

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

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 #72, M-10-30N-05W, API # 30-039-22573, DHC

Dear Mr. Stodola:

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

	Gas	Oil
Mesaverde	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

305#72. dhe



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 #72 Unit M, Sec 10, T30N, R5W API #30-039-22573

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 40% to be allocated to the Dakota, with 60% 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 #72 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	%
Oct	20,942	8,262	8,262	31	8,262	12,680	12,680	409	267	60.5%
Nov	36,463	8,253	8,253	6	1,651	28,210	34,812	5,802	275	95.5%
Dec	29,423	8,243	8,243	31	8,243	21,180	21,180	683	266	72.0%
Jan	30,148	8,233	8,233	31	8,233	21,915	21,915	707	266	72.7%
Feb	26,147	8,223	8,223	28	8,223	17,924	17,924	640	294	68.6%
Mar	27,265	8,215	8,215	31	8,215	19,050	19,050	615	265	69.9%
Apr	23,515	8,205	8,205	30	8,205	15,310	15,310	510	274	65.1%
May	24,805	8,195	8,195	31	8,195	16,610	16,610	536	264	67.0%
Jun	20,357	8,186	8,186	30	8,186	12,171	12,171	406	273	59.8%
Jul	20,984	8,177	8,177	31	8,177	12,807	12,807	413	264	61.0%
Aug	20,823	8,166	8,166	31	8,166	12,657	12,657	408	263	60.8%
Sep	18,729	8,157	8,157	30	8,157	10,572	10,572	352		56.4%

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

Last four months average Mesaverde allocation =

60%

San Juan 30-5 #72 Mesaverde Production

