



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

November 28, 2001



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

Recommended Final Allocation Method
Ratio Method – San Juan 29-5 #6A
Unit D, 790' FNL & 790' FWL, Sec. 27, 29N, 5W
API # 30-039-26371; Rio Arriba County, NM

Dear Mr. Hayden:

JK
Phillips plans on using the ratio method from December 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 61% to be allocated to the Mesaverde and 39% to be allocated to the Dakota.

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

DHC-161A2

Sincerely,

PHILLIPS PETROLEUM COMPANY

Charlie Donahue

cc: Runell Seale – PPCo
Jim Lovato – BLM
David Valdez – BRI

San Juan 29-5 Unit #6A 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>
Dec-00	21,223	5,404	31	174	15,819	31	510	74.5%
Jan-01	18,920	5,350	31	173	13,570	31	438	71.7%
Feb-01	12,758	4,786	28	171	7,972	28	285	62.5%
Mar-01	12,007	5,252	31	169	6,755	31	218	56.3%
Apr-01	12,127	5,033	30	168	7,094	30	236	58.5%
May-01	11,517	5,151	31	166	6,366	31	205	55.3%
Jun-01	11,141	4,938	30	165	6,203	30	207	55.7%
Jul-01	10,656	5,055	31	163	5,601	31	181	52.6%
Aug-01	8,541	5,006	31	161	3,535	31	114	41.4%
Sep-01	11,598	4,798	30	160	6,800	30	227	58.6%
	130,488	50,773			79,715			

Total Mesaverde Production = 79,715 MCF
 Total Dakota Production = 50,773 MCF
 Total Production both zones = 130,488 MCF

Average Mesaverde Allocation since December 2001 = **61%**
 Average Dakota Allocation since December 2001 = **39%**

San Juan 29-5 Unit #6A Production

