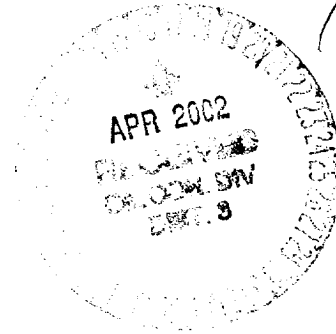




# PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401  
5525 HWY. 64 NBU 3004

April 15, 2002



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

Ratio Method – San Juan 29-6 #100  
Unit G, 1840' FN & 1840' FEL, Sec. 35, 29N, 6W  
API # 30-039-20299 Arriba County, NM

Dear Mr. Hayden:

Phillips plans on using the ratio method from April 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 86% to be allocated to the Mesaverde and 14% 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.

Sincerely,

PHILLIPS PETROLEUM COMPANY

Charlie Donahue

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

## San Juan 29-6 Unit #100 Monthly Production

Month	Total Well Production	Dakota Production	Days Produced	Dakota Daily	Mesaverde Production	Days Produced	Mesaverde Daily	MV %
May-01	18,025	1,843	31	59	16,182	31	522	89.8%
Jun-01	16,958	1,833	30	61	15,125	30	504	89.2%
Jul-01	11,579	1,828	31	59	9,751	31	315	84.2%
Aug-01	13,204	1,820	31	59	11,384	31	367	86.2%
Sep-01	13,980	1,812	30	60	12,168	30	406	87.0%
Oct-01	12,998	1,807	31	58	11,191	31	361	86.1%
Nov-01	10,397	1,797	30	60	8,600	30	287	82.7%
Dec-01	10,072	1,771	31	57	8,301	31	268	82.4%
Jan-02	12,187	1,785	31	58	10,402	31	336	85.4%
Feb-02	9,409	1,772	28	63	7,637	28	273	81.2%
	128,809	18,068			110,741			

Total Mesaverde Production = 110,741 MCF  
 Total Dakota Production = 18,068 MCF  
 Total Production both zones = 128,809 MCF

Average Mesaverde Allocation since May 2001 = **86%**  
 Average Dakota Allocation since May 2001 = **14%**

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

