



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:

NMNM078419A(MV)
NMNM078419B(DK)
3162.3-2 (07400)

OCT - 7 1998

RECEIVED
OCT - 8 1998
OIL CON. DIV.
DIST. 3

Phillips Petroleum Company
Attn.: Mark Stodola
5525 Hwy., 64 NBU 3004
Farmington NM 874010

Re: Well No. T10M SJ 30-5 Unit
SWNW 16-30N-5W
San Juan County NM
State of New Mexico Lease

Dear Mr. Stodola:

Reference is made to your application for downhole commingling of gas and associated liquid hydrocarbons from the Mesaverde and Dakota Formations in the above referenced well. After reviewing the production histories for this well and wells in the vicinity, we concur with the fixed allocation factors established in your application. Authorization is hereby given to allocate production in accordance with the factors outlined below:

<u>Formation</u>	<u>Gas</u>	<u>Condensate</u>
Mesaverde	56%	56.0%
Dakota	44%	44%

Commingled production from each zone must be reported in accordance with the allocation factors identified above. The effective date will be the date downhole commingling actually occurs.

If you have any questions regarding the above, contact Jim Lovato at (505) 599-6367.

Sincerely,

/S/ Duane W. Spencer

Duane Spencer
Team Leader, Petroleum Management Team

cc:
NMOCD, Santa Fe
NMOCD, Aztec