22, 1998

Mr. Mark W. Stodola Phillips Petroleum Company 5525 HWY 64 NBU 3004 Farmington NM 87401-3004

Re: San Juan 30-5 Unit #37, K-08-30N-05W, API # 30-039-20782, DHC

Dear Mr. Stodola:

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

	Gas	Oil
Mesaverde	85%	0%
Dakota	15%	0%

Yours truly,

Efnie Busch

District Geologist/Deputy O&G Inspector

cc: Jim Lovato-Farmington BLM

David Catanach-NMOCD Santa Fe

well file

309#31.490



December 4, 1998

NM Oil & Gas Conservation Division

Attn: Ernie Busch 1000 Rio Bravos Rd. Aztec, NM 87410

> Recommended Allocation Method based on Historical Production Values SJ 30-5 #37 Unit K. See S. T30N, P5W

Unit K, Sec 8, T30N, R5W API #30-039-20782

Dear Mr. Busch,

Phillips plans on using the ratio method from October 1998 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 15% to be allocated to the Dakota, with 85% allocated to the Mesaverde

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

Sincerely,

PHILLIPS PETROLEUM COMPANY

Mark W. Stodola Reservoir Engineer

San Juan 30-5 Mesaverde #37 Monthly Production

	Total Well	Allocation	Dakota	Days	Should be	Mesaverde	Mesaverde	Mesaverde	Dakota	MV
Month	Production	Order*	Allocated	Produced	Allocated	Allocation	Should be	Daily	Daily	%
Aug	8,019		-	31	-	8,019	8,019	259	,	######
Sept	6,929		6,929	0	6,929	-	-	-	######	0.0%
Oct	12,641	1,743	1,743	31	1,743	10,898	10,898	352	56	86.2%
Nov	24,644		13,189	6	2,638	11,455	22,006	3,668	440	89.3%
Dec	10,984	1,729	1,729	31	1,787	9,255	9,197	297	<b>5</b> 6	83.7%
Jan	19,637	1,722	1,722	31	1,779	17,915	17,858	576	56	90.9%
Feb	20,600	1,722	1,722	28	1,607	18,878	18,993	678	62	92.2%
Mar	19,639	1,707	1,707	31	1,764	17,932	17,875	577	55	91.0%
Apr	16,250	1,699	1,699	30	1,699	14,551	14,551	485	57	89.5%
May	13,321	1,693	1,693	31	1,693	11,628	11,628	375		87.3%
Jun	11,087	1,686	1,686	30	1,686	9,401	9,401	313		84.8%
Jul	11,163	1,679	1,679	31	1,679	9,484	9,484	306		85.0%
Aug	11,508	1,672	1,672	31	1,672	9,836	9,836	317		85.5%
Sep	10,154	1,665	1,665	30	1,665	8,489	8,489	283		83.6%

<sup>\*</sup> These volumes are not converted to 14.65 pressure base; all other volumes are

Last four months average Mesaverde allocation =

85%

San Juan 30-5 #37 Mesaverde Production

