



# PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401  
5525 HWY. 64 NBU 3004

October 10, 2002



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

Ratio Method – San Juan 29-6 #76M  
Unit E, 1652' S & 455' W, Sec. 23, 29N, 6W  
API # 30-039-26341 Rio Arriba County, NM

*SA* Dear Mr. Hayden:

Phillips plans on using the ratio method from October 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 57% to be allocated to the Mesaverde and 43% 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.

*DHC490A2*

Sincerely,

PHILLIPS PETROLEUM COMPANY

Charlie Donahue

cc: Runell Seale – PPCo  
David Valdez – BRI

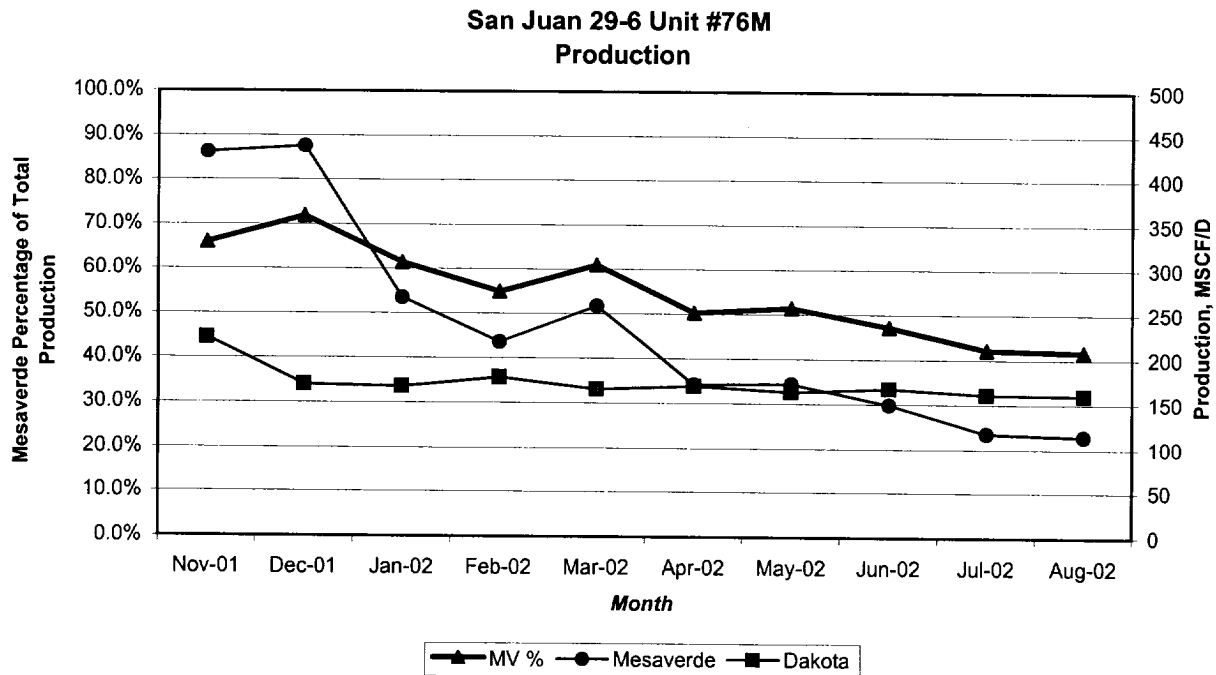
## San Juan 29-6 Unit #76M Monthly Production

<u>Month</u>	<u>Total Well Production</u>	<u>Dakota Production</u>	<u>Days Produced</u>	<u>Dakota Daily</u>	<u>Mesaverde Production</u>	<u>Days Produced</u>	<u>Mesaverde Daily</u>	<u>MV %</u>
Nov-01	15,034	5,115	23	222	9,919	23	431	66.0%
Dec-01	18,873	5,293	31	171	13,580	31	438	72.0%
Jan-02	13,512	5,218	31	168	8,294	31	268	61.4%
Feb-02	11,105	5,009	28	179	6,096	28	218	54.9%
Mar-02	13,158	5,144	31	166	8,014	31	259	60.9%
Apr-02	10,252	5,101	30	170	5,151	30	172	50.2%
May-02	10,416	5,065	31	163	5,351	31	173	51.4%
Jun-02	9,516	5,029	30	168	4,487	30	150	47.2%
Jul-02	8,648	5,000	31	161	3,648	31	118	42.2%
Aug-02	8,518	4,965	31	160	3,553	31	115	41.7%
	119,032	50,939			68,093			

Total Mesaverde Production = 68,093 MCF  
 Total Dakota Production = 50,939 MCF  
 Total Production both zones = 119,032 MCF

Average Mesaverde Allocation since Nov 2001 = **57%**  
 Average Dakota Allocation since Nov 2001 = **43%**

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



cl



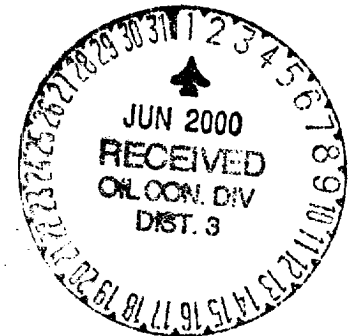
# PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401  
5525 HWY. 64 NBU 3004

Attn: Charley Perrin

May 17, 2000

22



Oil Conservation Division  
State of New Mexico  
2040 South Pacheco  
Santa Fe, New Mexico 87505

Attn: Mr. Michael E. Stogner  
Chief Hearing Officer/Engineer

RE: APPLICATION FOR ADMINISTRATIVE APPROVAL OF UNORTHODOX LOCATIONS  
SAN JUAN 29-6 UNIT WELL #'s 76M, 77M, 82M, 93M, 95M, 99M  
RIO ARRIBA COUNTY, NEW MEXICO

Dear Mr. Stogner:

In the latter part of March, I forwarded, by overnight delivery, the captioned applications. Each of these requests noted that optimal spacing for reservoir drainage purposes of the Mesaverde portion of these Mesaverde/Dakota wells was the primary reason for the location selection. With respect to the Mesaverde pool, these wells are located at orthodox locations, but the location is unorthodox for the Dakota formation.

Per conversations with Mr. Frank Chavez in the Aztec OCD office, we were advised that these applications are considered as being based on geological reasons and we would be required to furnish additional supportive data to you for review in considering these applications.

In view of this, please find enclosed, copies of a plat representing an elliptical drainage pattern for each of the above noted wells, which supports our choice of location with respect to the Mesaverde formation. We respectfully ask that you incorporate this information into your review of these applications.

If we can be of any further assistance in clarifying this matter, please do not hesitate to contact us.

Very truly yours,

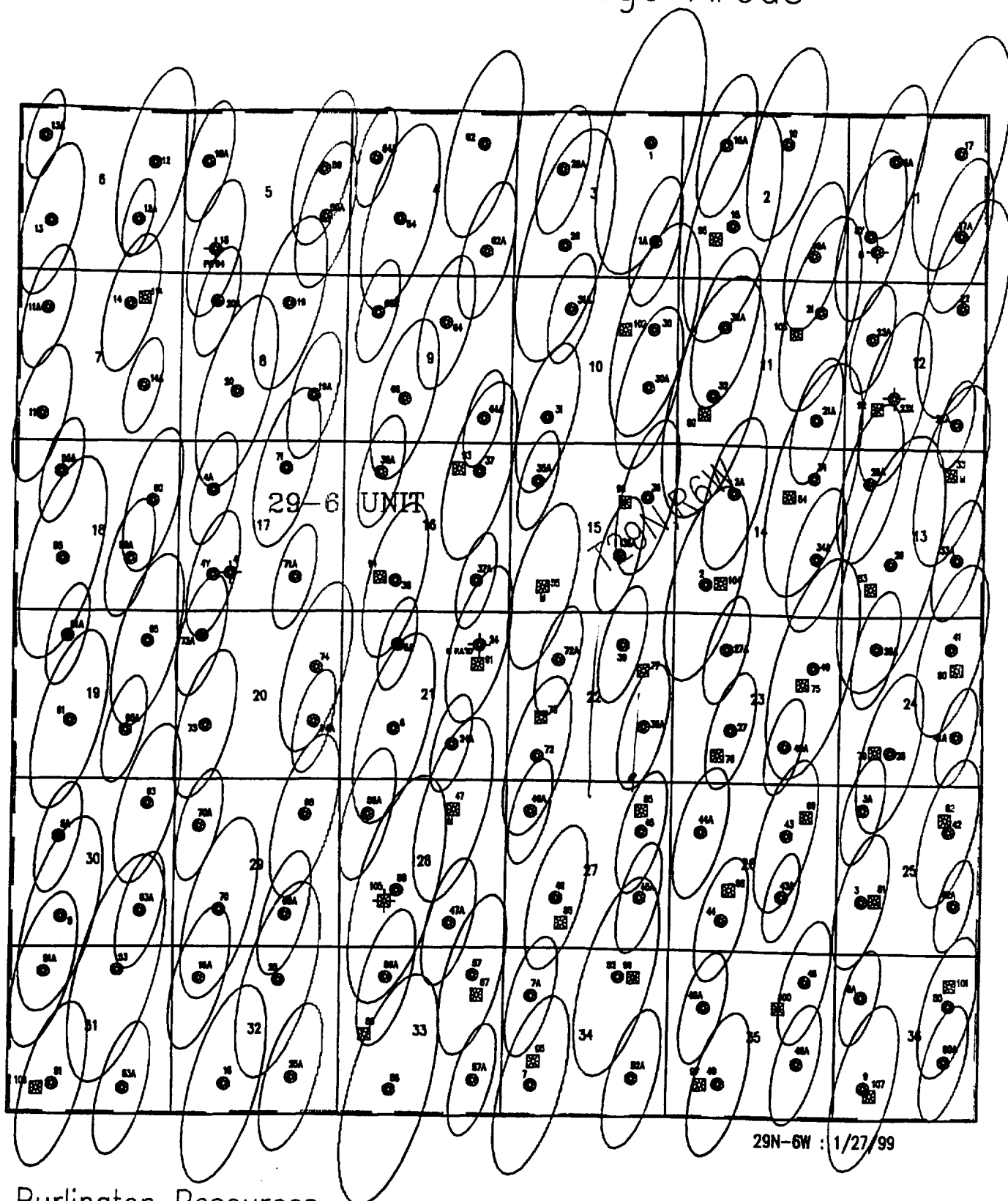
S. Scott Prather, CPL  
Senior Landman  
San Juan Area  
(505) 599-3410

*This agrees w/ topics presented  
at the O&G conference in a talk by  
Larry Tuckel from the NM BMMR and  
with workshop put on by Tuckel and  
John Lorenz at D.O.E. Both on  
Fracture control of drainage*

*STH*

- 76M - E-23-29N-6W
- 77M - P-22-29N-6W
- 82M - O-25-29N-6W
- 93M - O-16-29-6W
- 95M - O-34-29-6W
- 99M - F-34-29-6W

# San Juan 29-6 Unit Mesaverde - Drainage Areas



# **BURLINGTON RESOURCES**

---

SAN JUAN DIVISION

April 17, 2000

As a working interest owner in the both San Juan 29-6 Unit Mesaverde and Dakota participating areas, Burlington Resources has provided Phillips Petroleum with the attached Mesaverde drainage map. Burlington is providing this map to support the selection of surface locations for new Mesaverde wells. The attached map reflects Burlington's interpretation of drainage area of existing Mesaverde wells. It is provided to Phillips to illustrate the optimal surface location that minimizes the drainage overlap from existing producers. This map is solely Burlington's estimates of both Mesaverde gas in place and ultimate reserve recovery and Phillips is not authorized to change or alter Burlington's conclusions.



Sean Woolverton  
Sr. Reservoir Engineer