



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

August 23, 2001



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

Handwritten: JHC42A2

Recommended Final Allocation Method
Ratio Method – San Juan 29-6 Unit #94
Unit M, 1160' FSL & 1190' FWL, Sec. 16, 29N 6W
API 30-039-07603; Rio Arriba County, NM

Dear Mr. Hayden:

Phillips plans on using the ratio method from July 2001 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 90% to be allocated to the Mesaverde, with 10% allocated to the Dakota

If you have any questions, please call me at 505-599-3474.

Sincerely,

PHILLIPS PETROLEUM COMPANY

Handwritten signature: Tim A Tomberlin

Tim Tomberlin
Reservoir Engineer

cc: Trish Stuart
Jim Lovato – BLM
David Valdez - Burlington

San Juan 29-6 Mesaverde #94

Monthly Production

Month	Total Well Production	Dakota Production	Days Produced	Dakota Daily	Mesaverde Production	Days Produced	Mesaverde Daily	MV %
Sep-00	23,851	1,373	30	46	22,478	30	749	94.2%
Oct-00	14,933	1,414	31	46	13,519	31	436	90.5%
Nov-00	12,276	1,362	30	45	10,914	30	364	88.9%
Dec-00	12,500	1,401	31	45	11,099	31	358	88.8%
Jan-01	12,574	1,396	31	45	11,178	31	361	88.9%
Feb-01	9,863	1,248	28	45	8,615	28	308	87.3%
Mar-01	12,915	1,386	31	45	11,529	31	372	89.3%
Apr-01	11,059	1,336	30	45	9,723	30	324	87.9%

Total Mesaverde Production = 99055

Total Dakota Production = 10916

Total Production both zones = 109971

Average Mesaverde Allocation since September 2000 = **90%**

Average Dakota Allocation since September 2000 = **10%**

San Juan 29-6 #94 Mesaverde Production

