



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

Recommended Final Allocation Method
Ratio Method – San Juan 29-6 Unit #79
Unit M 990' FSL & 1160' FWL, Sec. 24, 29N 6W
API 30-039-20225; 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 36% to be allocated to the Mesaverde, with 64% allocated to the Dakota

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

Sincerely,

PHILLIPS PETROLEUM COMPANY

Tim A Tomberlin

Tim Tomberlin
Reservoir Engineer

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

San Juan 29-6 Mesaverde #79

Monthly Production

Month	Total Well Production	Dakota Production	Days Produced	Dakota Daily	Mesaverde Production	Days Produced	Mesaverde Daily	MV %
Sep-00	5,947	3,823	30	127	2,124	30	71	35.7%
Oct-00	6,327	3,925	31	127	2,402	31	77	38.0%
Nov-00	5,528	3,773	30	126	1,755	30	59	31.7%
Dec-00	5,597	3,874	31	125	1,723	31	56	30.8%
Jan-01	5,350	3,848	31	124	1,502	31	48	28.1%
Feb-01	5,118	3,454	28	123	1,664	28	59	32.5%
Mar-01	5,896	3,801	31	123	2,095	31	68	35.5%
Apr-01	5,997	3,654	30	122	2,343	30	78	39.1%
May-01	6,743	3,752	31	121	2,991	31	96	44.4%
Jun-01	6,299	3,608	30	120	2,691	30	90	42.7%

Total Mesaverde Production = 21290

Total Dakota Production = 37512

Total Production both zones = 58802

Average Mesaverde Allocation since September 2000 = 36%

Average Dakota Allocation since September 2000 = 64%

San Juan 29-6 #79 Mesaverde Production

