

*Phillips Exhibits 1 through 5
Complete Set*

BASIN DAKOTA GAS POOL

3797 active wells

1462 show winter production greater
than summer production by 2:1

38.5% of wells seasonally curtailed

Winter production more representative
of true pool deliverability

Lowers total pool allowable for both
summer period and annually overall

Correlative rights not a tangible issue

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Phillips Petroleum Exhibit #1

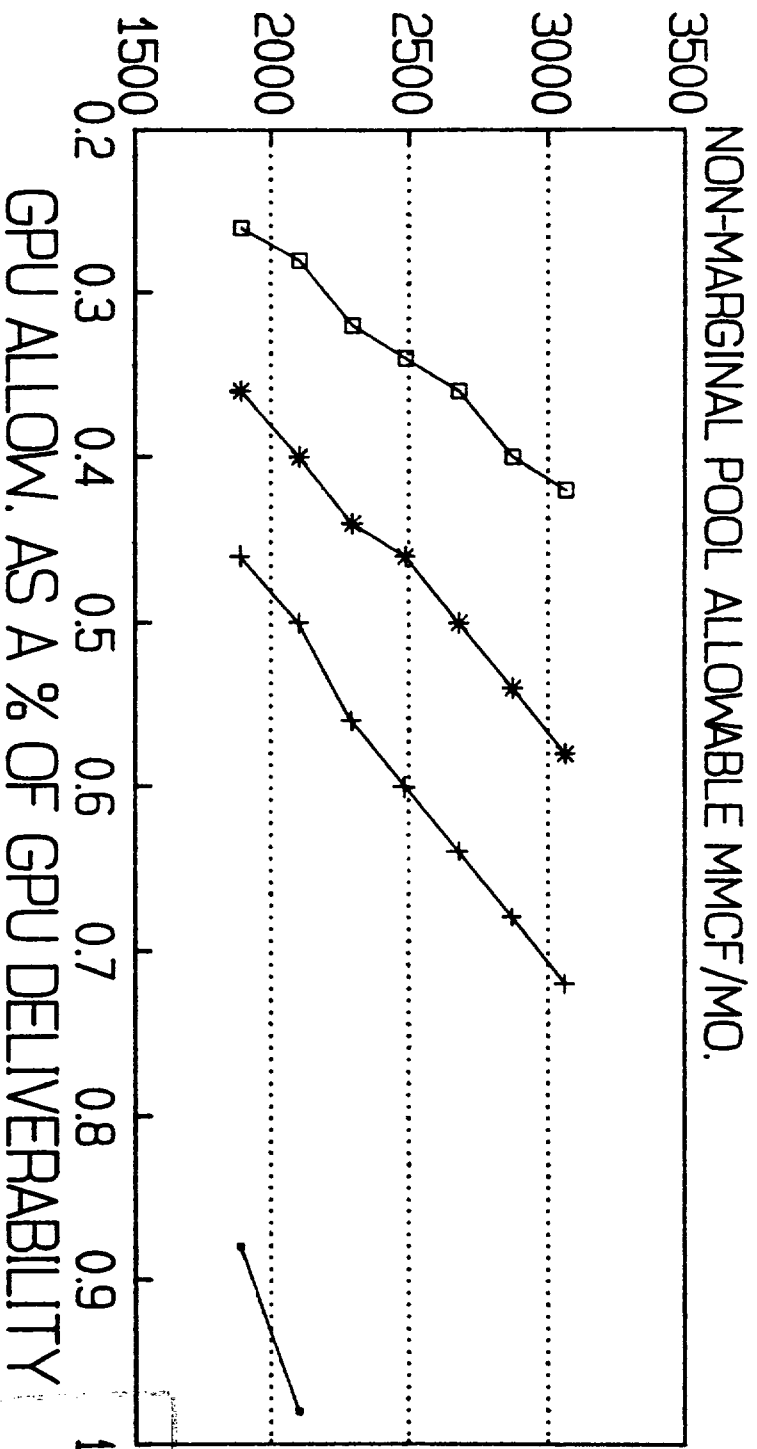
**BASIN DAKOTA PRORATION ALLOWABLE PERIOD 4/92 – 9/92
EFFECT OF NON-MARGINAL POOL ALLOWABLE ON GPU ALLOWABLE**

NON MARGINAL POOL ALLOWABLE	1890379	2105606	2297025	2488444	2679863	2871281	3062700
NO. OF NON MARGINAL ACREAGE FACTORS	260.29	260.29	260.29	260.29	260.29	260.29	260.29
NON MARGINAL AD FACTORS	153135	153135	153135	153135	153135	153135	153135
F1 MO. ACREAGE ALLOCATION FACTOR	4357.55	4853.67	5294.92	5736.16	6177.40	6618.65	7059.89
F2 MO. AD ALLOCATION FACTOR	4.93781	5.5	6	6.5	7	7.5	8
<u>GPU DELIVERABILITY MCFD</u>	200						
GPU ACREAGE FACTOR	1						
ACREAGE PORTION OF ALLOWABLE 60% A	4357.55	4853.67	5294.92	5736.16	6177.40	6618.65	7059.89
AD PORTION OF ALLOWABLE 40% MCF/MO	987.562	1100	1200	1300	1400	1500	1600
TOTAL GPU ALLOWABLE MCF/MO	5345.11	5953.67	6494.92	7036.16	7577.40	8118.65	8659.89
GPU ALLOWABLE, % OF DELIVERABILITY	0.87913	0.97922	1.06824	1.15726	1.24628	1.33530	1.42432
<u>GPU DELIVERABILITY MCFD</u>	500						
GPU ACREAGE FACTOR	1						
ACREAGE PORTION OF ALLOWABLE 60% A	4357.55	4853.67	5294.92	5736.16	6177.40	6618.65	7059.89
AD PORTION OF ALLOWABLE 40% MCF/MO	2468.90	2750	3000	3250	3500	3750	4000
TOTAL GPU ALLOWABLE MCF/MO	6826.45	7603.67	8294.92	8986.16	9677.40	10368.6	11059.8
GPU ALLOWABLE, % OF DELIVERABILITY	0.44910	0.50024	0.54571	0.59119	0.63667	0.68214	0.72762
<u>GPU DELIVERABILITY MCFD</u>	750						
GPU ACREAGE FACTOR	1						
ACREAGE PORTION OF ALLOWABLE 60% A	4357.55	4853.67	5294.92	5736.16	6177.40	6618.65	7059.89
AD PORTION OF ALLOWABLE 40% MCF/MO	3703.35	4125	4500	4875	5250	5625	6000
TOTAL GPU ALLOWABLE MCF/MO	8060.90	8978.67	9794.92	10611.1	11427.4	12243.6	13059.8
GPU ALLOWABLE, % OF DELIVERABILITY	0.35354	0.39380	0.42960	0.46540	0.50120	0.53700	0.57280
<u>GPU DELIVERABILITY MCFD</u>	1500						
GPU ACREAGE FACTOR	1						
ACREAGE PORTION OF ALLOWABLE 60% A	4357.55	4853.67	5294.92	5736.16	6177.40	6618.65	7059.89
AD PORTION OF ALLOWABLE 40% MCF/MO	7406.71	8250	9000	9750	10500	11250	12000
TOTAL GPU ALLOWABLE MCF/MO	11764.2	13103.6	14294.9	15486.1	16677.4	17868.6	19059.8
GPU ALLOWABLE, % OF DELIVERABILITY	0.25798	0.28736	0.31348	0.33960	0.36573	0.39185	0.41798

Note: Calculations assume that the number of non-marginal acre factors and Acreage x Deliverability factors remains as proposed. Therefore, a change in the F2 factor results in a F1 factor change.

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BASIN DAKOTA ALLOWABLE 4/92 - 9/92 EFFECT OF NON-MARG. ALLOWABLE ON GPU



PHILLIPS PETROLEUM EXHIBIT #3

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**COMPARISON OF BASIN DAKOTA AND BLANCO MESAVERDE F1 & F2 FACTORS
PROPOSED APRIL 1992 TO SEPT. 1992**

F1 FACTOR COMPARISON

Basin Dakota $F1 = 4357 - (.6) * (\text{Non-Marginal Pool Allowable}) / (\text{Sum of Non-Marginal Acreage Factors})$
 $4357 / .6 = 7262$

Blanco Mesaverde $F1 = 2815 = (.25) * (\text{Non-Marginal Pool Allowable}) / (\text{Sum of Non-Marginal Acreage Factors})$
 $2815 / .25 = 11260$

The above comparison shows that the (Non-Marginal Pool Allowable)/(Sum of Pool Acreage Factor) is lower for a Dakota well than a Mesaverde well. A Basin Dakota F1 factor of 6756 would be required to yield the same allowable/acreage product of 11260 proposed for the Mesaverde.

F2 FACTOR COMPARISON

Basin Dakota $F2 = 4.937812 = (.4) * (\text{Non-Marginal Pool Allowable}) / (\text{Sum of the Non-Marginal AD factors})$
 $4.937812 / .4 = 12.34$

Blanco Mesaverde $F2 = 12.808861 = (.75) * (\text{Non-Marginal Pool Allowable}) / (\text{Sum of the Non-Marginal AD factors})$
 $12.808861 / .75 = 17.08$

The above comparison shows that the (Non-Marginal Pool Allowable)/(Sum of the Non-Marginal AD factors) is lower for a Dakota well than a Mesaverde well. A Basin Dakota F2 factor of 6.83 would be required to yield the same allowable/AD factor product of 17.08 proposed for the Mesaverde.

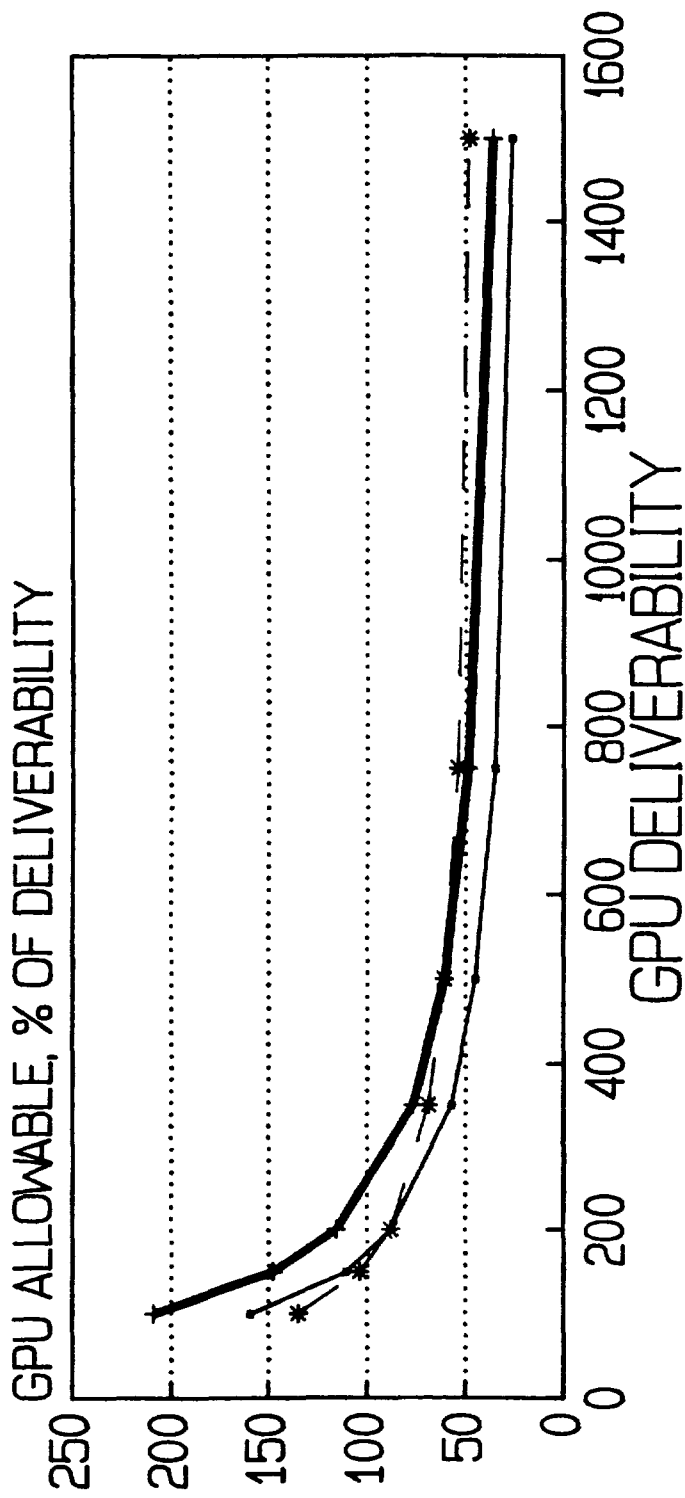
CONCLUSIONS

An F1 and F2 factor comparison between Basin Dakota and Blanco Mesaverde pools show that the factors should be increased substantially for the Basin Dakota pool to assure proration equality among pools.

Using the recommended F1 and F2 factors of 6756 and 6.83 respectively, for the Basin Dakota will result in comparable allowables between the two formations for individual GPU's with deliverabilities equal to the average for that formation. Basin Dakota average deliverability is 588 MCFD. Mesaverde average deliverability is 659 MCFD.

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BASIN DAKOTA ALLOWABLE 4/92-9/92 GPU ALLOWABLE VS DELIVERABILITY



—●— DAKOTA OCD PROPOSED
-*- MESAUERDE OCD PROP.

—+— DAKOTA PHILLIPS PROP

Phillips proposed line is based on f1 of 5630 and f2 of 7.32
Phillips Petroleum Exhibit #5

DATE	4/92
BY	PHILLIPS
NO.	10450
REV.	5
DATE	2-27-92