



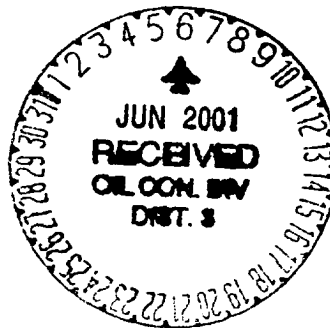
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:
NMSF-078282 et al
3162.7 (07100)

Clint Hutchinson
Phillips Petroleum Company
5525 Hwy. 64 NBU 3004
Farmington, NM 87401



June 1, 2001

Dear Mr. Hutchinson:

Reference is made to your application for down hole commingling of gas from the Mesaverde and Dakota formations. We have received your fixed allocation factors for the wells listed below and after review, we hereby accept your submitted allocation factors with their indicated starting dates.

Well Name Lease number	Location	API#	Allocation	Allocation	Starting Date
San Juan 29-5 #32 SF-078282	N sec 29, T29N, R5W	30039-07524	Mesaverde 83% gas 0% oil	Dakota 17% gas 0% oil	1-2001
San Juan 29-5 #32M SF-078282	D sec 29, T29N, R5W	30039-25817	Mesaverde 84% gas 0% oil	Dakota 16% gas 0% oil	1-2001
San Juan 29-5 #45 SF-080069	A sec 22, T29N, R5W	30039-07596	Mesaverde 44% gas 0% oil	Dakota 56% gas 0% oil	3-2001
San Juan 29-5 #53M Fee	O sec 32, T29N, R5W	30039-25481	Mesaverde 45% gas 0% oil	Dakota 55% gas 0% oil	10-1999
San Juan 29-5 #55 SF-078277	M sec 18, T29N, R5W	30039-20458	Mesaverde 80% gas 0% oil	Dakota 20% gas 0% oil	3-1999
San Juan 29-5 #57M NM-03188	P sec 29, T29N, R5W 20	30039-25817 25833	Mesaverde 48% gas 0% oil	Dakota 52% gas 0% oil	1-2001
San Juan 29-5 #64M NM-03188	E sec 21, T29N, R5W	30039-25834	Mesaverde 60% gas 0% oil	Dakota 40% gas 0% oil	4-11-1999
San Juan 29-5 #65M NM-03188	E sec 28, T29N, R5W	30039-25492	Mesaverde 77% gas 0% oil	Dakota 23% gas 0% oil	10-1999
San Juan 29-5 #67M SF-078281	D sec 20, T29N, R5W	30039-25821	Mesaverde 75% gas 0% oil	Dakota 25% gas 0% oil	1-2001

If you have any questions, please contact Joe Hewitt at (505) 599-6365.

Sincerely,

Joe Hewitt
Geologist, Petroleum Management Team

cc: NMOCD, Santa Fe, NM
NMOCD, Aztec, NM