



William H. Rainbolt, CPL
Principal Landman
San Juan / Rockies
Tel: 832-486-2437
Fax: 832-486-3291

March 22, 2004

Bureau of Land Management
Farmington Resource Area
1235 LaPlata Highway
Farmington, New Mexico 87401

Commissioner of Public Lands
State of New Mexico
P.O. Box 1148
Santa Fe, New Mexico 87501-1148

Oil Conservation Division
State of New Mexico
1220 So. Saint Francis Drive
Santa Fe, New Mexico 87505-4000

RE: San Juan 28-7 Unit; N. 14-08-001-459
Rio Arriba County, New Mexico
2004 Plan of Development

Gentlemen:

By letter dated February 7, 2003, ConocoPhillips Company (ConocoPhillips), as Unit Operator for the referenced Unit, filed the Plan of Development (POD) for the calendar year 2003. The following is a recap of ConocoPhillips drilling and recompletion activity within this unit during 2003:

Completed 2003 New Drills

Well #	GPU	S	T	R	Formation
#61B	All	10	28N	7W	Mesaverde
#126F	W/2	1	27N	7W	Mesaverde/Dakota
#191G	E/2	33	28N	7W	Mesaverde/Dakota
#193F	W/2	28	28N	7W	Mesaverde/Dakota
#195F	E/2	16	28N	7W	Mesaverde/Dakota
#223G	E/2	26	28N	7W	Mesaverde/Dakota
#232F	E/2	20	28N	7W	Dakota
#258G	W/2	23	28N	7W	Mesaverde/Dakota
#259F	W/2	24	28N	7W	Mesaverde/Dakota

The following new drills which appeared on the 2003 POD will be carried over to 2004:

Well #	GPU	S	T	R	Formation
#124F	W/2	11	27N	7W	Mesaverde/Dakota
#125F	W/2	12	27N	7W	Mesaverde/Dakota
#136F	W/2	14	28N	7W	Mesaverde/Dakota
#187M	E/2	24	28N	7W	Mesaverde/Dakota
#188F	W/2	9	27N	7W	Mesaverde/Dakota
#190G	E/2	27	28N	7W	Mesaverde/Dakota
#191F	E/2	33	28N	7W	Mesaverde/Dakota
#223F	W/2	26	28N	7W	Mesaverde/Dakota
#227F	E/2	36	28N	7W	Mesaverde/Dakota
#257F	E/2	19	28N	7W	Mesaverde/Dakota
#258F	W/2	23	28N	7W	Mesaverde/Dakota
#259G	W/2	24	28N	7W	Mesaverde/Dakota

The following new drills which appeared as carry-overs into 2003 and those subsequently proposed as new drills on the 2003 POD are cancelled:

Well #	GPU	S	T	R	Formation
#134F	W/2	21	28N	7W	Dakota
#135F	W/2	27	28N	7W	Dakota
#152F	W/2	21	27N	7W	Dakota
#153F	E/2	20	27N	7W	Mesaverde/Dakota
#157G	E/2	11	27N	7W	Mesaverde/Dakota
#158F	E/2	23	28N	7W	Dakota
#165F	E/2	16	27N	7W	Mesaverde/Dakota
#181E	W/2	3	27N	7W	Dakota single
#182G	E/2	3	27N	7W	Mesaverde/Dakota
#183F	E/2	1	27N	7W	Mesaverde/Dakota
#183G	E/2	1	27N	7W	Mesaverde/Dakota
#184F	W/2	9	27N	7W	Mesaverde/Dakota
#184G	W/2	9	27N	7W	Mesaverde/Dakota
#185M	W/2	17	27N	7W	Mesaverde/Dakota
#215F	W/2	4	27N	7W	Mesaverde/Dakota
#216F	E/2	8	27N	7W	Mesaverde/Dakota
#221G	E/2	25	28N	7W	Mesaverde/Dakota
#221F	E/2	25	28N	7W	Mesaverde/Dakota
#222F	W/2	25	28N	7W	Mesaverde/Dakota
#224F	E/2	28	28N	7W	Mesaverde/Dakota
#224G	E/2	28	28N	7W	Mesaverde/Dakota
#226F	W/2	36	28N	7W	Mesaverde/Dakota
#228G	W/2	8	27N	7W	Mesaverde/Dakota
#231F	W/2	16	28N	7W	Mesaverde/Dakota

#233F	W/2	14	28N	7W	Mesaverde/Dakota
#234F	E/2	15	28N	7W	Mesaverde/Dakota
#236F	E/2	6	27N	7W	Mesaverde/Dakota
#236G	E/2	6	27N	7W	Mesaverde/Dakota
#237F	E/2	19	27N	7W	Mesaverde/Dakota commingle
#239M	W/2	17	28N	7W	Mesaverde/Dakota
#247F	All	11	28N	7W	Mesaverde/Dakota
#248F	E/2	18	28N	7W	Mesaverde/Dakota
#248M	E/2	18	28N	7W	Mesaverde/Dakota
#253F	E/2	7	27N	7W	Dakota
#253G	E/2	7	27N	7W	Dakota
#255F	W/2	15	28N	7W	Mesaverde/Dakota commingle
#285	E/2	26	28N	7W	Fruitland Coal/Pictured Cliffs commingle
#286	W/2	36	28N	7W	Fruitland Coal/Pictured Cliffs commingle
#287	E/2	36	28N	7W	Fruitland Coal/Pictured Cliffs commingle
#288	W/2	26	28N	7W	Fruitland Coal/Pictured Cliffs commingle
#289	W/2	27	28N	7W	Fruitland Coal/Pictured Cliffs commingle
#290	W/2	22	28N	7W	Fruitland Coal/Pictured Cliffs commingle
#291	E/2	16	28N	7W	Pictured Cliffs/Fruitland Coal commingle
#295	E/2	34	28N	7W	Pictured Cliffs
#296	E/2	18	27N	7W	Pictured Cliffs/Fruitland Coal commingle
#297	W/2	17	27N	7W	Fruitland Coal/Pictured Cliffs commingle

Completed 2003 recompletions:

Well #	GPU	S	T	R	Formation
#214M	E/2	15	28N	7W	Mesaverde

The following recompletions which appeared on the 2003 POD will be carried over to 2004:

Well #	GPU	S	T	R	Formation
#31	W/2	20	28N	7W	Fruitland Coal/Pictured Cliffs IDB
#253	E/2	7	27N	7W	Mesaverde IDB
#253M	E/2	7	27N	7W	Mesaverde IDB

The following recompletions which appeared as carry-overs into 2003 and those subsequently proposed as recompletions on the 2003 POD are cancelled:

Well #	GPU	S	T	R	Formation
#21A	All	9	28N	7W	Pictured Cliffs
#24A	E/2	14	28N	7W	Fruitland Coal/Pictured Cliffs
#35A	W/2	1	27N	7W	Pictured Cliffs/Fruitland Coal
#48A	W/2	21	28N	7W	Fruitland Coal/Pictured Cliffs commingle
#52A	E/2	27	28N	7W	Pictured Cliffs/Fruitland Coal

#55A	All	12	28N	7W	Pictured Cliffs/Fruitland Coal
#59A	E/2	29	28N	7W	Fruitland Coal/Pictured Cliffs
#74	All	11	28N	7W	Pictured Cliffs
#93	W/2	9	27N	7W	Chacra
#98	E/2	29	27N	7W	Chacra
#99	W/2	29	27N	7W	Chacra
#109	W/2	18	27N	7W	Chacra
#110M	E/2	19	27N	7W	Chacra
#153E	E/2	20	27N	7W	Chacra
#185	W/2	17	27N	7W	Chacra
#237	E/2	19	27N	7W	Chacra

Pursuant to Section 10 of the San Juan 28-7 Unit Agreement, ConocoPhillips Company, as Unit Operator, hereby submits the following program for the 2004 Plan of Development.

2004 New Drills

Well #	GPU	S	T	R	Formation
#55B	S/2	12	28N	7W	Mesaverde

2004 Recompletions

Well #	GPU	S	T	R	Formation
#77	W/2	32	28N	7w	Fruitland Coal/Pictured Cliffs

The Unit currently consists of the following Participating Areas:

Formation	Expansion	Effective Date
Fruitland	6th	6/1/1998
Pictured Cliffs	41 st	11/1/2002
Chacra	9th	3/1/1984
Mesaverde	45th	1/1/2002
Dakota	27th	7/1/1975

Maps of the current participating areas along with proposed participating area expansions are included herewith.

The working interest owners are being contacted regarding the Plan of Development. ConocoPhillips Company and the working interest owners believe that all current obligations have been satisfied.

ConocoPhillips Company, as Unit Operator, plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the working interest owners.

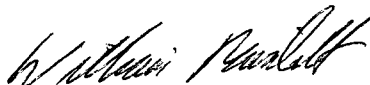
In accordance with Section 10 of the Unit Agreement, please advise of your approval by executing in the space provided below and return one copy to the undersigned.

Please contact Bill Rainbolt, 832-486-2437, with any questions you may have regarding this proposal.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Sincerely,

CONOCOPHILLIPS COMPANY



William H. Rainbolt, CPL

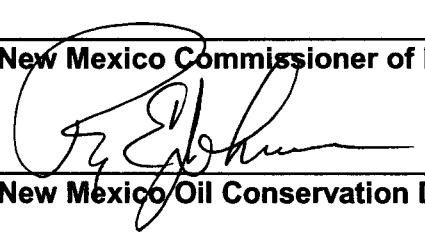
Enc.

Bureau of Land Management

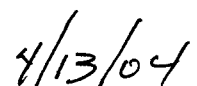
Date

New Mexico Commissioner of Public Lands

Date



New Mexico Oil Conservation Division



Date

The foregoing approvals are for the 2004 Plan of Development for the San Juan 28-7 Unit, #14-08-001-459, Rio Arriba County, New Mexico.

San Juan 28-7 Unit Working Interest Owners

Burlington Resources Oil & Gas Company
Attn: Land
P.O. Box 4289
Farmington, NM 87499-4289

Four Star Oil and Gas Company
Attn: NOJV Manager
P.O. Box 36366
Houston, Texas 77236

W. G. Peavy Oil Company
221 Woodcrest Drive
Richardson, TX 75080-2038

The Wiser Oil Company
8115 Preston Road, #400
Dallas, TX 75225-6311

Dugan Production Corp.
P.O. Box 420
Farmington, NM 87499

Mary F. Turner Trust _ 6743
Texas Commerce Trust Co., NA
P.O. Box 200890
Houston, TX 77216-0890

Kathleen McLane Trust
P.O. Box 214430
Dallas, TX 75221-4430

Michael S. McLane Trust
P.O. Box 214430
Dallas, TX 75221-4430

Thelma Ford Simmons Estate
D. J. Simmons Company
P.O. Box 1469
Farmington, NM 87499-1469

Dawn J. Turnbull
6553 Lafayette Way
Dallas, TX 75230-1979

Elizabeth J. Turner-Calloway
P.O. Box 191767
Dallas, Texas 75219-1767

J. Glenn Turner, Jr.
Two Turtle Creek Village
3838 Oaklawn, Suite 1450
Dallas, Texas 75219

John L. Turner
Turner Investments
PMB 285
317 Sidney Baker South #400
Kerrville, TX 78028

Cindy M. Hartner
2222 Flat Creek
Richardson, TX 75080-2332

Denise Turnbull Williams
6553 Lafayette Way
Dallas, TX 75230-1979

Derrick Turnbull
6553 Lafayette Way
Dallas, TX 75230-1979

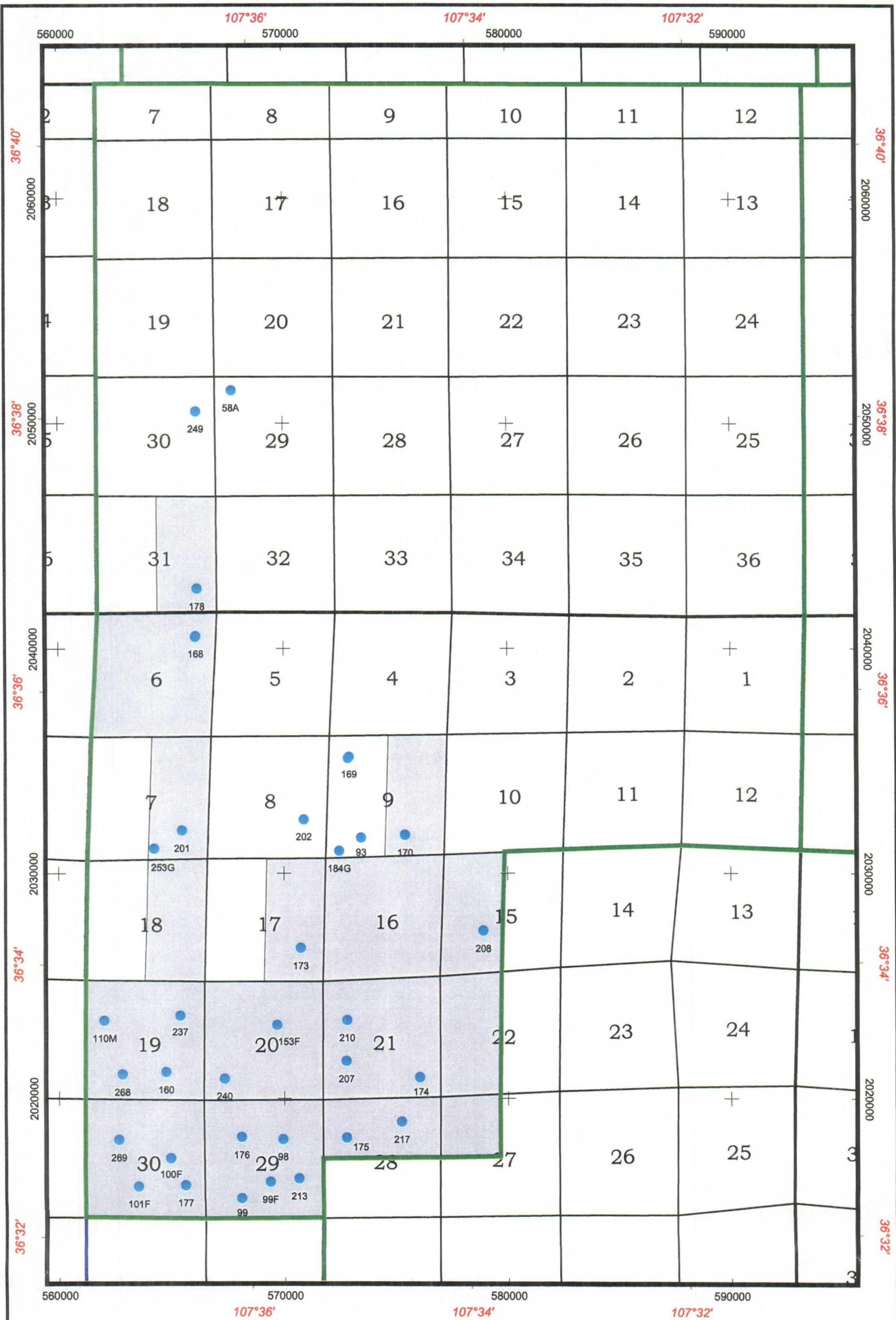
Mary Jeanne Simmons Banks
c/o BOFD LTD
2104 Winter Sunday Way
Arlington, TX 76012-4941

Helen Louise Simmons
2429 Wabash Ave.
Fort Worth, TX 76109-1018

June Simmons Lively
3529 Bellaire Drive North
Fort Worth, TX 76109-2110

Carolee Simmons Smith
6704 Ashbrook Dr.
Fort Worth, TX 76132-1140

XTO Energy Inc.
Attn: Win Ryan
810 Houston Street, Suite 2000
Fort Worth, Texas 76102-6298



- Chacra Wells
- SJ Federal Unit Boundary
- 9th Exp. Effective 3-1-84

5000 0 5000 Feet



ConocoPhillips

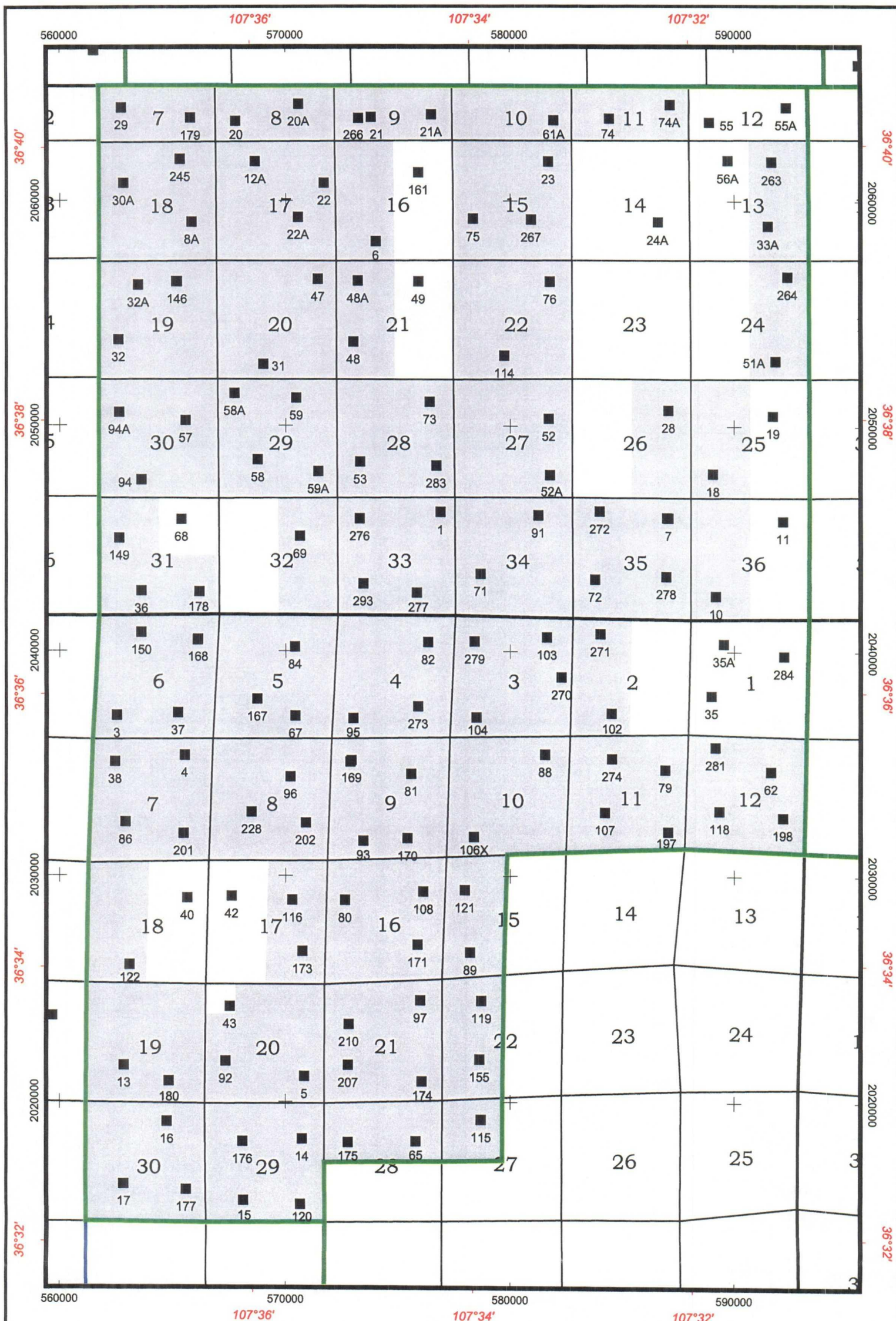
San Juan Basin, N. M.

28-7 Federal Unit

2004 Plan Of Development

Chacra Formation

Author: Angela Whitfield	Date: 3-9-2004
Compiled by:	Map of
MD File:	



■ Pictured Cliffs Wells
 ■ SJ Federal Unit Boundary
 ■ 41st Exp Effective 11-1-01

5000 0 5000 Feet



ConocoPhillips

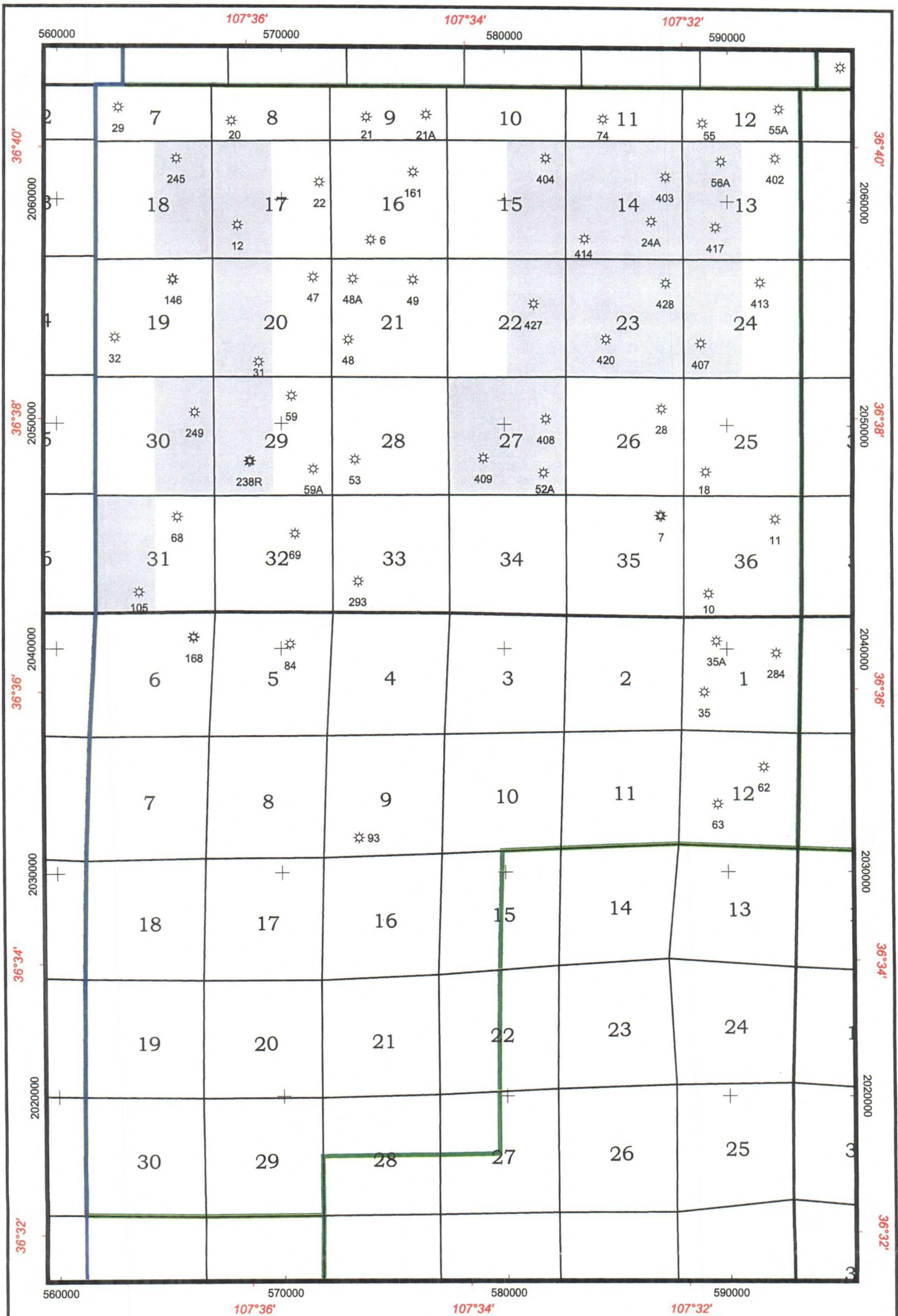
San Juan Basin, N. M.

28-7 Federal Unit

2004 Plan Of Development

Pictured Cliffs Formation

Author: Angela Whitfield	Date: 3-9-2004
Compiled by:	Map of
MD File:	



ConocoPhillips

San Juan Basin, N. M.

28-7 Federal Unit

2004 Plan of Development

Fruitland Coal Formation

Author: *Angela Whitfield* Date: 3-9-04
 Compiled by: _____ Map of _____
 MD File: _____

☆ Fruitland Wells
 SJ Federal Unit Boundary
 6th Expansion Effective 6-1-98

5000 0 5000 Feet



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JUL 06 2004

OIL CONSERVATION
DIVISION

PATRICK H. LYONS
COMMISSIONER



State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

June 30, 2004

ConocoPhillips
P.O. Box 2197
Three Westlake Park - 3WL-4106
Houston, Texas 77252-2197

Attn: Mr. William H. Rainbolt

Re: 2004 Plan of Development
San Juan 28-7 Unit
Rio Arriba County, New Mexico

Dear Mr. Rainbolt:

The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the unit area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:


JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/cpm
xc: Reader File

OCD

BLM



State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL

P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

PATRICK H. LYONS
COMMISSIONER

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OIL CONSERVATION
DIVISION

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

April 26, 2005

ConocoPhillips Co.
P. O. Box 2197
Houston, Texas 77252-2197

Attention: Ms. Betty Dimitrichik

Re: San Juan 28-7 Unit
Rio Arriba County, New Mexico
Pictured Cliffs Participating Area
Thirty-Third Expansion Effective 5/1/1998
Thirty-Fourth Expansion Effective 12/1/1999
Thirty-Fifth Expansion 1/1/2001
Thirty-Sixth Expansion Effective 3/1/2001
Thirty-Seventh Expansion Effective 5/1/2001

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MAY 11 2005
Thirty-Eighth Expansion Effective 6/1/2001
Thirty-Ninth Expansion Effective 7/1/2001
Fortieth Expansion Effective 9/1/2001
Forty-First Expansion Effective 11/1/2001

Dear Ms. Dimitrichik:

We are in receipt of your letter of May 28, 2003 together with your data for approval of the above referenced expansions to the Pictured Cliffs participating area for the San Juan 28-7 Unit, Rio Arriba County, New Mexico.

The Bureau of Land Management approved the above referenced expansion by their letter of October 3, 2003.

The Commissioner of Public Lands concurs with the Bureau of Land Management and has this date approved the above-referenced Pictured Cliffs participating area expansions.

Our approval is subject to like approval by the Bureau of Land Management and the New Mexico Oil Conservation Division.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/pm

pc: Reader File,
OCD-Attention: Mr. Roy Johnson
BLM-Farmington Attn: Mr. Wayne Townsend
TRD-Attention: Mr. Valdean Severson
RMD-Attention: Ms. Linda Vieira

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

May 10, 2005

ConocoPhillips
P.O. Box 2197
Three Westlake Park - 3WL-5058
Houston, Texas 77252-2197

Attn: Mr. Thomas J. Scarbrough

Re: 2005 Plan of Development
San Juan 28-7 Unit
Rio Arriba County, New Mexico

Dear Mr. Scarbrough:

The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

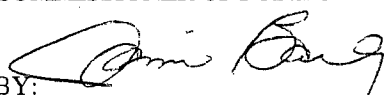
The possibility of drainage by wells outside of the unit area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:


JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/cpm
xc: Reader File

OCD

BLM

-State Land Office Beneficiaries -

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PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

November 9, 2005

ConocoPhillips Co.
600 North Dairy Ashford
WL3 – Land Dept., San Juan Basin
Houston, Texas 77079

Attention: Ms. Michelle Blankenship

Re: San Juan 28-7 Unit
Pictured Cliffs Participating Area
Forty-Second Expansion Effective 12/1/2001
San Juan 28-7 Unit Well No. 284
E/2 Sec. 1-27N-7W
Rio Arriba County, New Mexico

RECEIVED
NOV 14 2005
OIL CONSERVATION
DIVISION

Dear Ms. Blankenship:

We are in receipt of your letter of August 19, 2005 together with your data for approval of the above referenced expansion to the Pictured Cliffs participating area for the San Juan 28-7 Unit, Rio Arriba County, New Mexico.

The Bureau of Land Management approved the above referenced expansion by their letter of September 30, 2005.

The Commissioner of Public Lands concurs with the Bureau of Land Management and has this date approved the above-referenced Pictured Cliffs participating area expansion.

Our approval is subject to like approval by the Bureau of Land Management and the New Mexico Oil Conservation Division.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744
PL/JB/pm

pc: Reader File,
OCD-Attention: Mr. Roy Johnson
BLM-Farmington Attn: Mr. Wayne Townsend
TRD-Attention: Mr. Valdean Severson
RMD-Attention: Ms. Linda Vieira

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital •



Michelle Blankenship
Senior Land Analyst
Mid-America Business Unit

ConocoPhillips Company
600 N. Dairy Ashford
Westlake III - Room 14068
Houston, TX 77079
Phone: 832-486-3054
Fax: 832-486-2674

November 17, 2005

Bureau of Land Management
Farmington Resource Area
1235 LaPlata Highway
Farmington, New Mexico 87401

Commissioner of Public Lands
State of New Mexico
P.O. Box 1148
Santa Fe, New Mexico 87501-1148

Oil Conservation Division
State of New Mexico
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505-4000

**RE: San Juan 28-7 Unit; N. 14-08-001-459
Rio Arriba County, New Mexico
First Amendment - 2005 Plan of Development**

Dear Sir or Madam:

By letter dated April 13, 2005, ConocoPhillips Company, as Unit Operator for the referenced Unit, filed the original Plan of Development (POD) for the calendar year 2005. Pursuant to Section 10 of the San Juan 28-7 Unit Agreement, ConocoPhillips now desires to amend the 2005 POD as follows:

Amend by addition, the following new drill:

257F	E/2	Sect. 19	T28N-R7W	Mesaverde/Dakota
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The above referenced new drill is scheduled to be drilled in December 2005. This Amendment to the 2005 POD is made in order to secure APD approval of this project prior to the formal filing of the 2006 POD.

Your timely approval of this amendment would be greatly appreciated. Please do so by executing a copy of this letter and returning to the undersigned. Should you have any questions regarding this proposal, please contact me at 832-486-3054.

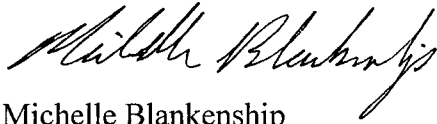
RECEIVED

NOV 28 2005

OIL CONSERVATION
DIVISION

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Sincerely,



Michelle Blankenship

Encl.

Bureau of Land Management

Date

New Mexico Commissioner of Public Lands

Date

New Mexico Oil Conservation Division

Date

The foregoing approvals are for the First Amendment to the 2005 Plan of Development for the San Juan 28-7 Unit, #14-08-001-459, Rio Arriba County, New Mexico.
San Juan 28-7 Federal Unit



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

December 21, 2005

ConocoPhillips
P.O. Box 2197
Three Westlake Park – 3WL-5058
Houston, Texas 77252-2197

Attn: Ms. Michelle Blankenship

Re: 2005 Plan of Development
First Amendment
San Juan 28-7 Unit
Rio Arriba County, New Mexico

Dear Ms. Blankenship:

The Commissioner of Public Lands has, of this date, approved the referenced Amended Plan of Development. Our approval is subject to like approval by all other appropriate agencies. The possibility of drainage by wells outside the unit area, and the need for further development of the unit may exist; therefore, we may contact you at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/cpm
xc: Reader File

OCD

BLM

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University



Michelle Blankenship
Land Dept. - San Juan Basin
Three Westlake Park – 14068
P.O. Box 2197
Houston, Texas 77252-2197
Tel: 832-486-3054

February 8, 2006

Bureau of Land Management
Farmington Resource Area
1235 LaPlata Highway
Farmington, New Mexico 87401

Commissioner of Public Lands
State of New Mexico
P.O. Box 1148
Santa Fe, New Mexico 87501-1148

Oil Conservation Division
State of New Mexico
1220 So. Saint Francis Drive
Santa Fe, New Mexico 87505-4000

RE: 2006 Plan of Development
San Juan 28-7 Federal Unit (# 14-08-001-459)
Rio Arriba County, New Mexico
ConocoPhillips Contract 103213

Dear Sir or Madam:

By letter dated April 13, 2005, ConocoPhillips Company (ConocoPhillips), as Unit Operator for the referenced Unit, filed the Plan of Development (POD) for the calendar year 2005. The following is a recap of ConocoPhillips drilling and re-completion activity within this unit during 2005:

Completed 2005 New Drills:

Well #	GPU	Section	Township	Range	Formation
124F	W/2	11	27N	7W	Mesaverde/Dakota
125F	W/2	12	27N	7W	Mesaverde/Dakota
188F	W/2	9	27N	7W	Mesaverde/Dakota
190G	E/2	27	28N	7W	Mesaverde/Dakota
191F	E/2	33	28N	7W	Mesaverde/Dakota
215F	W/2	4	27N	7W	Mesaverde/Dakota
233F	N/2	14	28N	7W	Mesaverde/Dakota
258F	W/2	23	28N	7W	Mesaverde/Dakota
259G	W/2	24	28N	7W	Mesaverde/Dakota

Planned New Drills that appeared on the 2005 POD, but were not drilled. These are being carried over to the 2006 POD:

Well #	GPU	Section	Township	Range	Formation
55B	S/2	12	28N	7W	Mesaverde
136F	W/2	14	28N	7W	Mesaverde/Dakota
227F	E/2	36	28N	7W	Mesaverde/Dakota
257F	E/2	19	28N	7W	Mesaverde/Dakota

Completed 2005 Recompletions:

Well #	GPU	Section	Township	Range	Formation
193	W/2	28	28N	7W	Mesaverde (DK Abnd)

Pursuant to Section 10 of the San Juan 28-7 Unit Agreement, ConocoPhillips hereby submits the following program for the 2006 Plan of Development:

2006 New Drills not previously mentioned:

Well #	GPU	Section	Township	Range	Formation
20B	S/2	8	28N	7W	Mesaverde
159G*	E/2	22	28N	7W	Mesaverde/Dakota
187M*	E/2	24	28N	7W	Mesaverde/Dakota
220F*	W/2	22	28N	7W	Mesaverde/Dakota
222F	W/2	25	28N	7W	Mesaverde/Dakota
220G*	W/2	22	28N	7W	Mesaverde/Dakota
224F*	E/2	28	28N	7W	Mesaverde/Dakota
224G*	E/2	28	28N	7W	Mesaverde/Dakota
231F	W/2	16	28N	7W	Mesaverde/Dakota
232G	E/2	20	28N	7W	Mesaverde/Dakota
236G	E/2	6	27N	7W	Mesaverde/Dakota
255F	W/2	15	28N	7W	Mesaverde/Dakota
255M*	W/2	15	28N	7W	Mesaverde/Dakota

* Indicates a directional well with Section and GPU representative of the BHL

2006 Recompletions:

Well #	GPU	Section	Township	Range	Formation
33	E/2	13	28N	7W	Chacra
35A	W/2	1	27N	7W	Chacra
48A	W/2	21	28N	7W	Chacra
52A	E/2	27	28N	7W	Chacra
216M	E/2	8	27N	7W	Mesaverde*
217	N/2	28	27N	7W	Mesaverde
228	W/2	8	27N	7W	Mesaverde
253M	E/2	7	27N	7W	Mesaverde
254	W/2	6	27N	7W	Mesaverde

* Indicates a significant Mesaverde (Point Lookout) payadd.

The Unit currently consists of the following Participating Areas:

Formation	Expansion	Effective Date
Fruitland Coal	6 th	6/1/1998
Pictured Cliffs	42 nd	12/1/2001
Chacra	9 th	3/1/1984
Mesaverde	45 th	1/1/2002
Dakota	27 th	7/1/1975

The working interest owners are being contacted regarding the Plan of Development. ConocoPhillips and the working interest owners believe that all current obligations have been satisfied.

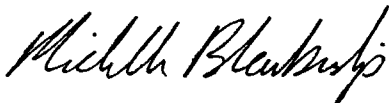
ConocoPhillips plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the working interest owners.

In accordance with Section 10 of the Unit Agreement, please advise of your approval by executing in the space provided below and return one copy to the undersigned. Please contact me at (832) 486-3054 with any questions in this regard.

Copies of this letter and maps of each producing formation are being sent to the working interest owners shown on the attached sheet.

Sincerely,

CONOCOPHILLIPS COMPANY



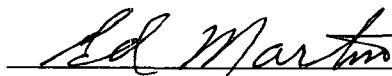
Michelle D. Blankenship
Encl.

Bureau of Land Management

Date

New Mexico Commissioner of Public Lands

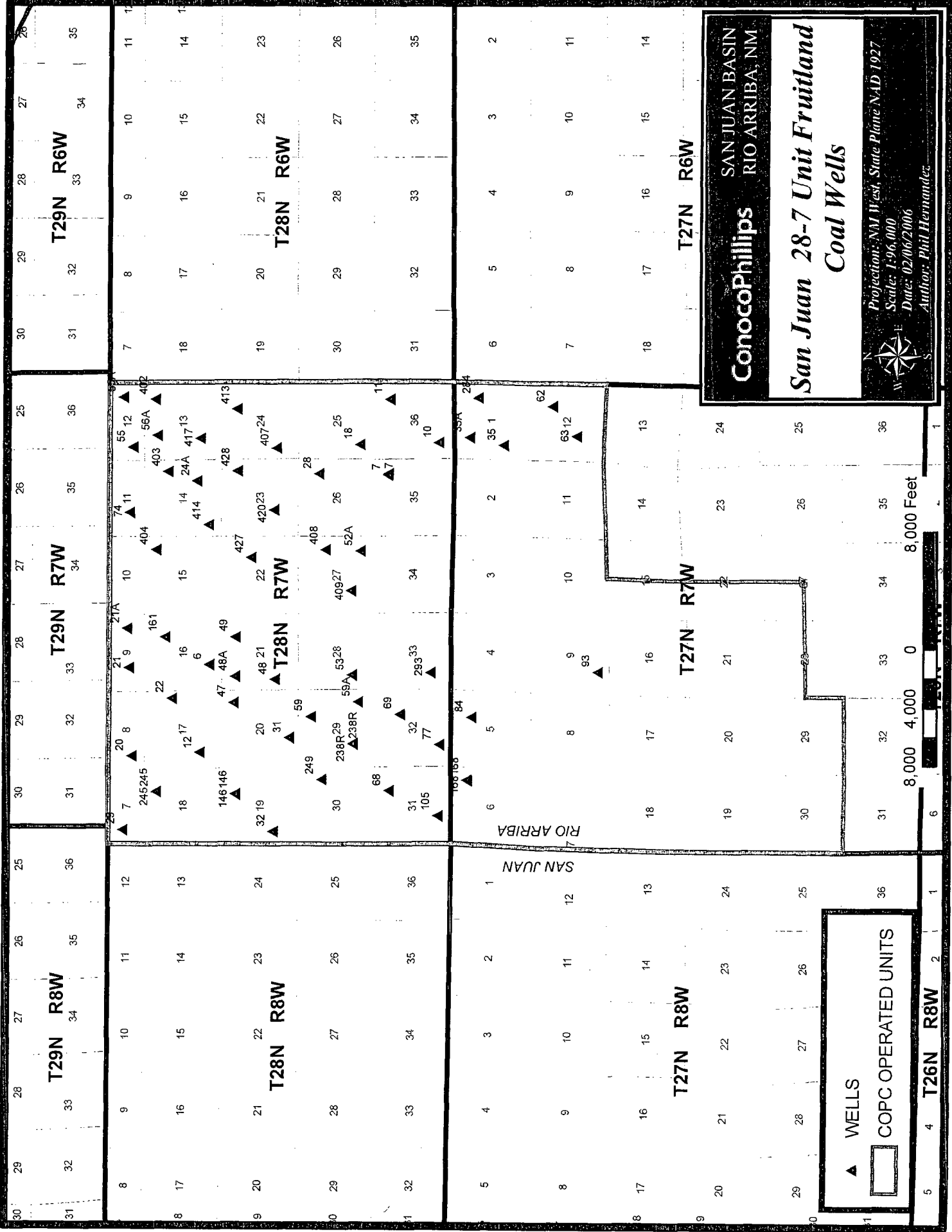
Date



New Mexico Oil Conservation Division

6-26-06
Date

The foregoing approvals are for the 2006 Plan of Development for the San Juan 28-7 Unit, #14-08-001-459, Rio Arriba County, New Mexico.



ConocoPhillips

SAN JUAN BASIN
RIO ARRIBA, NM

San Juan 28-7 Unit Fruitland Coal Wells

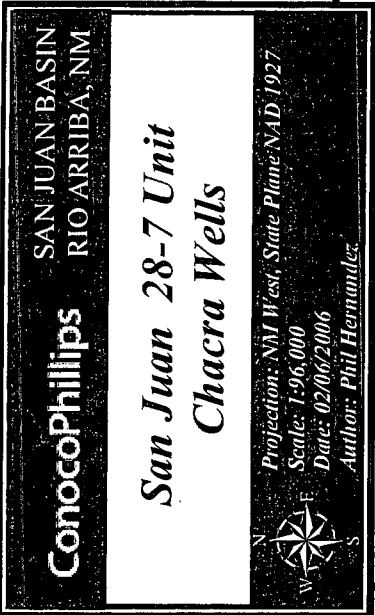
Projection: NM West, State Plane NAD 1927
Scale: 1:96,000
Date: 02/06/2006
Author: Phil Hernandez

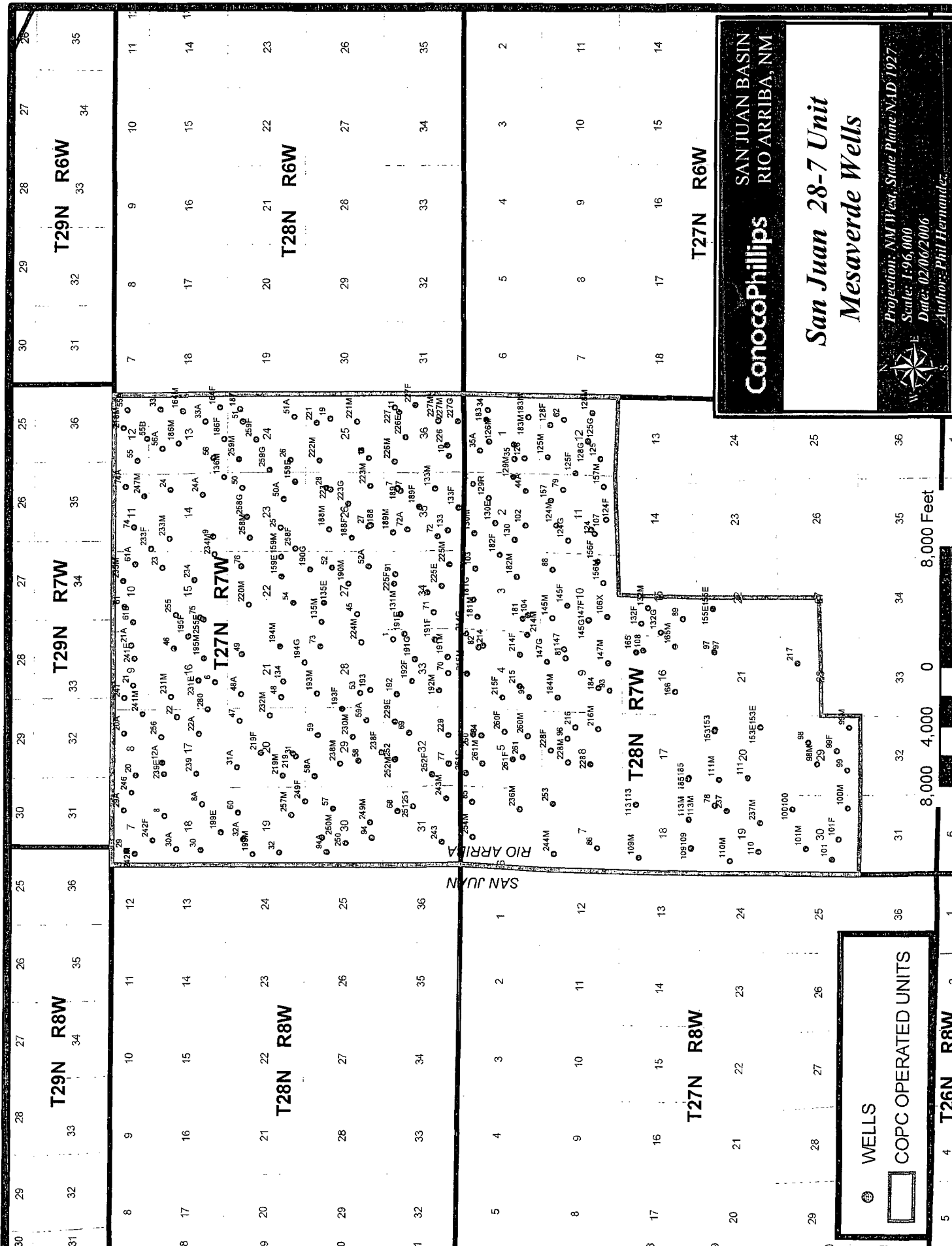
WELLS

COPC OPERATED UNITS

8,000 4,000 0 8,000 Feet

5 4 T26N R8W 2 1





ConocoPhillips

SAN JUAN BASIN
RIO ARRIBA, NM

San Juan 28-7 Unit Mesaverde Wells

Projection: NM West, State Plane NAD 1927
Scale: 1:96,000
Date: 02/06/2006
Author: Phil Hernandez



WELLS



COPC OPERATED UNITS

8,000 4,000 0 8,000 Feet

T26N R8W

5 4 2 1

6

31 32 33 34 35 36

23 24 25 26 27 28

1 2 3 4 5 6

**San Juan 28-7 Unit
Working Interest Owners
Mesaverde Participating Area**

Burlington Resources Oil & Gas Company
Attn: Land
P.O. Box 4289
Farmington, NM 87499-4289

Carolee Simmons Smith
6704 Ashbrook Dr.
Fort Worth, TX 76132-1140

W. G. Peavy Oil Company
221 Woodcrest Drive
Richardson, TX 75060-2038

ConocoPhillips Company
Attn: Michelle Blankenship, 3WL 14068
P.O. Box 2197
Houston, TX 77025-2197

The Wiser Oil Company
Attn: Ken McPhee, Landman
1600 Broadway, Suite 2200
Denver, Colorado 80202

Dugan Production Corp.
P.O. Box 420
Farmington, NM 87499

D. J. Simmons Company
P.O. Box 1469
Farmington, NM 87499-1469

B.O.F.B., Ltd.
2104 Winter Sunday Way
Arlington, TX 76012-4941

Holly Bishop
2305 Colonial Parkway
Fort Worth, TX 76109-1018

June Simmons Lively
3529 Bellaire Drive North
Fort Worth, TX 76109-2110

**San Juan 28-7 Unit
Working Interest Owners
Dakota Participating Area**

Burlington Resources Oil & Gas Company
Attn: Land
P.O. Box 4289
Farmington, NM 87499-4289

Four Star Oil & Gas Company
Attn: NOJV Manager
P.O. Box 36366
Houston, Texas 77236

W. G. Peavy Oil Company
221 Woodcrest Drive
Richardson, TX 75080-2038

The Wiser Oil Company
Attn: Ken McPhee, Landman
1600 Broadway, Suite 2200
Denver, Colorado 80202

Dugan Production Corp.
P.O. Box 420
Farmington, NM 87499

Mary F. Turner Trust _ 6743
Texas Commerce Trust Co., NA
P.O. Box 200890
Houston, TX 77216-0890

Kathleen McLane Trust
P.O. Box 214430
Dallas, TX 75221-4430

Michael S. McLane Trust
P.O. Box 214430
Dallas, TX 75221-4430

D. J. Simmons Company
P.O. Box 1469
Farmington, NM 87499-1469

Dawn Turnbull Brown
6553 Lafayette Way
Dallas, TX 75230-1979

Elizabeth J. Turner-Calloway
P.O. Box 191767
Dallas, Texas 75219-1767

J. Glenn Turner, Jr.
Two Turtle Creek Village
3838 Oaklawn, Suite 1450
Dallas, Texas 75219

John L. Turner
Turner Investments
PMB 285
317 Sidney Baker South #400
Kerrville, TX 78028

Cindy M. Hartner
2222 Flat Creek
Richardson, TX 75080-2332

Denise Turnbull Williams
6553 Lafayette Way
Dallas, TX 75230-1979

Derrick Turnbull
6553 Lafayette Way
Dallas, TX 75230-1979

B.O.F.B., Ltd.
2104 Winter Sunday Way
Arlington, TX 76012-4941

Holly Bishop
2305 Colonial Parkway
Fort Worth, TX 76109-1018

June Simmons Lively
3529 Bellaire Drive North
Fort Worth, TX 76109-2110

Carolee Simmons Smith
6704 Ashbrook Dr.
Fort Worth, TX 76132-1140

ConocoPhillips Company
Attn: Michelle Blankenship, 3WL 14068
P.O. Box 2197
Houston, TX 770252-2197

**San Juan 28-7 Unit
Working Interest Owners
Fruitland Coal Participating Area**

Burlington Resources Oil & Gas Company
Attn: Land
P.O. Box 4289
Farmington, NM 87499-4289

XTO Energy Inc.
Attn: Land
810 Houston Street
Fort Worth, Texas 76102-6298

ConocoPhillips Company
Attn: Michelle Blankenship, 3WL 14068
P.O. Box 2197
Houston, TX 770252-2197

**San Juan 28-7 Unit
Working Interest Owners
Pictured Cliffs Participating Area**

Burlington Resources Oil & Gas Company
Attn: Land
P.O. Box 4289
Farmington, NM 87499-4289

W. G. Peavy Oil Company
221 Woodcrest Drive
Richardson, TX 75060-2038

Dugan Production Corp.
P.O. Box 420
Farmington, NM 87499

D. J. Simmons Company
P.O. Box 1469
Farmington, NM 87499-1469

B.O.F.B., Ltd.
2104 Winter Sunday Way
Arlington, TX 76012-4941

Holly Bishop
2305 Colonial Parkway
Fort Worth, TX 76109-1018

June Simmons Lively
3529 Bellaire Drive North
Fort Worth, TX 76109-2110

Carolee Simmons Smith
6704 Ashbrook Dr.
Fort Worth, TX 76132-1140

ConocoPhillips Company
Attn: Michelle Blankenship, 3WL 14068
P.O. Box 2197
Houston, TX 770252-2197

**San Juan 28-7 Unit
Working Interest Owners
Chacra Participating Area**

Burlington Resources Oil & Gas Company
Attn: Land
P.O. Box 4289
Farmington, NM 87499-4289

W. G. Peavy Oil Company
221 Woodcrest Drive
Richardson, TX 75080-2038

Dugan Production Corp.
P.O. Box 420
Farmington, NM 87499

ConocoPhillips Company
Attn: Michelle Blankenship, 3 WL 14068
P.O. Box 2197
Houston, TX 77025-2197

-State Land Office Beneficiaries -

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