



**PHILLIPS PETROLEUM COMPANY**

FARMINGTON, NEW MEXICO 87401  
5525 HWY. 64 NBU 3004

October 16, 2002



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

Ratio Method – San Juan 29-6 #100M  
Unit C, 1164' N & 1844' W, Sec. 35, 29N, 6W  
API # 30-039-26337 Rio Arriba County, NM

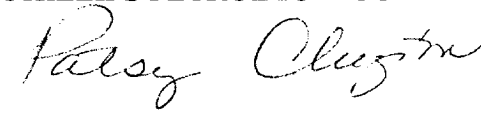
 Dear Mr. Hayden:

Phillips plans on using the ratio method from **September** 2002 production throughout the life of the well instead of the October 2002 date previously submitted. 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 60% to be allocated to the Mesaverde and 40% 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 505-599-3474.

Sincerely,

PHILLIPS PETROLEUM COMPANY

  
for Tim Tomberlin

cc: Runell Seale – PPCo  
David Valdez – BRI