



# PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401  
5525 HWY. 64 NBU 3004

June 4, 2002



NM Oil & Gas Conservation Division  
Attn: Steve Hayden  
1000 Rio Bravos Rd  
Aztec, NM 87410

Ratio Method – San Juan 29-6 #69  
Unit A, 990' FNL & 990' FEL, Sec. 26, 29N, 6W  
API # 30-039-07549 Rio Arriba County, NM

Dear Mr. Hayden:

Phillips plans on using the ratio method from May 2002 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 76% to be allocated to the Mesaverde and 24% to be allocated to the Dakota for gas production. The oil production will be allocated at 100% Mesaverde and 0% Dakota.

If you have any questions, please call me at 505-599-3459.

Sincerely,

PHILLIPS PETROLEUM COMPANY

Charlie Donahue

DHC192AZ

cc: Runell Seale – PPCo  
Jim Lovato - BLM  
David Valdez – BRI

## San Juan 29-6 Unit #69 Monthly Production

Month	Total Well Production	Dakota Production	Days Produced	Dakota Daily	Mesaverde Production	Days Produced	Mesaverde Daily	MV %
Jun-01	12,634	1,867	30	62	10,767	30	359	85.2%
Jul-01	9,095	2,507	31	81	6,588	31	213	72.4%
Aug-01	8,001	2,496	31	81	5,505	31	178	68.8%
Sep-01	11,983	2,407	30	80	9,576	30	319	79.9%
Oct-01	11,253	2,478	31	80	8,775	31	283	78.0%
Nov-01	10,194	2,389	30	80	7,805	30	260	76.6%
Dec-01	10,072	2,458	31	79	7,614	31	246	75.6%
Jan-02	9,755	2,448	31	79	7,307	31	236	74.9%
Feb-02	8,328	2,207	28	79	6,121	28	219	73.5%
Mar-02	9,252	2,439	31	79	6,813	31	220	73.6%
Apr-02	9,058	2,275	30	76	6,783	30	226	74.9%
	109,625	25,971			83,654			

Total Mesaverde Production = 83,654 MCF  
 Total Dakota Production = 25,971 MCF  
 Total Production both zones = 109,625 MCF

Average Mesaverde Allocation since June 2001 = **76%**  
 Average Dakota Allocation since June 2001 = **24%**

**Note: 100% of the condensate production should be allocated to the Mesaverde**

