



# 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-078278 et al.  
3162.7 (07100)

Patsy Clugston, Clint Hutchinson and Kenny Schramko  
Phillips Petroleum Company  
5525 Hwy. 64 NBU 3004  
Farmington, NM 87401



July 5, 2001

Dear Ms. Clugston, Mr. Hutchinson and Mr. Schramko:

Reference is made to your applications to down hole commingle production from the Pictured Cliffs-Mesaverde and the Mesaverde-Dakota formations in the wells on the attached page. We are accepting your method of production allocation that uses the subtraction for a period of time and then changes to a ratio method for the remainder of the life of the well. We also accept the production forecasts submitted with the applications. For those wells marked with an asterisk, please submit the fixed allocation factors along with a starting date after the wells have stabilized and you can make an accurate determination.

If you have any questions, please contact Joe Hewitt at (505) 599-6365.

Sincerely,

*Joe Hewitt*

Joe Hewitt  
Geologist, Petroleum Management Team

cc: NMOCD, Santa Fe, NM  
NMOCD, Aztec, NM

*Handwritten note:*  
Posted to  
ABO/MS  
7-11-1

| Well Name            | Lease      | Location                            | API#       | Formation Allocation | Formation Allocation | Starting Date |
|----------------------|------------|-------------------------------------|------------|----------------------|----------------------|---------------|
| San Juan 29-6 #33    | SF-078278  | <sup>B</sup><br>H sec 13, T29N, R6W | 3003907636 | MV 50% ✓             | DK 50%               | 12-2000       |
| San Juan 29-6 #106   | NM-03040A  | M sec 31, T29N, R6W                 | 3003921039 | MV 91% ✓             | DK 09%               | 1-2001        |
| San Juan 30-5 #20A   | FEE        | P sec 28, T30N, R5W                 | 3003926040 | MV 77% ✓             | DK 23%               | 1-2001        |
| San Juan 30-5 #22A   | FEE        | P sec 17, T30N, R5W                 | 3003925497 | MV 41% ✓             | DK 59%               | 2-2000        |
| San Juan 30-5 #37    | SF-078997  | K sec 8, T30N, R5W                  | 3003920782 | MV 85% ✓             | DK 15%               | 10-1998       |
| San Juan 30-5 #47M   | SF-078994  | F sec 17, T30N, R5W                 | 3003925678 | MV 51% ✓             | DK 49%               | 11-1998       |
| San Juan 30-5 #49    | SF-078997  | M sec 9, T30N, R5W                  | 3003921830 | MV 77% ✓             | DK 23%               | 10-1998       |
| *San Juan 30-5 #52M  | SF-078997  | I sec 15, T30N, R5W                 | 3003925677 | MV ✓                 | DK subtraction       | method        |
| San Juan 30-5 #53E   | STATE      | I sec 16, T30N, R5W                 | 3003925155 | MV 28% ✓             | DK 72%               | 9-1998        |
| San Juan 30-5 #70    | SF-078997  | A sec 9, T30N, R5W                  | 3003922462 | MV 87% ✓             | DK 13%               | 06-1999       |
| San Juan 30-5 #70E   | SF-078997  | O sec 9, T30N, R5W                  | 3003926028 | MV 59% ✓             | DK 41%               | 01-2001       |
| San Juan 30-5 #71M   | SF-078739  | D sec 22, T30N, R5W                 | 3003926029 | MV 20% ✓             | DK 80%               | 01-2001       |
| San Juan 30-5 #72    | SF-078997  | M sec 10, T30N, R5W                 | 3003922573 | MV 60% ✓             | DK 40%               | 10-1998       |
| San Juan 30-5 #72E   | SF-078997  | O sec 10, T30N, R5W                 | 3003925676 | MV 72% ✓             | DK 28%               | 06-1999       |
| San Juan 30-5 #73    | SF-078997  | B sec 10, T30N, R5W                 | 3003922572 | MV 88% ✓             | DK 12%               | 06-1999       |
| San Juan 30-5 #75M   | FEE        | E sec 21, T30N, R5W                 | 3003925659 | MV 39% ✓             | DK 61%               | 10-1998       |
| San Juan 30-5 #76M   | SF-078997  | F sec 15, T30N, R5W                 | 3003925511 | MV 39% ✓             | DK 61%               | 02-1999       |
| *San Juan 30-5 #83M  | SF-078738  | C sec 23, T30N, R5W                 | 3003926162 | MV —                 | DK subtraction       | method        |
| San Juan 30-5 #90    | SF-078739  | H sec 22, T30N, R5W                 | 3003923173 | MV 86% ✓             | DK 14%               | 10-1998       |
| San Juan 30-5 #109A  | SF-080538  | E sec 14, T30N, R5W                 | 3003925706 | MV 57% ✓             | DK 43%               | 10-1998       |
| *San Juan 30-5 #110M | STATE      | E sec 16, T30N, R5W                 | 3003925658 | MV                   | DK subtraction       | method        |
| *San Juan 30-5 #112  | SF-080537  | O sec 12, T30N, R5W                 | 3003926159 | MV                   | DK subtraction       | method        |
| Gobernador #6        | NM-0558140 | H sec 15, T29N, R5W                 | 3003922471 | PC 29%               | MV 71%               | 12-1999       |
| *San Juan 32-7 #10   | STATE      | N sec 32, T32N, R7W                 | 3004511106 | PC                   | MV subtraction       | method        |
| *San Juan 32-8 #45A  | SF-079353  | F sec 14, T32N, R8W                 | 3004530301 | PC                   | MV subtraction       | method        |
| *San Juan 32-8 #46A  | SF-079380  | J sec 14, T32N, R8W                 | 3004530300 | PC                   | MV subtraction       | method        |