April 28, 2000

Bureau of Land Management Attn: Errol Becher 1235 La Plata Hwy. Farmington, NM 87401

State of New Mexico Attn: David Catanach Energy, Minerals & Natural Resources Dept. Oil Conservation Division 2040 S. Pacheco Santa Fe, NM 87505 New Mexico Oil & Gas Conservation Attn: Frank Chavez 1000 Rio Brazos Rd. Aztec, NM 87410

31-6 #1 CPD Off-Lease Measurement of Gas Addition of San Juan 30-5 #220R

Gentlemen:

Phillips Petroleum Company requests approval to add the San Juan 30-5 #220R to the off-lease measurement/commingling application for the subject CPD. The original application was approved by the BLM on April 4, 1995 and the allocation method was approved by the NMOCD on April 10, 1995.

The San Juan 30-5 Unit #220R is located in Unit N, 791' FSL & 1980' FWL, Section 8, T30N, R5W. This is a Fee Lease. This well will be connected to the 31-6 # 1 CPD.

Production from the 30-5 Unit #220R to the CPD will be in the month of April 2000. Phillips Petroleum Company will follow Onshore Oil and Gas Order #5 and the allocation procedures outlined in the original approved application in regards to gas production from this well.

If you have any questions concerning this well addition, please call me at 599-3450.

Sincerely,

PHILLIPS PETROLEUM COMPANY

Steve Huddleston Accounting Specialist

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cc: Danny Japp