

DHC-1827



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

November 23, 1998

NOV 30

NM Oil & Gas Conservation Division
Attn: Lori Wrotenberg
2040 South Pacheco Street
Santa Fe, NM 87505

Recommended Allocation Method based on
Historical Production Values -30-5 #27M

Dear Ms. Wrotenberg:

Phillips plans on using the ratio method from October 1998 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 43% to be allocated to the Dakota, with 57% allocated to the Mesaverde.

If you have any questions, please call me at 505-599-3455.

Sincerely,

PHILLIPS PETROLEUM COMPANY

Mark W. Stodola
Reservoir Engineer

cc: BLM - Farmington, NM
OCD - Aztec, NM
Pat Konkel

**San Juan 30-5 Mesaverde #27M
Monthly Production**

Month	Total Well Production	Allocation Order*	Dakota Allocated	Days Produced	Should be Allocated	Mesaverde Allocation	Mesaverde Should be	Mesaverde Daily	Dakota Daily	MV %
Sept	12,275		12,275	30					409	
Oct	9,441		9,441	31					305	
Nov	8,007		8,007	30					267	
Dec	6,424		6,424	31					207	
Jan	8,988		8,988	31					290	
Feb	8,739		8,739	28					312	
Mar	3,236		3,236	9					360	
Apr	19,731	8,110	8,076	17	4,578	11,655	15,153	891	269	76.8%
May	32,728	8,307	8,273	31	8,276	24,455	24,452	789	267	74.7%
Jun	14,990	7,969	7,939	30	7,939	7,051	7,051	235	265	47.0%
Jul	25,439	8,163	8,133	31	8,132	17,306	17,307	558	262	68.0%
Aug	9,674	8,091	8,062	31	8,060	1,612	1,614	52	260	16.7%
Sep	19,683	7,762	7,735	30	7,733	11,948	11,950	398	258	60.7%

* These volumes are not converted to 14.65 pressure base; all other volumes are

Last six months average Mesaverde allocation = 57%

San Juan 30-5 #27M Mesaverde Production

