



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/1113/district.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

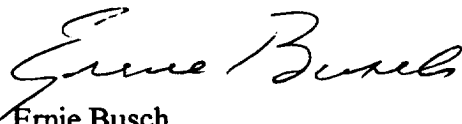
Re: San Juan 30-5 Unit #52M, I-15-30N-05W , API # 30-039-25677, DHC

Dear Mr. Stodola:

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

	Gas	Oil
Mesaverde	30%	0%
Dakota	70%	0%

Yours truly,


Ernie Busch
District Geologist/Deputy O&G Inspector

cc: Jim Lovato-Farmington BLM
David Catanach-NMOCD Santa Fe
well file

305 #52m-dhc

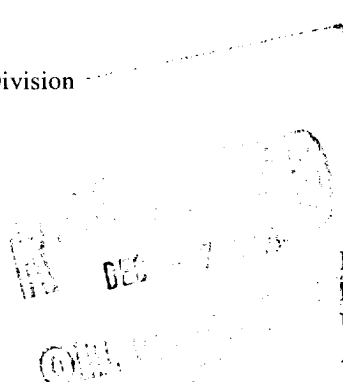


PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

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 #52M
Unit I, Sec 15, T30N, R5W
API #30-039-25677

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 70% to be allocated to the Dakota, with 30% allocated to the Mesaverde

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

Sincerely,

PHILLIPS PETROLEUM COMPANY

Mark W. Stodola

Mark W. Stodola
Reservoir Engineer

San Juan 30-5 Mesaverde #52M
Monthly Production

Month	Total Well Production	Allocation Order*	Dakota Allocated	Days Produced	Should be Allocated	Mesaverde Allocation	Mesaverde Should be	Mesaverde Daily	Dakota Daily	MV %
Sep			3,078	30					103	
Oct			5,239	11					476	
Nov			15,356	30					512	
Dec			10,534	31					340	
Jan			8,832	31					285	
Feb			7,043	28					252	
Mar			1,236	5					247	
Apr	2,583	8,766	2,316	8	2,000	267	583	73	250	22.6%
May	13,421	8,979	9,011	31	7,600	4,410	5,821	188	245	43.4%
Jun	9,707	8,613	8,565	18	4,300	1,142	5,407	300	239	55.7%
Jul	10,303	8,823	8,858	31	7,300	1,445	3,003	97	235	29.1%
Aug	8,061	8,746	6,932	24	5,500	1,129	2,561	107	229	31.8%
Sep	8,222	8,390	8,042	29	6,500	180		-	224	0.0%

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

Last six months average Mesaverde allocation = 30%

San Juan 30-5 #52M Mesaverde Production

