

August 25, 1997

Re: 31-6 #1 CPD
Off-Lease Measurement of Gas

State of New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division 2040 S. Pacheco Santa Fe, NM 87505

Attn: David Catanach

AUG 2 7 1997

OIL CON. DIV. DIST. 3

Phillips Petroleum Company respectfully requests New Mexico Oil Conservation approval for off-lease measurement/commingling of gas through the subject central point of delivery (CPD) located in Rio Arriba County, New Mexico. The original application was approved by the BLM on April 4, 1995 and the allocation method was approved by the OCD on April, 10 1995. A copy of the following documents are attached for your reference:

- 1) Original application for the 31-6 #1 CPD dated February 23,1995 and approved by the BLM on April 4, 1995.
- 2) Approval of the allocation method for the 31-6 #1 CPD by Frank Chavez of the OCD dated April 10, 1995.
- 3) Request to add the San Juan 31-6 #205R to the application dated August 21, 1997.

As we discussed by phone last week, Phillips has several cases where off-lease measurement/commingling approval was obtained from the BLM without approval from the OCD in Santa Fe. This was unintentional. We did obtain approval for the allocation method on these cases from the OCD office in Aztec. It was not known at that time that additional approval was needed from the OCD in Santa Fe. I will be forwarding for approval these additional applications in the coming weeks.

If you have any questions concerning this, please call me at (505) 599-3450.

Sincerely,

Phillips Petroleum Company

Doyle Pruden

Accounting Specialist

cc: Frank Chavez-OCD Aztec, NM Sherry Richard