

**PHILLIPS PETROLEUM COMPANY**

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

NOV 30

November 23, 1998

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

Recommended Allocation Method based on
Historical Production Values -30-5 #72

Dear Ms. Wrotenbery:

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 40% to be allocated to the Dakota, with 60% allocated to the Mesaverde.

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

Sincerely,

PHILLIPS PETROLEUM COMPANY

A handwritten signature in cursive script that reads "Mark W. Stodola".

Mark W. Stodola
Reservoir Engineer

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

San Juan 30-5 Mesaverde #72
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 %
Oct	20,942	8,262	8,262	31	8,262	12,680	12,680	409	267	60.5%
Nov	36,463	8,253	8,253	6	1,651	28,210	34,812	5,802	275	95.5%
Dec	29,423	8,243	8,243	31	8,243	21,180	21,180	683	266	72.0%
Jan	30,148	8,233	8,233	31	8,233	21,915	21,915	707	266	72.7%
Feb	26,147	8,223	8,223	28	8,223	17,924	17,924	640	294	68.6%
Mar	27,265	8,215	8,215	31	8,215	19,050	19,050	615	265	69.9%
Apr	23,515	8,205	8,205	30	8,205	15,310	15,310	510	274	65.1%
May	24,805	8,195	8,195	31	8,195	16,610	16,610	536	264	67.0%
Jun	20,357	8,186	8,186	30	8,186	12,171	12,171	406	273	59.8%
Jul	20,984	8,177	8,177	31	8,177	12,807	12,807	413	264	61.0%
Aug	20,823	8,166	8,166	31	8,166	12,657	12,657	408	263	60.8%
Sep	18,729	8,157	8,157	30	8,157	10,572	10,572	352	272	56.4%

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

Last four months average Mesaverde allocation = 60%

San Juan 30-5 #72 Mesaverde Production

