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 III/3district.htm

GARY E. JOHNSON
Governor

Jennifer A. Salisbury
Cabinet Secretary

March 5, 1999

Mr. Mark Stodola
Phillips Petroleum Company
5525 Hwy 64 NBU 3004
Farmington NM 87401

Re: San Juan 30 5 Unit #109A, API# 30-039-25706, E-14-30N-05W, DHC

Dear Mr. Stodola:

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

	Gas
Mesaverde	57%
Dakota	43%

Yours truly,

Ernie Busch

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/mk

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

305#109a.dhc

PHILLIPS PETROLEUM COMPANY
FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

December 18, 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 #109A
Unit E, Section 14, T30N, R5W
API – 30-039-25706

Dear Mr. Busch:

Phillips plans on using the ratio method from November 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 43% to be allocated to the Dakota, with 57% 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

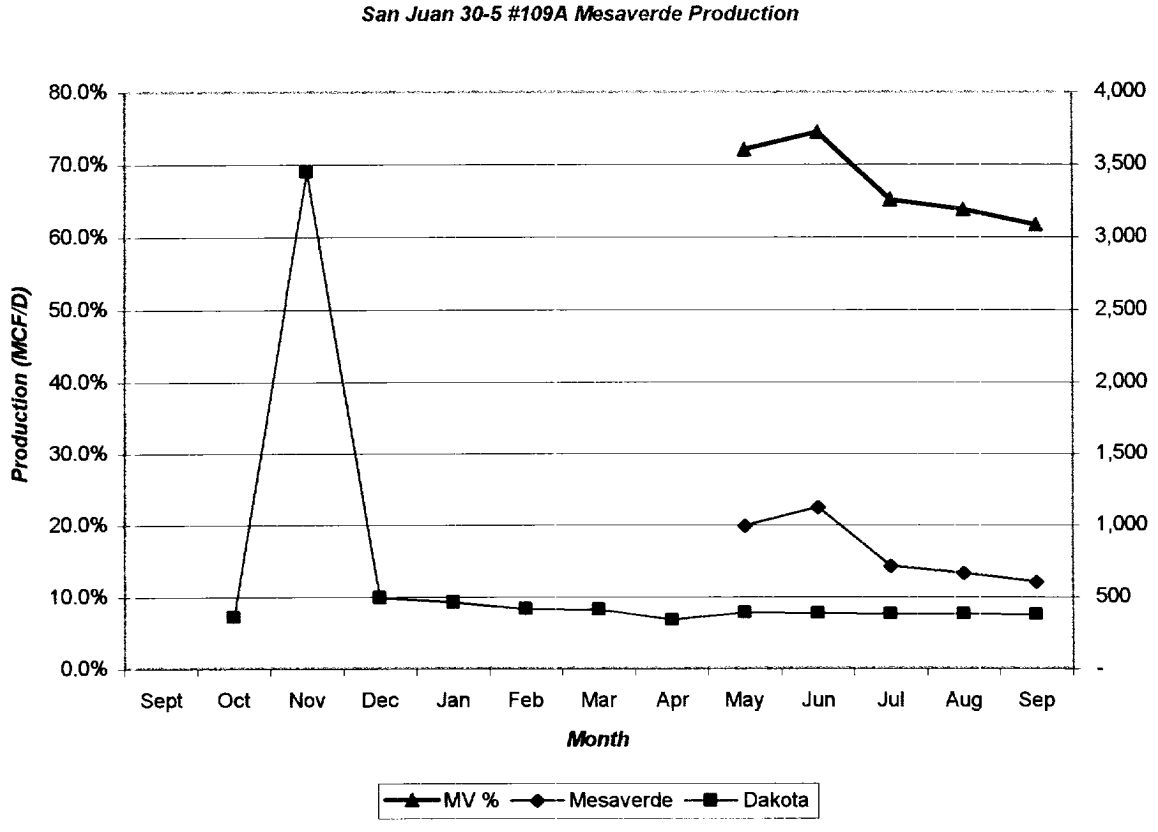
cc: BLM – Mr. Jim Lovato (Farmington)
Pat Konkel

San Juan 30-5 Mesaverde #109A
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 %
Sept			-	0	-					
Oct			**1,438**	4	**1,438**				**360**	
Nov			**20,695**	6	**20,695**				**3449**	
Dec			**15,332**	31	**15,332**				**495**	
Jan			**14,470**	31	**14,470**				**467**	
Feb			**11,640**	28	**11,640**				**416**	
Mar			**12,829**	31	**12,829**				**414**	
Apr			7,786	23	7,786				**339**	
May	**23,567**	**12,184**	**12,016**	17	**6,589**	**11,551**	**16,978**	**999**	**388**	**72.0%**
Jun	**45,299**	**11,688**	**11,584**	30	**11,584**	**33,715**	**33,715**	**1,124**	**386**	**74.4%**
Jul	**34,102**	**11,972**	**11,866**	31	**11,866**	**22,236**	**22,236**	**717**	**383**	**65.2%**
Aug	**32,556**	**11,867**	**11,764**	31	**11,764**	**20,792**	**20,792**	**671**	**379**	**63.9%**
Sep	**29,476**	**11,384**	**11,286**	30	**11,286**	**18,190**	**18,190**	**606**	**376**	**61.7%**
Oct	**27,133**	**11,661**	**11,562**	31	**11,562**	**15,571**	**15,571**	**502**	**373**	**57.4%**

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

Last month Mesaverde allocation = **57%**



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)

JUL 2001
RECEIVED
OIL CON. DIV
DIST. 3

July 5, 2001

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

Posted to RBDMS 7-11-1

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

Well Name	Lease	Location	API#	Formation Allocation	Formation Allocation	Starting Date
San Juan 29-6 #33	SF-078278	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