



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
[http://nemrds.state.nm.us/ocd/District III/district.htm](http://nemrds.state.nm.us/ocd/District%20III/district.htm)

GARY E. JOHNSON
GOVERNOR

Jennifer A. Salisbury
CABINET SECRETARY

January 6, 1998

Mr Mark W Stodola
Phillips Petroleum Co
5525 Hwy 64 NBU 3004
Farmington NM 87401

Re: San Juan 30-5 Unit #110M, API# 30-039-25658, E-16-30N-05W, DHC

Dear Mr. Stodola:

Your recommended allocation of commingled production using the subtraction method for the referenced well is hereby accepted through the month of June 1998. Beginning in July you will submit a recommended allocation formula based on historical production values.

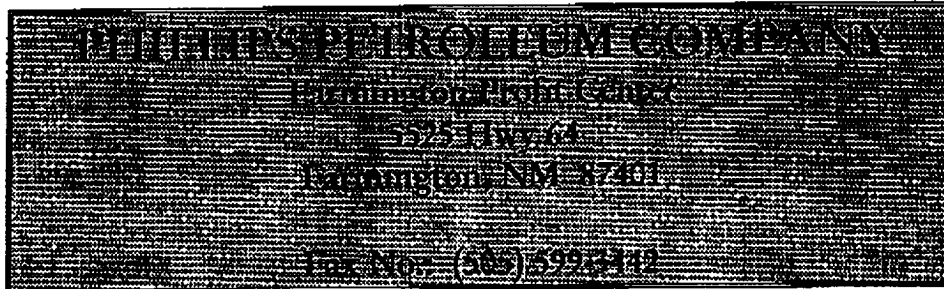
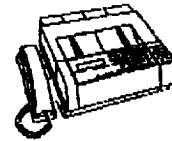
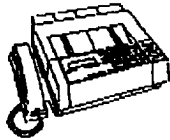
If you have any questions, please contact me.

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/sh

cc: well file



Total Pages (Including Cover Sheet) 2

Date: 12/17/97

To: Ernie Busch

From: Patsy

Company: OCO

Phone: 599-3454

Fax No.: 334-6170

Message:

Hi!

Please review this letter on
changing allocation method for 6 mos.
& see if anything else is needed
from us. Call me please.

Thanks
Patsy

Control Number: 015917

POINT OF DISPOSITION AND WELL COMPLETION INFORMATION

OGRID: 014538 Operator Name: MERIDIAN OIL INC
801 CHERRY ST

FORT WORTH TX 76102

C-115 Filer Contact Name: Phone: () FAX: ()

POD: 1575510 Product Type: OIL Facility Type: 03 Location: I 35 28N 06W County RIO ARriba

OGRID Name

OGRID Name

Authorized Transporter(s): 014546 MERIDIAN OIL INC.

Description of POD (40 characters or less):

POD: 1575530 Product Type: GAS Facility Type: 01 Location: I 35 28N 06W County RIO ARriba

OGRID Name

OGRID Name

Authorized Transporter(s): 016191 NORTHWEST PIPELINE CORP.

Description of POD (40 characters or less):

POD: 1575550 Product Type: WATER Facility Type: 05 Location: I 35 28N 06W County RIO ARriba

Description of POD (40 characters or less):

WELL COMPLETIONS

Code Pool Name

Code Producing Property Name

API Well No. Location Well

72439 BLANCO P. C. SOUTH (PRORATED GAS) 007462 SAN JUAN 28 6 UNIT

30-039-20608 I 35 28N 06W 172

305110M. Jhc

WPA 6.1



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NEU 3004

December 17, 1997

NM Oil & Gas Conservation Division
1000 Rio Brazos Rd.
Aztec, NM 8741030-039-25658
E-16-30N-05WDownhole Commingling Allocation Method
on the 30-5 Unit #110M

Dear Sirs:

Phillips proposes to utilize the subtraction method through June 1998, and then convert to the ratio method after June 1998. We believe this will be a more accurate method of allocating production considering that the production will not be stabilized on the Mesaverde for several months.

Dakota Production Forecast

Dec. 1997	6879 mcf
Jan. 1998	6814 mcf
Feb. 1998	6097 mcf
March 1998	6687 mcf
April 1998	6410 mcf
May 1998	6561 mcf
June 1998	6290 mcf

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DEC 17 1997
OIL CON. DIV.
DIST. 3

For example, if the total June 1998 were to be 12,290 mcf, then the Dakota would be allocated 6290 mcf and the Mesaverde 6000 mcf. And subsequently, the Dakota would be allocated $(6290/12,290)$ or 51.18%, and the Mesaverde would be allocated $(6000/12,290)$ or 48.82%.

Sincerely,

PHILLIPS PETROLEUM COMPANY

Mark W. Stodola

Mark W. Stodola
Reservoir Engineer

by [Signature]

Control Number: 015916

POINT OF DISPOSITION AND WELL COMPLETION INFORMATION

OGRID: 014538 Operator Name: MERIDIAN OIL INC
801 CHERRY ST

FORT WORTH TX 76102

C-115 Filer Contact Name: Phone: () FAX: ()

POD: 1575410 Product Type: OIL Facility Type: 03 Location: C 35 28N 06W County RIO ARriba

OGRID Name

OGRID Name

Authorized Transporter(s): 014546 MERIDIAN OIL INC.

Description of POD (40 characters or less):

POD: 1575430 Product Type: GAS Facility Type: 01 Location: C 35 28N 06W County RIO ARriba

OGRID Name

OGRID Name

Authorized Transporter(s): 016191 NORTHWEST PIPELINE CORP.

Description of POD (40 characters or less):

POD: 1575450 Product Type: WATER Facility Type: 05 Location: C 35 28N 06W County RIO ARriba

Description of POD (40 characters or less):

WELL COMPLETIONS

Code Pool Name

Code Producing Property Name

API Well No. Location Well

72439 BLANCO P. C. SOUTH (PRORATED GAS) 007462 SAN JUAN 28 6 UNIT

30-039-20601 C 35 28N 06W 173