



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

July 24, 2001



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

Recommended Allocation Method based on
Historical Production Values -San Juan 30-5 Unit #83M
Unit C, 230' FNL & 1440' FWL. Sec. 23, 30N 5W
API-30-039-26162

Dear Mr. Hayden:

jt
Phillips plans on using the ratio method from June 2001 production through 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 35% to be allocated to Mesaverde, with 65% allocated to the Dakota.

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

0#C-2723

Sincerely,

PHILLIPS PETROLEUM COMPANY

Eric Dahlgren
Reservoir Engineer

cc: Trish Stuart
Jim Lovato - BLM
David Valdez - Burlington

San Juan 30-5 Mesaverde #83M

Monthly Production

Month	Total Well Production	Dakota Production	Days Produced	Dakota Daily	Mesaverde Production	Days Produced	Mesaverde Daily	MV %
Nov-99	10,652	10652	30	355	0	30	0	0.0%
Dec-99	8,498	8498	31	274	0	31	0	0.0%
Jan-00	7,076	7076	31	228	0	31	0	0.0%
Feb-00	5,836	5836	29	201	0	29	0	0.0%
Mar-00	5,861	5861	31	189	0	31	0	0.0%
Apr-00	2,863	2863	30	95	0	30	0	0.0%
May-00	0	0	31	0	0	31	0	0.0%
Jun-00	5,803	5803	30	193	0	30	0	0.0%
Jul-00	4,729	4729	31	153	0	31	0	0.0%
Aug-00	1,756	1662	31	54	94	31	3	5.4%
Sep-00	8,552	5593	30	186	2959	30	99	34.6%
Oct-00	9,310	5725	31	185	3585	31	116	38.5%
Nov-00	8,877	5490	32	172	3387	32	106	38.2%
Dec-00	8,800	5622	33	170	3178	33	96	36.1%
Jan-01	9,243	5571	34	164	3672	34	108	39.7%
Feb-01	7,512	4983	35	142	2529	35	72	33.7%
Mar-01	7,975	5474	36	152	2501	36	69	31.4%
Apr-01	6,469	5250	37	142	1219	37	33	18.8%
May-01	9,750	5375	38	141	4375	38	115	44.9%

Average Mesaverde Allocation since September 2000 = **35%**
Average Dakota Allocation since September 2000 = **65%**

San Juan 30-5 #83M

