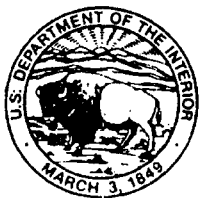


DHC-2516



Jan 2, 2002

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:
SF-078426

3162.7 (07100)

FEB 15 2002

Tim Tomberlin
Phillips Petroleum Company
5525 Hwy. 64 NBU 3004
Farmington, NM 87401

San Juan 29 - 6 Unit # 51A
Unit D, 800 FNL & 1140' FWL, Sec. 31, T29N, R 6 W
API - 30-039-21088; Rio Arriba County, NM

Dear Mr. Tomberlin:

Reference is made to your application for down hole commingling of gas from the Mesaverde and Pictured Cliffs formations. We have received your final (Ratio Method) allocation factors for this well. After reviewing the production histories for this well and wells in the vicinity, we agree with your allocation factors established for this well.

<u>FORMATION</u>	<u>GAS</u>
PICTURED CLIFFS	54%
MESAVERDE	46%

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 Matt Halbert at (505) 599-6350.

Sincerely

Jim Lovato

Senior Technical Advisor, Petroleum Management Team

cc:

NMOCD, Sante Fe, NM
NMOCD, Aztex, NM

bcc:

SF-078426