



## PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401  
5525 HWY. 64 NBU 3004

March 25, 2002

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

Ratio Method – San Juan 29-6 #101M  
Unit O, 792' FSL & 1137' FEL, Sec. 36, 29N, 6W  
API # 30-039-26338 Rio Arriba County, NM

Dear Mr. Hayden:

Phillips plans on using the ratio method from March 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 49% to be allocated to the Mesaverde and 51% to be allocated to the Dakota for gas production. The oil production will be allocated at 100% Mesaverde and 0% Dakota.

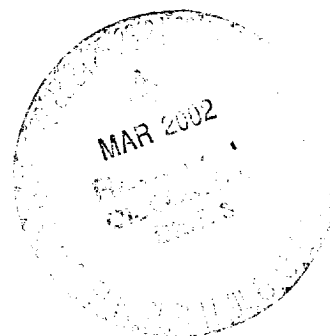
If you have any questions, please call me at 505-599-3459.

Sincerely,

PHILLIPS PETROLEUM COMPANY

Charlie Donahue

cc: Runell Seale – PPCo  
David Valdez – BRI



## San Juan 29-6 Unit #101M

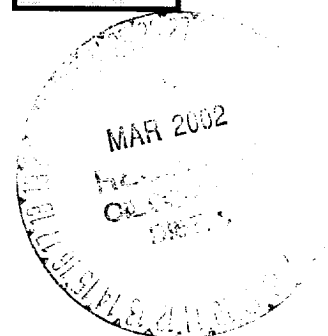
### Monthly Production

Month	Total Well Production	Dakota Production	Days Produced	Dakota Daily	Mesaverde Production	Days Produced	Mesaverde Daily	MV %
1	46,233	22,458	31	724	23,775	31	767	51.4%
2	40,065	19,355	31	624	20,710	31	668	51.7%
3	31,182	16,692	30	556	14,490	28	518	48.2%
4	25,784	14,706	31	474	11,078	31	357	43.0%
	143,263	73,210			70,053			

Total Mesaverde Production = 70,053 MCF  
 Total Dakota Production = 73,210 MCF  
 Total Production both zones = 143,263 MCF

Mesaverde Production from December 2000 to March 2001 = **49%**  
 Dakota Production from July 2000 to October 2000 = **51%**

Note: Above gas production are actual 4 month isolated reservoir produced volumes.  
 100% of the condensate production should be allocated to the Mesaverde



### San Juan 29-6 Unit #101M Production

