

467

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

September 9, 2003

ConocoPhillips
5525 HWY. 64 NBU 3004
Farmington, NM 87401

Attention: Mr. Skip Fraker

Re: San Juan 31-6 Unit
Fruitland Coal Participating Area
Sixteenth Expansion Effective 12/1/2001
Well No. 231R, W/2 Sec. 27-31N-6W
Rio Arriba County, New Mexico

RECEIVED

SEP 10 2003

**OIL CONSERVATION
DIVISION**

Dear Mr. Fraker:

We have received your letter of November 30, 2002, requesting our approval to the above-mentioned Fruitland Coal participating area expansion for the San Juan 31-6 Unit.

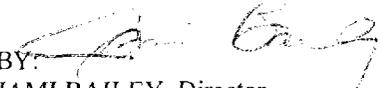
The Bureau of Land Management approved the above-referenced expansions by their letter of August 22, 2003.

The Commissioner of Public Lands concurs with the Bureau of Land Management and has this date approved the above-referenced Fruitland Coal participating area expansion effective December 1, 2001.

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,
BLM Farmington-Attn.: Mr. Wayne Townsend
OCD-Attn.: Mr. Roy Johnson
TRD-Attn.: Mr. Valdean Severson,
RMD-Attn.: Mr. Kurt McFall



P.O. Box 2197
Houston, TX 77252-2197

May 12, 2003

Bureau of Land Management (3 copies)
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

Oil Conservation Division (2 copies)
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
Rio Arriba County, New Mexico
First Amended 2003 Plan of Development
Contract C49866

Gentlemen:

By letter dated November 25, 2002, Phillips Petroleum Company (Phillips) as Unit Operator, filed the 2003 Initial Plan of Development (POD).

It is now proposed that the POD be amended to include the addition of eight (8) to be drilled which were not included in the Initial POD.

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>
San Juan 31-6 Unit #201A	E/2 Section 1-30N-6W	Fruitland Coal
San Juan 31-6 Unit #202A	W/2 Section 1-30N-6W	Fruitland Coal
San Juan 31-6 Unit #203A	E/2 Section 3-30N-6W	Fruitland Coal
San Juan 31-6 Unit #204A	W/2 Section 3-30N-6W	Fruitland Coal
San Juan 31-6 Unit #205A	E/2 Section 4-30N-6W	Fruitland Coal
San Juan 31-6 Unit #206A	W/2 Section 4-30N-6W	Fruitland Coal
San Juan 31-6 Unit #210A	E/2 Section 2-30N-6W	Fruitland Coal
San Juan 31-6 Unit #211A	W/2 Section 2-30N-6W	Fruitland Coal

The above captioned wells are located within their respective participating area.

The San Juan 31-6 Unit working interest owners have been contacted with respect to this POD and are being provided with a copy of this letter. Phillips, as Unit Operator, will drill any wells that may be required to prevent drainage and any other wells deemed necessary or requested by the Unit working interest owners under the terms and provisions of the Unit Operating Agreement.

Per Section 10 of the Unit Agreement, please confirm your approval of this POD by signing in the appropriate space below and returning an executed copy to my attention.

Respectfully yours,

Skip Fraker, Land Analyst
ConocoPhillips
San Juan CBM Team
(832)486-2392

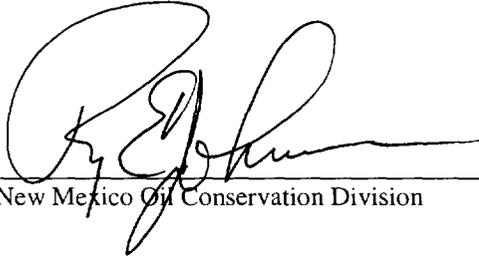
**SAN JUAN 31-6 UNIT #14-08-001-464
2003 FIRST AMENDED PLAN OF DEVELOPMENT**

Bureau of Land Management

Date

New Mexico Commissioner of Public Lands

Date



New Mexico Oil Conservation Division

5/29/03

Date

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

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MAY 05 2003

CIL CONSERVATION
DIVISION
COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

May 1, 2003

Phillips Petroleum Company
5525 HWY. 64 NBU 3004
Farmington, New Mexico 87401

Attn: Mr. Skip Fraker

Re: 2003 Plan of Development
San Juan 31-6 Unit
Rio Arriba County, New Mexico

Dear Mr. Fraker:

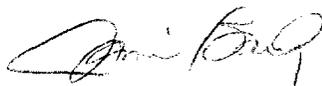
The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

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



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

April 28, 2003

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210-2118

Attn: Mr. Robert Bullock

Re: Final Approval
Strait State Exploratory Unit
Lea County, New Mexico

Dear Mr. Bullock:

This office is in receipt of your letter of April 25, 2003, requesting final approval of the Strait State Exploratory Unit Agreement, Lea County, New Mexico.

Please be advised that the Commissioner of Public Lands has this date granted final approval to the Strait State Exploratory Unit Agreement. The effective date of your agreement is April 28, 2003.

It is our understanding that all tracts are fully committed to the unit agreement.

Enclosed are (5) Certificates of Approval.

Your \$180.00 filing fee has been received.

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
Oil, Gas & Minerals Division
(505) 827-5744
PL/JB/pm

pc: Reader File,
OCD-Santa Fe, Attn: Mr. Roy Johnson
TRD-Attn: Mr. Valdean Severson
RMD-Attn: Ms. Linda Vieira

APR 28 2003
OIL & GAS DIVISION
4-28-03



P.O. Box 2197
Houston, TX 77252-2197

April 23, 2003

Commissioner of Public Lands (2 copies)
State of New Mexico
Attn: Mr. Ray Powell
PO Box 1148
Santa Fe, NM 87504-1148

Oil Conservation Division (2 copies)
State of New Mexico
Attn: Ms. Lori Wrotenberry
2040 South Pacheco
Santa Fe, NM 87505

RE: SAN JUAN 31-6UNIT
#14-08-001-464
SIXTEENTH EXPANSION - EFFECTIVE 9-1-99
RIO ARRIBA COUNTY, NEW MEXICO
C49866, LCN 650326

Ladies and Gentlemen:

It has come to my attention that mail distribution of this expansion application may not have occurred.

I am enclosing copies of the application should this be the case.

Please call me if you need further information.

Respectfully yours,

Skip Fraker
CBM Team Land Analyst
San Juan Rockies Business Unit
(832) 486-2392

RECEIVED
APR 23 2003
OIL CONSERVATION
DIVISION



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

November 30, 2002

Bureau of Land Management (3 copies)
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
Attn: Mr. Ray Powell
PO Box 1148
Santa Fe, NM 87504-1148

Oil Conservation Division (2 copies)
State of New Mexico
Attn: Ms. Lori Wrotenberry
1220 S. St. Francis Drive
Santa Fe, NM 87505-4000

RE: SAN JUAN 31-6UNIT
#14-08-001-464
SIXTEENTH FRUITLAND COAL EXPANSION - EFFECTIVE 12-1-01
RIO ARRIBA COUNTY, NEW MEXICO
C49866, LCN 650326

Ladies and Gentlemen:

Pursuant to Section 11(a) of the San Juan 31-6 Unit Agreement #14-08-001-464, approved November 28, 1952, Phillips Petroleum Company, as Unit Operator, determined on the date indicated below that the well listed below is capable of producing unitized substances in paying quantities from the Fruitland Coal Formation. Therefore, this application for the Sixteenth Expansion of the Participating Areas established for the Fruitland Coal Formation is respectfully submitted for your approval as follows:

Sixteenth Expanded Participating Area
Effective December 1, 2001

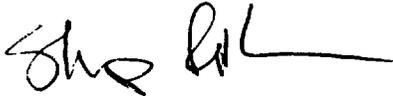
<u>Drilling Block</u>	<u>New Acres</u>	<u>Well No.</u>
W/2, Section 27, T31N, R6W	320.00	231R

The San Juan 31-6 Unit #231R was drilled and completed into the Fruitland Coal Formation on November 21, 2001 with cumulative gas production of 128,453 mcf through July 31, 2002. The drillblock unit for this well is described as the W/2, Section 27, T31N, R6W, Rio Arriba County, New Mexico.

Enclosed herewith is Schedule XVII for the Sixteenth Expanded Participating Area Fruitland Coal Formation. This schedule describes the participating area and indicates the percentage of unitized substances allocated to the unit tracts according to the Fruitland Coal formation ownership of such tracts. Also included is a map reflecting the existing Participating Area and the Proposed Sixteenth Expansion of the San Juan 31-6 Unit Fruitland Coal Formation Participating Area.

Unless this application is disapproved or contested, the Sixteenth Expanded Participating Area is effective as of December 1, 2001. Copies of this application are being provided to the State of New Mexico Land Office, State of New Mexico Oil Conservation Division and Unit Working Interest Owners.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Skip Fraker", with a long horizontal line extending to the right.

Skip Fraker
Phillips Petroleum Company
Southwestern Region-Land Dept.
505 599-3428 (as of 12-9-2002 - 832-486-2392)

The signatory approvals below are for the Sixteenth Expanded Participating Area of the Fruitland Coal Formation in the San Juan 31-6 Unit #14-08-001-464.

Approved _____
Assistant District Manager-Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands
And the Oil Conservation Division

Approved _____
Commissioner of Public Lands
Subject to like approval by the
Bureau of Land Management
And the Oil Conservation Division

Approved _____
Oil Conservation Division
Subject to like approval by the
Bureau of Land Management
And the Commissioner of Public Lands

**SAN JUAN 31-6 UNIT
FRUITLAND COAL
PARTICIPATING AREA OWNERS**

PHILLIPS-SAN JUAN LIMITED PARTNERSHIP
BP AMERICA PRODUCTION COMPANY
BURLINGTON RESOURCES OIL & GAS COMPANY
CBP SAN JUAN LIMITED PARTNERSHIP
CONOCO, INC.
FOUR STAR OIL & GAS
ST. JOHNS OPERATING #1L2
WILLIAMS PETROLEUM COMPANY
WISER OIL COMPANY

**SAN JUAN 31-6 UNIT #231R
FRUITLAND COAL
DRILLBLOCK OWNERS**

PHILLIPS PETROLEUM COMPANY
WILLIAMS PETROLEUM COMPANY

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK		PRESENT ACTUAL
				PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	
USA SF-078995	<u>Township 31 North, Range 6 West</u>	1920.00	Royalty:	12.500000	12.500000	19.105656
	Sec. 28: ALL		Working Interest:			
	29: ALL		Phillips-San Juan LTD Partnership	67.650000	67.650000	
	31: ALL		Williams Production Company	14.850000	14.850000	
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
				100.000000	100.000000	
		San Juan 31-6 Unit #224				
		San Juan 31-6 Unit #225R				
		San Juan 31-6 Unit #228				
		San Juan 31-6 Unit #229				
	San Juan 31-6 Unit #233					
	San Juan 31-6 Unit #234R					
USA SF-078999	<u>Township 31 North, Range 6 West</u>	2240.00	Royalty:	12.500000	12.500000	22.289932
	Sec. 27: ALL		Working Interest:			
	33: E/2		Phillips-San Juan LTD Partnership	67.650000	67.650000	
	34: ALL		Williams Production Company	14.850000	14.850000	
	35: ALL		Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
				100.000000	100.000000	
		San Juan 31-6 Unit #216				
		San Juan 31-6 Unit #217				
		San Juan 31-6 Unit #218				
		San Juan 31-6 Unit #219				
	San Juan 31-6 Unit #220					
	San Juan 31-6 Unit #230					
	San Juan 31-6 Unit #231R					

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION
SAN JUAN 31-6 UNIT

USA	Township	Range	Sec.	Unit	Tract	Royalty	Interest	Value	Total	
USA SF-078999	<u>Township 31 North, Range 6 West</u>		33: W/2	#221	<u>Tract 2A</u>	320.00	Royalty: Working Interest: Phillips-San Juan LTD Partnership Williams Production Company Overriding Royalty Interest	12.500000 67.650000 14.850000 5.000000 100.000000	12.500000 67.650000 14.850000 5.000000 100.000000	3.184276
USA SF-79000	<u>Township 30 North, Range 7 West</u>		1: Lots 7, 8, S/2NW/4, SW/4		<u>Tract 3</u>	319.10	Royalty: Working Interest: Burlington Resources Oil & Gas Co. Overriding Royalty Interest	12.500000 84.000000 3.500000 100.000000	12.500000 84.000000 3.500000 100.000000	3.175320
USA SF-79000-A	<u>Township 30 North, Range 7 West</u>		1: Lots 5, 6, S/2NE/4, SE/4		<u>Tract 4</u>	319.70	Royalty: Working Interest: BP America Production Conoco, Inc. Overriding Royalty Interest	12.500000 33.500000 33.500000 20.500000 100.000000	12.500000 33.500000 33.500000 20.500000 100.000000	3.181291
USA NM-012735	<u>Township 30 North, Range 6 West</u>		6: Lots 8, 9, 10, 11, S/2N/2, S/2		<u>Tract 5</u>	639.40	Royalty: Working Interest: Burlington Resources Oil & Gas Co. CBP San Juan Limited Partnership Overriding Royalty Interest	12.500000 70.466301 12.033699 5.000000 100.000000	12.500000 70.466301 12.033699 5.000000 100.000000	6.362582

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

Tract 6

6.366960

USA SF-079012	<u>Township 30 North, Range 6 West</u>	639.84	Royalty:	12.500000	12.500000
	Sec. 4: Lots 5, 6, 7, 8, S/2N/2, S/2		Working Interest:		
			Burlington Resources Oil & Gas Co.	70.466301	70.466301
	San Juan 31-6 Unit #205		CBP San Juan Limited Partnership	12.033699	12.033699
	San Juan 31-6 Unit #206		Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>
				100.000000	100.000000

Tract 7

1.589053

USA SF-079401	<u>Township 30 North, Range 6 West</u>	159.69	Royalty:	12.500000	12.500000
	Sec. 1: Lots 7, 8, S/2NW/4		Working Interest:		
			Phillips-San Juan LTD Partnership	68.060000	68.060000
	San Juan 31-6 Unit #202		Williams Production Company	14.940000	14.940000
			Overriding Royalty Interest	<u>4.500000</u>	<u>4.500000</u>
				100.000000	100.000000

Tract 8

3.847103

USA NM-012299	<u>Township 30 North, Range 6 West</u>	386.61	Royalty:	12.500000	12.500000
	Sec. 1: Lots 5, 6, 9, 10, 11, W/2SE/4, SW/4NE/4, SW/4		Working Interest:		
			St Johns Operating	32.955000	32.955000
	San Juan 31-6 Unit #201		Burlington Resources Oil & Gas Co.	51.545000	51.545000
	San Juan 31-6 Unit #202		Overriding Royalty Interest	<u>3.000000</u>	<u>3.000000</u>
				100.000000	100.000000

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

6.373329

Tract 9

USA NM-012292	<u>Township 30 North, Range 6 West</u>	640.48	Royalty:	12.500000	12.500000
	Sec. 3: Lots 5, 6, 7, 8, S/2N/2, S/2		Working Interest:		
			Burlington Resources Oil & Gas Co.	70.466301	70.466301
			CBP San Juan Limited Partnership	12.033699	12.033699
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>
	San Juan 31-6 Unit #203			100.000000	100.000000
	San Juan 31-6 Unit #204				

6.360193

Tract 10

USA NM-03404	<u>Township 30 North, Range 6 West</u>	639.16	Royalty:	12.500000	12.500000
	Sec. 5: Lots 5, 6, 7, 8, S/2N/2, S/2		Working Interest:		
			Phillips-San Juan LTD Partnership	67.650000	67.650000
			Williams Production Company	14.850000	14.850000
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>
	San Juan 31-6 Unit #212			100.000000	100.000000
	San Juan 31-6 Unit #213				

1.592138

Tract 11

STATE OF NM E-289-3	<u>Township 31 North, Range 6 West</u>	160.00	Royalty:	12.500000	12.500000
	Sec. 32: NW/4		Working Interest:		
			Wiser Oil Company	87.500000	87.500000
			Overriding Royalty Interest	<u>0.000000</u>	<u>0.000000</u>
	San Juan 31-6 Unit #223			100.000000	100.000000

0.398035

Tract 11A

STATE OF NM E-289-45	<u>Township 31 North, Range 6 West</u>	40.00	Royalty:	12.500000	12.500000
	Sec. 32: SW/4NE/4		Working Interest:		
			Phillips-San Juan LTD Partnership	67.650000	67.650000
			Williams Production Company	14.850000	14.850000
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>
	San Juan 31-6 Unit #222			100.000000	100.000000

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

STATE OF NM E-289-43	<u>Township 31 North, Range 6 West</u>	80.00	<u>Tract 11B</u>	12.500000	12.500000	0.796069
	Sec. 32: N/2NE/4		Royalty:			
			Working Interest:			
			Phillips-San Juan LTD Partnership	67.650000	67.650000	
			Williams Production Company	14.850000	14.850000	
			Overriding Royalty Interest	<u>5.000000</u>	<u>0.000000</u>	
	San Juan 31-6 Unit #222			100.000000	95.000000	
STATE OF NM E-346-26	<u>Township 31 North, Range 6 West</u>	200.00	<u>Tract 12</u>	12.500000	12.500000	1.990173
	Sec. 32: SE/4NE/4, SE/4		Royalty:			
			Working Interest:			
			Phillips-San Juan LTD Partnership	67.650000	67.650000	
			Williams Production Company	14.850000	14.850000	
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
	San Juan 31-6 Unit #222			100.000000	100.000000	
STATE OF NM E-346-25	<u>Township 31 North, Range 6 West</u>	160.00	<u>Tract 12A</u>	12.500000	12.500000	1.592138
	Sec. 32: SW/4		Royalty:			
			Working Interest:			
			Phillips-San Juan LTD Partnership	69.700000	69.700000	
			Williams Production Company	15.300000	15.300000	
			Overriding Royalty Interest	<u>2.500000</u>	<u>2.500000</u>	
	San Juan 31-6 Unit #223			100.000000	100.000000	

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

		<u>Tract 13</u>				1.592138
STATE OF NM E-347-40	<u>Township 30 North, Range 6 West</u>	160.00	Royalty:	12.500000	12.500000	
	Sec. 2: N/2SE/4		Working Interest:			
	<u>Township 31 North, Range 6 West</u>		Four Star Oil & Gas Company	67.855000	67.855000	
	Sec. 36: N/2NW/4		Williams Production Company	14.895000	14.895000	
	San Juan 31-6 Unit #210		Overriding Royalty Interest	<u>4.750000</u>	<u>4.750000</u>	
	San Juan 31-6 Unit #215			100.000000	100.000000	
STATE OF NM E-347-41	<u>Township 30 North, Range 6 West</u>	160.00	Royalty:	12.500000	12.500000	1.592138
	Sec. 2: S/2SE/4		Working Interest:			
	<u>Township 31 North, Range 6 West</u>		BP Amoco	82.500000	82.500000	
	Sec. 36: S/2NW/4		Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
	San Juan 31-6 Unit #210			100.000000	100.000000	
	San Juan 31-6 Unit #215					
STATE OF NM E-347-46	<u>Township 30 North, Range 6 West</u>	320.00	Royalty:	12.500000	12.500000	3.184276
	Sec. 2: SW/4		Working Interest:			
	<u>Township 31 North, Range 6 West</u>		Phillips-San Juan LTD Partnership	69.700000	69.700000	
	Sec. 36: SW/4		Williams Production Company	15.300000	15.300000	
	San Juan 31-6 Unit #211		Overriding Royalty Interest	<u>2.500000</u>	<u>2.500000</u>	
	San Juan 31-6 Unit #215			100.000000	100.000000	

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

Tract 13C

5.427200

100.000000

12.500000

12.500000

67.650000

67.650000

14.850000

14.850000

5.000000

5.000000

100.000000

Township 30 North, Range 6 West

STATE OF NM E-347-39

Royalty:

Sec. 2: Lots 5, 6, 7, 8, S/2N/2

545.40

Working Interest:

Township 31 North, Range 6 West

Phillips-San Juan LTD Partnership

Sec. 36: Lots 1, 2, 3, 4, W/2E/2

Williams Production Company

Overriding Royalty Interest

San Juan 31-6 Unit #210

San Juan 31-6 Unit #211

San Juan 31-6 Unit #215

100.000000

100.000000

San Juan 31-6 Unit #215

100.000000

Effective December 1, 2001

Total Acres

10049.38

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

RECAPITULATION

Description of Lands in Participating Area

Township 30 North, Range 6 West, N.M.P.M.

- Section 1: All
- Section 2: All
- Section 3: All
- Section 4: All
- Section 5: All
- Section 6: All

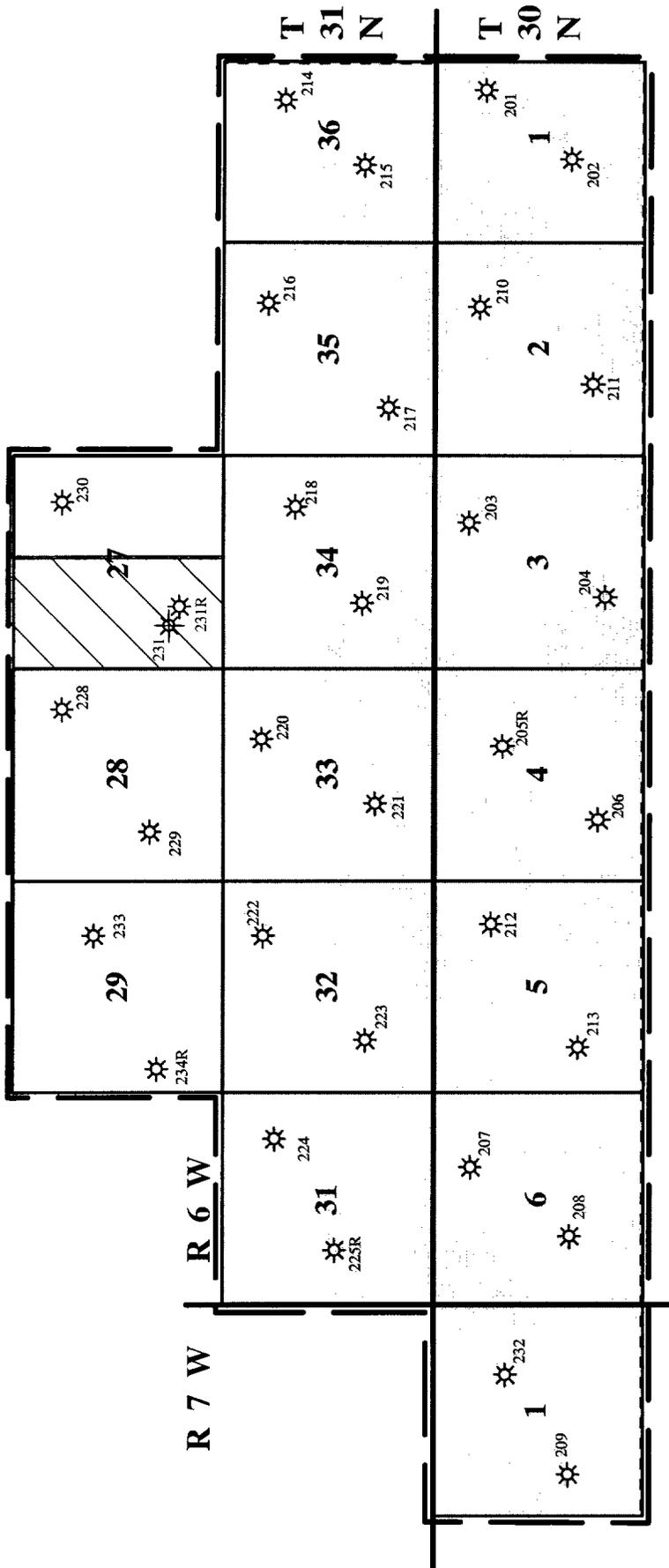
Township 30 North, Range 7 West, N.M.P.M.

- Section 1: All

Township 31 North, Range 6 West, N.M.P.M.

- Section 27: All
- Section 28: All
- Section 29: All
- Section 31: All
- Section 32: All
- Section 33: All
- Section 34: All
- Section 35: All
- Section 36: All

<u>Total Number of acres to Participating Area</u>	10,049.38
<u>Total Number of acres committed to Participating Area</u>	10,049.38
<u>Total Number of acres not committed to Participating Area</u>	0.00



— SAN JUAN 31-6 UNIT BOUNDARY

□ EXISTING FRUITLAND COAL FORMATION PARTICIPATING AREA

▨ 16TH EXPANSION, FRUITLAND COAL FORMATION PARTICIPATING AREA EFFECTIVE 12-1-01

PHILLIPS PETROLEUM CO

SAN JUAN 31-6 UNIT

RIO ARRIBA COUNTY, NM



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

November 30, 2002

Bureau of Land Management (3 copies)
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
Attn: Mr. Ray Powell
PO Box 1148
Santa Fe, NM 87504-1148

Oil Conservation Division (2 copies)
State of New Mexico
Attn: Ms. Lori Wrotenberry
1220 S. St. Francis Drive
Santa Fe, NM 87505-4000

RE: SAN JUAN 31-6UNIT
#14-08-001-464
SIXTEENTH FRUITLAND COAL EXPANSION - EFFECTIVE 12-1-01
RIO ARRIBA COUNTY, NEW MEXICO
C49866, LCN 650326

Ladies and Gentlemen:

Pursuant to Section 11(a) of the San Juan 31-6 Unit Agreement #14-08-001-464, approved November 28, 1952, Phillips Petroleum Company, as Unit Operator, determined on the date indicated below that the well listed below is capable of producing unitized substances in paying quantities from the Fruitland Coal Formation. Therefore, this application for the Sixteenth Expansion of the Participating Areas established for the Fruitland Coal Formation is respectfully submitted for your approval as follows:

Sixteenth Expanded Participating Area
Effective December 1, 2001

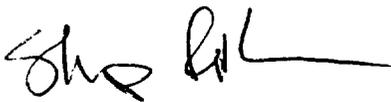
<u>Drilling Block</u>	<u>New Acres</u>	<u>Well No.</u>
W/2, Section 27, T31N, R6W	320.00	231R

The San Juan 31-6 Unit #231R was drilled and completed into the Fruitland Coal Formation on November 21, 2001 with cumulative gas production of 128,453 mcf through July 31, 2002. The drillblock unit for this well is described as the W/2, Section 27, T31N, R6W, Rio Arriba County, New Mexico.

Enclosed herewith is Schedule XVII for the Sixteenth Expanded Participating Area Fruitland Coal Formation. This schedule describes the participating area and indicates the percentage of unitized substances allocated to the unit tracts according to the Fruitland Coal formation ownership of such tracts. Also included is a map reflecting the existing Participating Area and the Proposed Sixteenth Expansion of the San Juan 31-6 Unit Fruitland Coal Formation Participating Area.

Unless this application is disapproved or contested, the Sixteenth Expanded Participating Area is effective as of December 1, 2001. Copies of this application are being provided to the State of New Mexico Land Office, State of New Mexico Oil Conservation Division and Unit Working Interest Owners.

Respectfully yours,



Skip Fraker
Phillips Petroleum Company
Southwestern Region-Land Dept.
505 599-3428 (as of 12-9-2002 - 832-486-2392)

The signatory approvals below are for the Sixteenth Expanded Participating Area of the Fruitland Coal Formation in the San Juan 31-6 Unit #14-08-001-464.

Approved _____
Assistant District Manager-Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands
And the Oil Conservation Division

Approved _____
Commissioner of Public Lands
Subject to like approval by the
Bureau of Land Management
And the Oil Conservation Division

Approved _____
Oil Conservation Division
Subject to like approval by the
Bureau of Land Management
And the Commissioner of Public Lands

**SAN JUAN 31-6 UNIT
FRUITLAND COAL
PARTICIPATING AREA OWNERS**

PHILLIPS-SAN JUAN LIMITED PARTNERSHIP
BP AMERICA PRODUCTION COMPANY
BURLINGTON RESOURCES OIL & GAS COMPANY
CBP SAN JUAN LIMITED PARTNERSHIP
CONOCO, INC.
FOUR STAR OIL & GAS
ST. JOHNS OPERATING #1L2
WILLIAMS PETROLEUM COMPANY
WISER OIL COMPANY

**SAN JUAN 31-6 UNIT #231R
FRUITLAND COAL
DRILLBLOCK OWNERS**

PHILLIPS PETROLEUM COMPANY
WILLIAMS PETROLEUM COMPANY

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

DRILLING BLOCK

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PRESENT ACTUAL
USA SF-078995	<u>Township 31 North, Range 6 West</u>	1920.00	Royalty:	12.500000	12.500000	19.105656
	Sec. 28: ALL		Working Interest:			
	29: ALL		Phillips-San Juan LTD Partnership	67.650000	67.650000	
	31: ALL		Williams Production Company	14.850000	14.850000	
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
	San Juan 31-6 Unit #224			100.000000	100.000000	
	San Juan 31-6 Unit #225R					
	San Juan 31-6 Unit #228					
	San Juan 31-6 Unit #229					
	San Juan 31-6 Unit #233					
	San Juan 31-6 Unit #234R					
USA SF-078999	<u>Township 31 North, Range 6 West</u>	2240.00	Royalty:	12.500000	12.500000	22.289932
	Sec. 27: ALL		Working Interest:			
	33: E/2		Phillips-San Juan LTD Partnership	67.650000	67.650000	
	34: ALL		Williams Production Company	14.850000	14.850000	
	35: ALL		Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
	San Juan 31-6 Unit #216			100.000000	100.000000	
	San Juan 31-6 Unit #217					
	San Juan 31-6 Unit #218					
	San Juan 31-6 Unit #219					
	San Juan 31-6 Unit #220					
	San Juan 31-6 Unit #230					
	San Juan 31-6 Unit #231R					

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

6.366960

Tract 6

USA SF-079012	<u>Township 30 North, Range 6 West</u>	639.84	Royalty:	12.500000	12.500000
	Sec. 4: Lots 5, 6, 7, 8, S/2N/2, S/2		Working Interest:		
			Burlington Resources Oil & Gas Co.	70.466301	70.466301
	San Juan 31-6 Unit #205		CBP San Juan Limited Partnership	12.033699	12.033699
	San Juan 31-6 Unit #206		Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>
				100.000000	100.000000

1.589053

Tract 7

USA SF-079401	<u>Township 30 North, Range 6 West</u>	159.69	Royalty:	12.500000	12.500000
	Sec. 1: Lots 7, 8, S/2NW/4		Working Interest:		
			Phillips-San Juan LTD Partnership	68.060000	68.060000
			Williams Production Company	14.940000	14.940000
			Overriding Royalty Interest	<u>4.500000</u>	<u>4.500000</u>
	San Juan 31-6 Unit #202			100.000000	100.000000

3.847103

Tract 8

USA NM-012299	<u>Township 30 North, Range 6 West</u>	386.61	Royalty:	12.500000	12.500000
	Sec. 1: Lots 5, 6, 9, 10, 11, W/2SE/4, SW/4NE/4, SW/4		Working Interest:		
			St. Johns Operating	32.955000	32.955000
			Burlington Resources Oil & Gas Co.	51.545000	51.545000
			Overriding Royalty Interest	<u>3.000000</u>	<u>3.000000</u>
	San Juan 31-6 Unit #201			100.000000	100.000000
	San Juan 31-6 Unit #202				

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

6.373329

Tract 9

USA NM-012292	<u>Township 30 North, Range 6 West</u>	640.48	Royalty:	12.500000	12.500000
	Sec. 3: Lots 5, 6, 7, 8, S/2N/2, S/2		Working Interest:		
			Burlington Resources Oil & Gas Co.	70.466301	70.466301
			CBP San Juan Limited Partnership	12.033699	12.033699
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>
	San Juan 31-6 Unit #203			100.000000	100.000000
	San Juan 31-6 Unit #204				

6.360193

Tract 10

USA NM-03404	<u>Township 30 North, Range 6 West</u>	639.16	Royalty:	12.500000	12.500000
	Sec. 5: Lots 5, 6, 7, 8, S/2N/2, S/2		Working Interest:		
			Phillips-San Juan LTD Partnership	67.650000	67.650000
			Williams Production Company	14.850000	14.850000
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>
	San Juan 31-6 Unit #212			100.000000	100.000000
	San Juan 31-6 Unit #213				

1.592138

Tract 11

STATE OF NM E-289-3	<u>Township 31 North, Range 6 West</u>	160.00	Royalty:	12.500000	12.500000
	Sec. 32: NW/4		Working Interest:		
			Wiser Oil Company	87.500000	87.500000
			Overriding Royalty Interest	<u>0.000000</u>	<u>0.000000</u>
	San Juan 31-6 Unit #223			100.000000	100.000000

0.398035

Tract 11A

STATE OF NM E-289-45	<u>Township 31 North, Range 6 West</u>	40.00	Royalty:	12.500000	12.500000
	Sec. 32: SW/4NE/4		Working Interest:		
			Phillips-San Juan LTD Partnership	67.650000	67.650000
			Williams Production Company	14.850000	14.850000
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>
	San Juan 31-6 Unit #222			100.000000	100.000000

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION
SAN JUAN 31-6 UNIT

STATE OF NM E-289-43	<u>Township 31 North, Range 6 West</u> Sec. 32: N/2NE/4	80.00	<u>Tract 11B</u> Royalty: Working Interest: Phillips-San Juan LTD Partnership Williams Production Company Overriding Royalty Interest	12.500000 12.500000 67.650000 14.850000 <u>0.000000</u> 95.000000	0.796069
	San Juan 31-6 Unit #222				
STATE OF NM E-346-26	<u>Township 31 North, Range 6 West</u> Sec. 32: SE/4NE/4, SE/4	200.00	<u>Tract 12</u> Royalty: Working Interest: Phillips-San Juan LTD Partnership Williams Production Company Overriding Royalty Interest	12.500000 12.500000 67.650000 14.850000 <u>5.000000</u> 100.000000	1.990173
	San Juan 31-6 Unit #222				
STATE OF NM E-346-25	<u>Township 31 North, Range 6 West</u> Sec. 32: SW/4	160.00	<u>Tract 12A</u> Royalty: Working Interest: Phillips-San Juan LTD Partnership Williams Production Company Overriding Royalty Interest	12.500000 12.500000 69.700000 15.300000 <u>2.500000</u> 100.000000	1.592138
	San Juan 31-6 Unit #223				

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

		<u>Tract 13</u>		1.592138
STATE OF NM E-347-40	<u>Township 30 North, Range 6 West</u>	160.00	Royalty:	12.500000
	Sec. 2: N/2SE/4		Working Interest:	
	<u>Township 31 North, Range 6 West</u>		Four Star Oil & Gas Company	67.855000
	Sec. 36: N/2NW/4		Williams Production Company	14.895000
			Overriding Royalty Interest	<u>4.750000</u>
	San Juan 31-6 Unit #210			100.000000
	San Juan 31-6 Unit #215			
			<u>Tract 13A</u>	
STATE OF NM E-347-41	<u>Township 30 North, Range 6 West</u>	160.00	Royalty:	12.500000
	Sec. 2: S/2SE/4		Working Interest:	
	<u>Township 31 North, Range 6 West</u>		BP Amoco	82.500000
	Sec. 36: S/2NW/4		Overriding Royalty Interest	<u>5.000000</u>
				100.000000
	San Juan 31-6 Unit #210			
	San Juan 31-6 Unit #215			
			<u>Tract 13B</u>	
STATE OF NM E-347-46	<u>Township 30 North, Range 6 West</u>	320.00	Royalty:	12.500000
	Sec. 2: SW/4		Working Interest:	
	<u>Township 31 North, Range 6 West</u>		Phillips-San Juan LTD Partnership	69.700000
	Sec. 36: SW/4		Williams Production Company	15.300000
			Overriding Royalty Interest	<u>2.500000</u>
	San Juan 31-6 Unit #211			100.000000
	San Juan 31-6 Unit #215			
				3.184276

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

	<u>Tract 13C</u>					
STATE OF NM E-347-39	<u>Township 30 North, Range 6 West</u>	545.40	Royalty:	12.500000	12.500000	5.427200
	Sec. 2: Lots 5, 6, 7, 8, S/2N/2		Working Interest:			
	<u>Township 31 North, Range 6 West</u>		Phillips-San Juan LTD Partnership	67.650000	67.650000	100.000000
	Sec. 36: Lots 1, 2, 3, 4, W/2E/2		Williams Production Company	14.850000	14.850000	
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
	San Juan 31-6 Unit #210			100.000000	100.000000	
	San Juan 31-6 Unit #211					
	San Juan 31-6 Unit #215					

Effective December 1, 2001 Total Acres 10049.38

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

RECAPITULATION

Description of Lands in Participating Area

Township 30 North, Range 6 West, N.M.P.M.

Section 1: All

Section 2: All

Section 3: All

Section 4: All

Section 5: All

Section 6: All

Township 30 North, Range 7 West, N.M.P.M.

Section 1: All

Township 31 North, Range 6 West, N.M.P.M.

Section 27: All

Section 28: All

Section 29: All

Section 31: All

Section 32: All

Section 33: All

Section 34: All

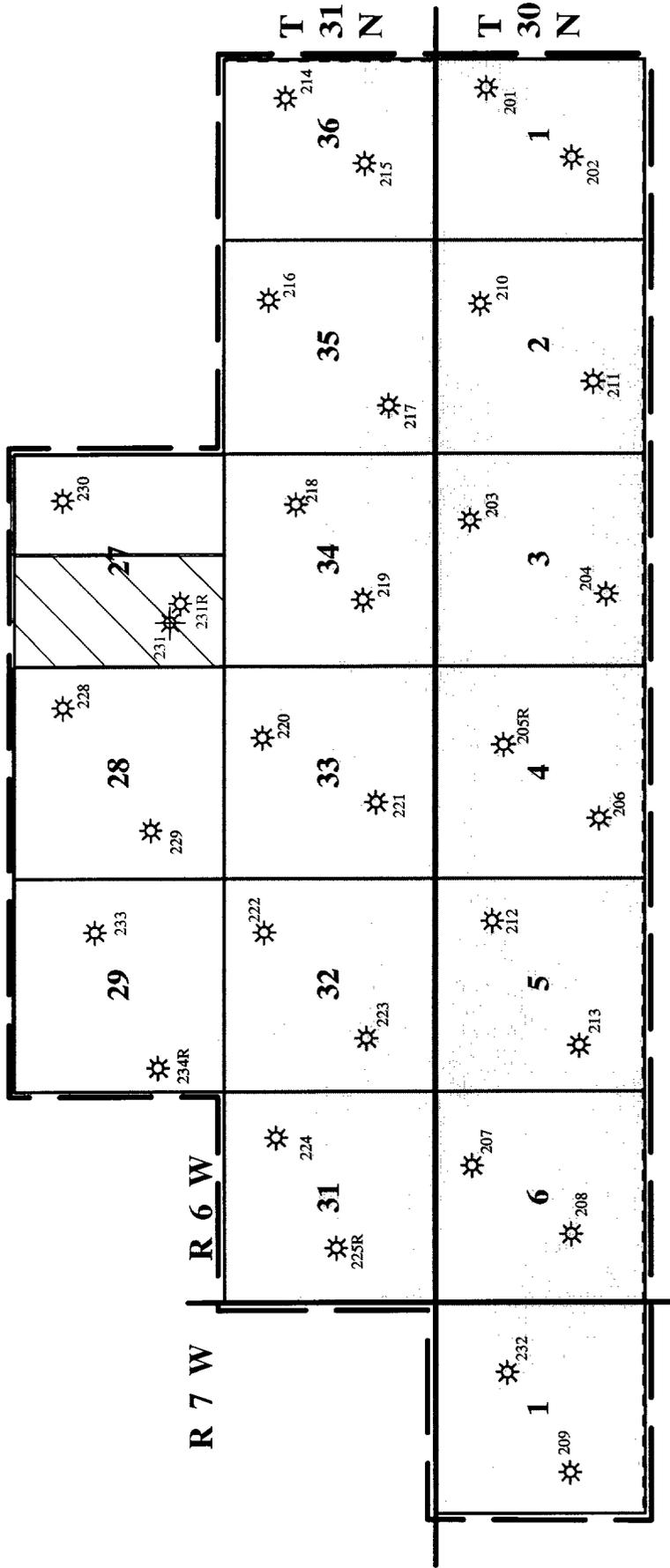
Section 35: All

Section 36: All

Total Number of acres to Participating Area 10,049.38

Total Number of acres committed to Participating Area 10,049.38

Total Number of acres not committed to Participating Area 0.00



— SAN JUAN 31-6 UNIT BOUNDARY

□ EXISTING FRUITLAND COAL FORMATION PARTICIPATING AREA

▨ 16TH EXPANSION, FRUITLAND COAL FORMATION PARTICIPATING AREA EFFECTIVE 12-1-01

PHILLIPS PETROLEUM CO

SAN JUAN 31-6 UNIT
RIO ARRIBA COUNTY, NM

#467



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

April 2, 2003

Phillips Petroleum Company
5525 HWY, 64 NBU 3004
Farmington, NM 87401

Attention: Mr. Skip Fraker

Re: San Juan 31-6 Unit
Dakota Participating Area
Thirteenth Expansion Effective 9/1/2001
Fourteenth Expansion Effective 11/1/2001
Rio Arriba County, New Mexico

Dear Mr. Fraker:

We have received your letter of September 25, 2002, requesting our approval to the above-mentioned Dakota participating area expansions for the San Juan 31-6 Unit.

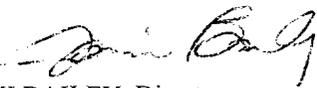
The Bureau of Land Management approved the above-referenced expansions by their letter of January 28, 2003.

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

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,
BLM Farmington-Attn.: Mr. Wayne Townsend
OCD-Attn.: Mr. Roy Johnson
TRD-Attn.: Mr. Valdean Severson,
RMD-Attn.: Mr. Kurt McFall

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

February 27, 2003

Phillips Petroleum Company
5525 Hwy. 64 NBU 3004
Farmington, NM 87401

Attention: Mr. Skip Fraker

Re: San Juan 31-6 Unit
Commerciality Determinations
Mesaverde Formation
San Juan 31-6 Unit Well No. 31E, W/2 35-31N-6W
San Juan 31-6 Unit Well No. 35E, W/2 35-31N-6W
Rio Arriba County, New Mexico

Dear Mr. Fraker:

We are in receipt of your letter of October 2, 2002 and a copy of the Bureau of Land Management's letter of November 6, 2002 regarding the referenced commerciality determinations for the San Juan 31-6 Unit Well Nos. 31E and 35E.

We concur with the Bureau of Land Management that the San Juan 31-6 Unit Well No. 35E is a commercial well in the Mesaverde formation and should be included in the Mesaverde participating area. Please submit an application for the appropriate expansion of the Mesaverde participating area to this office for approval.

We also concur that the San Juan 31-6 Unit Well No. 31E is a non-commercial well and should be produced on a lease basis.

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
BLM-Farmington Attn: Mr. Wayne Townsend
OCD-Santa Fe Attn: Mr. Roy Johnson
TRD-Attn: Mr. Valdean Severson
RMD-Linda Vieira

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

February 24, 2003

Phillips Petroleum Company
5525 Hwy. 64 NBU 3004
Farmington, NM 87401

Attention: Mr. Skip Fraker

Re: San Juan 31-6 Unit
Commerciality Determination
Fruitland Coal Formation
San Juan 31-6 Unit Well No. 231R, W/2 27-31N-6W
Rio Arriba County, New Mexico

RECEIVED
FEB 27 2003
OIL CONSERVATION
DIVISION

Dear Mr. Fraker:

We are in receipt of your letter of September 27, 2002 and a copy of the Bureau of Land Management's letter of November 1, 2002 regarding the referenced commercial determination for the San Juan 31-6 Unit Well No. 231R.

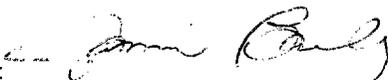
We concur with the Bureau of Land Management that the San Juan 31-6 Unit Well No. 231R is a commercial well in the Fruitland Coal formation and should be included in the Fruitland Coal participating area.

Please submit an application for the appropriate expansion of the Fruitland Coal participating area to this office for approval.

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
BLM-Farmington Attn: Mr. Wayne Townsend
OCD-Santa Fe Attn: Mr. Roy Johnson
TRD-Attn: Mr. Valdean Severson
RMD-Linda Vieira



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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

COMMISSIONER'S OFFICE

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

January 16, 2003

Phillips Petroleum Company
5525 Hwy. 64 NBU 3004
Farmington, NM 87401

Attention: Mr. Skip Fraker

Re: San Juan 31-6 Unit
Commercial Determinations
Dakota Formation
San Juan 31-6 Unit Well No. 4M, E/2 Sec. 4-30N-6W
San Juan 31-6 Unit Well No. 6M, W/2 Sec. 1-30N-7W
San Juan 31-6 Unit Well No. 8M, W2 Sec. 6-30N-6W
Rio Arriba County, New Mexico

Dear Mr. Fraker:

We are in receipt of your letter of August 28, 2002 and a copy of the Bureau of Land Management's letter of August 30, 2002 regarding the referenced commercial determinations for the San Juan 31-6 Unit Well Nos. 4M, 6M and 8M.

We concur with the Bureau of Land Management that the San Juan 31-6 Unit Well Nos. 4M, 6M and 8M are commercial wells in the Dakota formation and should be included in the Dakota participating area.

Please submit an application for the appropriate expansion of the Dakota participating area to this office for approval.

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
BLM-Farmington Attn: Mr. Wayne Townsend
OCD-Santa Fe Attn: Mr. Roy Johnson
TRD-Attn: Mr. Valdean Severson
RMD-Linda Vieira



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
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SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE
Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

January 15, 2003

Phillips Petroleum Company
5525 Hwy. 64 NBU 3004
Farmington, NM 87401

Attention: Mr. Skip Fraker

Re: San Juan 31-6 Unit
Commercial Determinations
Mesaverde Formation
San Juan 31-6 Unit Well No. 24E, W/2 27-31N-6W
San Juan 31-6 Unit Well No. 44E, E/2 29-31N-6W
Rio Arriba County, New Mexico

Dear Mr. Fraker:

We are in receipt of your letter of August 14, 2002 and a copy of the Bureau of Land Management's letter of August 29, 2002 regarding the referenced commercial determinations for the San Juan 31-6 Unit Well Nos. 24E and 44E.

We concur with the Bureau of Land Management that the San Juan 31-6 Unit Well No. 44E is a commercial well in the Mesaverde formation and should be included in the Mesaverde participating area. The San Juan 32-6 Unit Well No. 24E is a non-commercial well and should be produced on a lease basis.

Please submit an application for the appropriate expansion of the Mesaverde participating area to this office for approval.

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
BLM-Farmington Attn: Mr. Wayne Townsend
OCD-Santa Fe Attn: Mr. Roy Johnson
TRD-Attn: Mr. Valdean Severson
RMD-Linda Vieira



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

NOV 29 2002
OIL CONSERVATION
DIVISION

November 30, 2002

Bureau of Land Management (3 copies)
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
Attn: Mr. Ray Powell
PO Box 1148
Santa Fe, NM 87504-1148

Oil Conservation Division (2 copies)
State of New Mexico
Attn: Ms. Lori Wrotenberry
1220 S. St. Francis Drive
Santa Fe, NM 87505-4000

RE: SAN JUAN 31-6UNIT
#14-08-001-464
SIXTEENTH FRUITLAND COAL EXPANSION - EFFECTIVE 12-1-01
RIO ARRIBA COUNTY, NEW MEXICO
C49866, LCN 650326

Ladies and Gentlemen:

Pursuant to Section 11(a) of the San Juan 31-6 Unit Agreement #14-08-001-464, approved November 28, 1952, Phillips Petroleum Company, as Unit Operator, determined on the date indicated below that the well listed below is capable of producing unitized substances in paying quantities from the Fruitland Coal Formation. Therefore, this application for the Sixteenth Expansion of the Participating Areas established for the Fruitland Coal Formation is respectfully submitted for your approval as follows:

Sixteenth Expanded Participating Area
Effective December 1, 2001

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well No.</u>
W/2, Section 27, T31N, R6W	320.00	231R

The San Juan 31-6 Unit #231R was drilled and completed into the Fruitland Coal Formation on November 21, 2001 with cumulative gas production of 128,453 mcf through July 31, 2002. The drillblock unit for this well is described as the W/2, Section 27, T31N, R6W, Rio Arriba County, New Mexico.

Enclosed herewith is Schedule XVII for the Sixteenth Expanded Participating Area Fruitland Coal Formation. This schedule describes the participating area and indicates the percentage of unitized substances allocated to the unit tracts according to the Fruitland Coal formation ownership of such tracts. Also included is a map reflecting the existing Participating Area and the Proposed Sixteenth Expansion of the San Juan 31-6 Unit Fruitland Coal Formation Participating Area.

Unless this application is disapproved or contested, the Sixteenth Expanded Participating Area is effective as of December 1, 2001. Copies of this application are being provided to the State of New Mexico Land Office, State of New Mexico Oil Conservation Division and Unit Working Interest Owners.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Skip Fraker", written in a cursive style.

Skip Fraker
Phillips Petroleum Company
Southwestern Region-Land Dept.
505 599-3428 (as of 12-9-2002 – 832-486-2392)

The signatory approvals below are for the Sixteenth Expanded Participating Area of the Fruitland Coal Formation in the San Juan 31-6 Unit #14-08-001-464.

Approved _____
Assistant District Manager-Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands
And the Oil Conservation Division

Approved _____
Commissioner of Public Lands
Subject to like approval by the
Bureau of Land Management
And the Oil Conservation Division

Approved _____
Oil Conservation Division
Subject to like approval by the
Bureau of Land Management
And the Commissioner of Public Lands

**SAN JUAN 31-6 UNIT
FRUITLAND COAL
PARTICIPATING AREA OWNERS**

PHILLIPS-SAN JUAN LIMITED PARTNERSHIP
BP AMERICA PRODUCTION COMPANY
BURLINGTON RESOURCES OIL & GAS COMPANY
CBP SAN JUAN LIMITED PARTNERSHIP
CONOCO, INC.
FOUR STAR OIL & GAS
ST. JOHNS OPERATING #1L2
WILLIAMS PETROLEUM COMPANY
WISER OIL COMPANY

**SAN JUAN 31-6 UNIT #231R
FRUITLAND COAL
DRILLBLOCK OWNERS**

PHILLIPS PETROLEUM COMPANY
WILLIAMS PETROLEUM COMPANY

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK		PRESENT ACTUAL
				PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	
USA SF-078995	Township 31 North, Range 6 West	1920.00	Royalty:	12.500000	12.500000	<u>19,105,656</u>
	Sec. 28: All		Working Interest:			
	29: All		Phillips -San Juan Ltd Partnership	67.650000	67.650000	
	31: All		Williams Production Company	14.850000	14.850000	
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
			Total	100.000000	100.000000	
USA SF-078999	Township 31 North, Range 6 West	2240.00	Royalty:	12.500000	12.500000	<u>22,289,932</u>
	Sec. 27: E/2		Working Interest:			
	Sec. 33: All		Phillips -San Juan Ltd Partnership	67.650000	67.650000	
	34: All		Williams Production Company	14.850000	14.850000	
	35: All		Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
			Total	100.000000	100.000000	

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

USA SF-078999	<u>Township 31 North, Range 6 West</u> Sec. 33: W/2	320.00	Royalty:	12.500000	<u>Tract 2A</u>	12.500000	<u>3.184276</u>
			Working Interest:				
			Phillips -San Juan Ltd Partnership	67.650000		67.650000	
			Williams Production Company	14.850000		14.850000	
			Overriding Royalty Interest	<u>5.000000</u>		<u>5.000000</u>	
	San Juan 31-6 Unit #221		Total	100.000000		100.000000	
USA SF-79000	<u>Township 30 North, Range 7 West</u> Sec. 1: Lots 7, 8, S/2NW/4, SW/4	319.10	Royalty:	12.500000	<u>Tract 3</u>	12.500000	<u>3.175320</u>
			Working Interest:				
			Burlington Resources Oil & Gas Co.	84.000000		84.000000	
			Overriding Royalty Interest	<u>3.500000</u>		<u>3.500000</u>	
	San Juan 31-6 Unit #209		Total	100.000000		100.000000	
USA SF-79000-A	<u>Township 30 North, Range 7 West</u> Sec. 1: Lots 5, 6, S/2NE/4, SE/4	319.70	Royalty:	12.500000	<u>Tract 4</u>	12.500000	<u>3.181291</u>
			Working Interest:				
			BP America Production	33.750000		33.750000	
			Conoco, Inc.	33.750000		33.750000	
			Overriding Royalty Interest	<u>20.000000</u>		<u>20.000000</u>	
			Total	100.000000		100.000000	
USA NM-012735	<u>Township 30 North, Range 6 West</u> Sec. 6: Lots 8, 9, 10, 11, S/2N/2, S/2	639.40	Royalty:	12.500000	<u>Tract 5</u>	12.500000	<u>6.362582</u>
			Working Interest:				
			Burlington Resources Oil & Gas Co.	70.466301		70.466301	
			CBP San Juan Limited Partnership	12.033699		12.033699	
			Overriding Royalty Interest	<u>5.000000</u>		<u>5.000000</u>	
	San Juan 31-6 Unit #207		Total	100.000000		100.000000	
	San Juan 31-6 Unit #208						

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION
SAN JUAN 31-6 UNIT

USA SF-079012	<u>Township 30 North, Range 6 West</u>	639.84	Royalty:	<u>Tract 6</u>	12.500000	12.500000	6.366960
	Sec. 4: Lots 5, 6, 7, 8, S/2N/2, S/2		Working Interest:				
			Burlington Resources Oil & Gas Co.		70.466301	70.466301	
			CBP San Juan Limited Partnership		12.033699	12.033699	
			Overriding Royalty Interest		<u>5.000000</u>	<u>5.000000</u>	
	San Juan 31-6 Unit #205		Total		100.000000	100.000000	
	San Juan 31-6 Unit #206						
USA SF-079401	<u>Township 30 North, Range 6 West</u>	159.69	Royalty:	<u>Tract 7</u>	12.500000	12.500000	<u>1.589053</u>
	Sec. 1: Lots 7, 8, S/2NW/4		Working Interest:				
			Phillips-San Juan Ltd Partnership		68.060000	68.060000	
			Williams Production Company		14.940000	14.940000	
			Overriding Royalty Interest		<u>4.500000</u>	<u>4.500000</u>	
	San Juan 31-6 Unit #202		Total		100.000000	100.000000	
USA NM-012299	<u>Township 30 North, Range 6 West</u>	386.61	Royalty:	<u>Tract 8</u>	12.500000	12.500000	<u>3.847103</u>
	Sec. 1: Lots 5, 6, 9, 10, 11, W/2SE/4, SW/4NE/4, SW/4		Working Interest:				
			Cross Timbers Oil Company		32.955000	32.955000	
			Burlington Resources Oil & Gas Co.		51.545000	51.545000	
			Overriding Royalty Interest		<u>3.000000</u>	<u>3.000000</u>	
	San Juan 31-6 Unit #201		Total		100.000000	100.000000	
	San Juan 31-6 Unit #202						

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

USA NM-012292	<u>Township 30 North, Range 6 West</u> Sec. 3: Lots 5, 6, 7, 8, S/2N/2, S/2	640.48	<u>Tract 9</u> Royalty:	12.500000	<u>6.373329</u>
			Working Interest:		
			Burlington Resources Oil & Gas Co.	70.466301	
			CBP San Juan Limited Partnership	12.033699	
			Overriding Royalty Interest	<u>5.000000</u>	
			Total	100.000000	
USA NM-03404	<u>Township 30 North, Range 6 West</u> Sec. 5: Lots 5, 6, 7, 8, S/2N/2, S/2	639.16	<u>Tract 10</u> Royalty:	12.500000	<u>6.360193</u>
			Working Interest:		
			Phillips-San Juan Ltd Partnership	67.650000	
			Williams Production Company	14.850000	
			Overriding Royalty Interest	<u>5.000000</u>	
			Total	100.000000	
STATE OF NM E-289-3	<u>Township 31 North, Range 6 West</u> Sec. 32: NW/4	160.00	<u>Tract 11</u> Royalty:	12.500000	<u>1.592138</u>
			Working Interest:		
			Wiser Oil Company	87.500000	
			Overriding Royalty Interest	<u>0.000000</u>	
			Total	100.000000	
STATE OF NM E-289-50	<u>Township 31 North, Range 6 West</u> Sec. 32: SW/4NE/4	40.00	<u>Tract 11A</u> Royalty:	12.500000	<u>0.398035</u>
			Working Interest:		
			Phillips-San Juan Ltd Partnership	71.750000	
			Williams Production Company	15.750000	
			Overriding Royalty Interest	<u>0.000000</u>	
			Total	100.000000	

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION
SAN JUAN 31-6 UNIT

		<u>Tract 11B</u>		<u>0.796069</u>
STATE OF NM E-289-52	<u>Township 31 North, Range 6 West</u>	80.00	Royalty:	12.500000
	Sec. 32: N/2NE/4		Working Interest:	
			Phillips-San Juan Ltd Partnership	67.650000
			Williams Production Company	14.850000
			Overriding Royalty Interest	<u>0.000000</u>
	San Juan 31-6 Unit #222		Total	95.000000
		<u>Tract 12</u>		<u>1.990173</u>
STATE OF NM E-346-29	<u>Township 31 North, Range 6 West</u>	200.00	Royalty:	12.500000
	Sec. 32: SE/4NE/4, SE/4		Working Interest:	
			Phillips-San Juan Ltd Partnership	67.650000
			Williams Production Company	14.850000
			Overriding Royalty Interest	<u>5.000000</u>
	San Juan 31-6 Unit #222		Total	100.000000
		<u>Tract 12A</u>		<u>1.592138</u>
STATE OF NM E-346-28	<u>Township 31 North, Range 6 West</u>	160.00	Royalty:	12.500000
	Sec. 32: SW/4		Working Interest:	
			Phillips-San Juan Ltd Partnership	69.700000
			Williams Production Company	15.300000
			Overriding Royalty Interest	<u>2.500000</u>
	San Juan 31-6 Unit #223		Total	100.000000

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

Tract 13 1.592138

STATE OF NM E-347-40	<u>Township 30 North, Range 6 West</u>	160.00	Royalty:	12.500000	12.500000
	Sec. 2: N/2SE/4		Working Interest:		
	<u>Township 31 North, Range 6 West</u>		Four Star Oil & Gas Company	67.855000	67.855000
	Sec. 36: N/2NW/4		Williams Production Company	14.895000	14.895000
			Overriding Royalty Interest	<u>4.750000</u>	<u>4.750000</u>
	San Juan 31-6 Unit #210		Total	100.000000	100.000000
	San Juan 31-6 Unit #215				

Tract 13A 0.796069

STATE OF NM E-347-41	<u>Township 31 North, Range 6 West</u>	80.00	Royalty:	12.500000	12.500000
	Sec. 36: S/2NW/4		Working Interest:		
			BP Producing Company	82.500000	82.500000
	San Juan 31-6 Unit #215		Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>
			Total	100.000000	100.000000

Tract 13B 3.184276

STATE OF NM E-347-46	<u>Township 30 North, Range 6 West</u>	320.00	Royalty:	12.500000	12.500000
	Sec. 2: SW/4		Working Interest:		
	<u>Township 31 North, Range 6 West</u>		Phillips-San Juan Ltd Partnership	69.700000	69.700000
	Sec. 36: SW/4		Williams Production Company	15.300000	15.300000
			Overriding Royalty Interest	<u>2.500000</u>	<u>2.500000</u>
	San Juan 31-6 Unit #211		Total	100.000000	100.000000
	San Juan 31-6 Unit #215				

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

		<u>Tract 13C</u>		<u>5.427200</u>
STATE OF NM E-347-39	<u>Township 30 North, Range 6 West</u>	545.40	Royalty:	12.500000
	Sec. 2: Lots 5, 6, 7, 8, S/2N/2		Working Interest:	
	<u>Township 31 North, Range 6 West</u>		Phillips-San Juan Ltd Partnership	67.650000
	Sec. 36: Lots 1, 2, 3, 4, W/2E/2		Williams Production Company	14.850000
			Overriding Royalty Interest	<u>5.000000</u>
	San Juan 31-6 Unit #210		Total	100.000000
	San Juan 31-6 Unit #211			
	San Juan 31-6 Unit #214			
			<u>Tract 13D</u>	
STATE OF NM E-347-39	<u>Township 30 North, Range 6 West</u>	80.00	Royalty:	12.500000
	Sec. 2: S/2SE/4		Working Interest:	
			Williams Production Company	14.850000
			Overriding Royalty Interest	<u>5.000000</u>
	San Juan 31-6 Unit #210		Total	32.350000
				<u>0.796069</u>
				<u>100.000000</u>

Effective December 1, 2001

Total Acres 10049.38

SCHEDULE XVII

SIXTEENTH EXPANDED PARTICIPATING AREA FOR THE FRUITLAND COAL FORMATION

SAN JUAN 31-6 UNIT

RECAPITULATION

Description of Lands in Participating Area

Township 30 North, Range 6 West, N.M.P.M.

Section 1: All

Section 2: All

Section 3: All

Section 4: All

Section 5: All

Section 6: All

Township 30 North, Range 7 West, N.M.P.M.

Section 1: All

Township 31 North, Range 6 West, N.M.P.M.

Section 27: All

Section 28: All

Section 29: All

Section 31: All

Section 32: All

Section 33: All

Section 34: All

Section 35: All

Section 36: All

Total Number of acres committed to Participating Area

10049.38



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

November 20, 2002

Bureau of Land Management (3 copies)
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Oil Conservation Division (2 copies)
State of New Mexico
1220 S. St Francis Drive
Santa Fe, New Mexico 87505-4000

RECEIVED

DEC 06 2002

OIL CONSERVATION
DIVISION

RE: SAN JUAN 30-5 UNIT
#14-08-001-346
RIO ARRIBA COUNTY, NEW MEXICO
2003 PLAN OF DEVELOPMENT
CONTRACT C40454

Ladies and Gentlemen:

By letter dated December 21, 2001, Phillips Petroleum Company (Phillips) as Unit Operator filed the 2002 Plan of Development (POD), which was amended by Phillips letter of January 7, 2002. The POD indicated six (6) wells were planned for 2002 and the amendment in September added one (1) additional well. The 2002 status is shown below.

- Attached are maps for each participating area.
- The following wells were drilled in 2002.

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>
San Juan 30-5 Unit #49M	W/2(MV) N/2 (DK) Section 9-30N-5W	Mesaverde/Dakota
San Juan 30-5 Unit #73M	W/2(MV) N/2 (DK) Section 10-30N-5W	Mesaverde/Dakota
San Juan 30-5 Unit #80M	W/2(MV) N/2 (DK) Section 6-30N-5W	Mesaverde/Dakota
San Juan 30-5 Unit #87M	E/2(MV) S/2 (DK) Section 5-30N-5W	Mesaverde/Dakota
San Juan 30-5 Unit #267	E/2 Section 24-30N-5W	Fruitland Coal

The the #49M, 73M, 80M & 87M wells were located within their respective Mesaverde and Dakota Participating Areas. The #267 well was drilled on a drillblock basis for the Fruitland Coal formation.

- The following wells were recompleted in 2002,

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>
San Juan 30-5 Unit #39	W/2(MV) N/2 (DK) Section 7-30N-5W	Mesaverde
San Juan 30-5 Unit #48	E/2(MV & DK) Section 20-30N-5W	Mesaverde
San Juan 30-5 Unit #50	W/2(MV) S/2 (DK) Section 6-30N-5W	Mesaverde
San Juan 30-5 Unit #52	W/2(MV) S/2 (DK) Section 15-30N-5W	Mesaverde
San Juan 30-5 Unit #53	E/2(MV) S/2 (DK) Section 16-30N-5W	Mesaverde
San Juan 30-5 Unit #78	W/2(MV) S/2 (DK) Section 7-30N-5W	Mesaverde

San Juan 30-5 Unit #79	W/2(MV) S/2 (DK) Section 5-30N-5W	Mesaverde
San Juan 30-5 Unit #80	E/2(MV) N/2 (DK) Section 6-30N-5W	Mesaverde
San Juan 30-5 Unit #88	W/2(MV & DK) Section 18-30N-5W	Mesaverde
San Juan 30-5 Unit #110	E/2(MV) N/2 (DK) Section 16-30N-5W	Mesaverde

2002 Summary-There were four (4) Mesaverde/Dakota commingle wells and one Fruitland Coal well drilled. Ten (10) Dakota wells were recompleted in the Mesaverde formation and will be commingled. The #29B & 38M wells will be carried over into 2003. All downhole commingle operations were conducted in accordance to existing regulatory parameters.

The Participating Areas which have been established in the 30-5 Unit are:

<u>Formation</u>	<u>Revision</u>	<u>Effective</u>
Fruitland Coal	Twenty-Fifth	12/1/98
Pictured Cliffs	Third	11/1/82
Mesaverde	Thirty-Fourth	12/1/98
Dakota	Seventeenth	11/1/97
Dakota "A"	Initial	7/19/93

Pursuant to Section 10 of the San Juan 30-5 Unit Agreement, Phillips, as Unit Operator hereby submits the following wells for the 2003 POD:

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>
San Juan 30-5 Unit #29M	E/2 Section 14-30N-5W	Mesaverde/Dakota
San Juan 30-5 Unit #203A	E/2 Section 6-30N-5W	Fruitland Coal
San Juan 30-5 Unit #213A	E/2(MV&DK) Section 18-30N-5W	Fruitland Coal
San Juan 30-5 Unit #214A	W/2(MV) N/2 (DK) Section 9-30N-5W	Fruitland Coal
San Juan 30-5 Unit #260A	W/2(MV) N/2 (DK) Section 10-30N-5W	Fruitland Coal
San Juan 30-5 Unit #266A	W/2(MV) N/2 (DK) Section 6-30N-5W	Fruitland Coal

The San Juan 30-5 Unit working interest owners have been contacted with respect to this POD and are being provided with a copy of this letter. Phillips, as Unit Operator, will drill any wells that may be required to prevent drainage or any other wells deemed necessary or requested by the Unit working interest owners under the terms and provisions of the Unit Operating Agreement.

Per Section 10 of the Unit Agreement, please confirm your approval of this POD by signing in the appropriate space below and returning an executed copy to my attention.

Respectfully yours,



Skip Fraker
 Phillips Petroleum Company
 San Juan Area-Land Dept.
 (505) 599-3428

**SAN JUAN 30-5 UNIT #14-08-001-346
2003 INITIAL PLAN OF DEVELOPMENT**

Bureau of Land Management

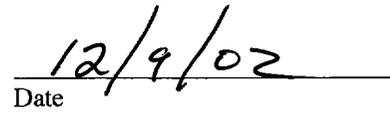
Date

New Mexico Commissioner of Public Lands

Date



New Mexico Oil Conservation Division



Date



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

October 2, 2002

Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands
State of New Mexico
Attn: Mr. Ray Powell
PO Box 1148
Santa Fe, NM 87504-1148

Oil Conservation Division
State of New Mexico
Attn: Ms. Lori Wrotenberry
1220 S. Saint Francis Drive
Santa Fe, NM 87505-4000

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
COMMERCIALITY DETERMINATION
SAN JUAN 31-6 UNIT #31E
W/2 SECTION 35, T31N, R6W
SAN JUAN 31-6 UNIT #35E
W/2 SECTION 35, T31N, R6W
RIO ARRIBA COUNTY, NEW MEXICO
C49866

Gentlemen:

Pursuant to the provisions of Section 11(a) of the San Juan 31-6 Unit Agreement, #14-08-001-464, Phillips Petroleum Company (Phillips) has determined that the San Juan 31-6 Unit #31E and 35E wells are capable of producing unitized substances in paying quantities from the Mesaverde formation. Phillips requests confirmation of these paying well determinations. A summary of production and economic data is enclosed for the wells.

Upon receipt of approval from the Bureau of Land Management and concurring responses from the Commissioner of Public Lands and Oil Conservation Division, the formal Participating Area schedules will be prepared and submitted.

Copies of this submittal and enclosures are being sent to all owners on the attached listing. Please contact the undersigned, should you have any questions.

Respectfully yours

Skip Fraker
San Juan Area – Land Department
(505)599-3428
San Juan Area

**SAN JUAN 31-6 UNIT
MESAVERDE PARTICIPATING AREA OWNERS**

PHILLIPS PETROLEUM COMPANY
BP AMOCO
BURLINGTON RESOURCES OIL & GAS COMPANY
CONOCO, INC
ST JOHNS OPERATING #1 L3
FOUR STAR OIL & GAS COMPANY
WILLIAMS PRODUCTION COMPANY
WISER OIL COMPANY

SAN JUAN 31-6 UNIT #24E & 44E MESAVERDE DRILL BLOCK OWNERS

PHILLIPS PETROLEUM COMPANY
WILLIAMS PRODUCTION COMPANY

Phillips Petroleum Company
Commerciality Determination

San Juan 31-6 Unit #31E
Mesaverde
SW/4 Section 35, 31N-6W
Rio Arriba Co., NM

This well was drilled to the Dakota in September 1991 and completed in the Mesaverde in October 2000 by Phillips.

The cost to drill a Mesavarde stand alone were used in the determination

Average 2001 well operating expenses were used in this determination.

The gas price is an average for 2000, 2001 and 2002 for the 31-6 Unit Mesaverde PA wells, with transportation costs removed. The 2003 Gas pirce was held constant in the future.

Recommend that this well be determined not commercial.

Actual Production

Month	Production	
Oct-00	12,613	MCF
Nov-00	9,892	MCF
Dec-00	7,685	MCF
Jan-01	3,622	MCF
Feb-01	5,831	MCF
Mar-01	4,523	MCF
Apr-01	2,701	MCF
May-01	2,223	MCF
Jun-01	9,290	MCF
Jul-01	2,950	MCF
Aug-01	3,170	MCF
Sep-01	2,893	MCF
Oct-01	3,402	MCF
Nov-01	3,216	MCF
Dec-01	3,309	MCF
Jan-02	3313	MCF
Feb-02	1,293	MCF
Mar-02	2,513	MCF
Apr-02	3,414	MCF
May-02	3,828	MCF
Jun-02	3,103	MCF
Jul-02	1,760	MCF

Phillips Petroleum Company
Commerciality Determination

San Juan 31-6 Unit #31E
Mesaverde
SW/4 Section 35, 31N-6W
Rio Arriba Co., NM

Date of First Delivery:	<u>10/17/000</u>
Total Well Costs:	<u>\$560,153</u>
2000 Avg. Gas Price (\$/mcf):	<u>\$3.43</u>
BLM Royalty:	<u>12.5%</u>
Production Taxes:	<u>9.14%</u>

**Estimated Gross Annual Production
and Operating Expenses**

<u>Period</u>	<u>Year</u>	<u>Gas MCF</u>	<u>Operating Expense, \$</u>
1	2000	30,190 (actual)	582 (actual)
2	2001	47,130 (actual)	3,491 (actual)
3	2002	30,928	3,491
4	2003	24,034	3,491
5	2004	20,869	3,491
6	2005	18,774	3,491
7	2006	17,201	3,491
8	2007	15,940	3,491
9	2008	14,943	3,491
10	2009	14,027	3,491
11	2010	13,279	3,491
12	2011	12,630	3,491
13	2012	12,094	3,491
14	2013	11,555	3,491
15	2014	11,103	3,491

Total 294,697

SAN JUAN 31-6 # 31E MV

WILLIAMS WILLIAMS-A A-34

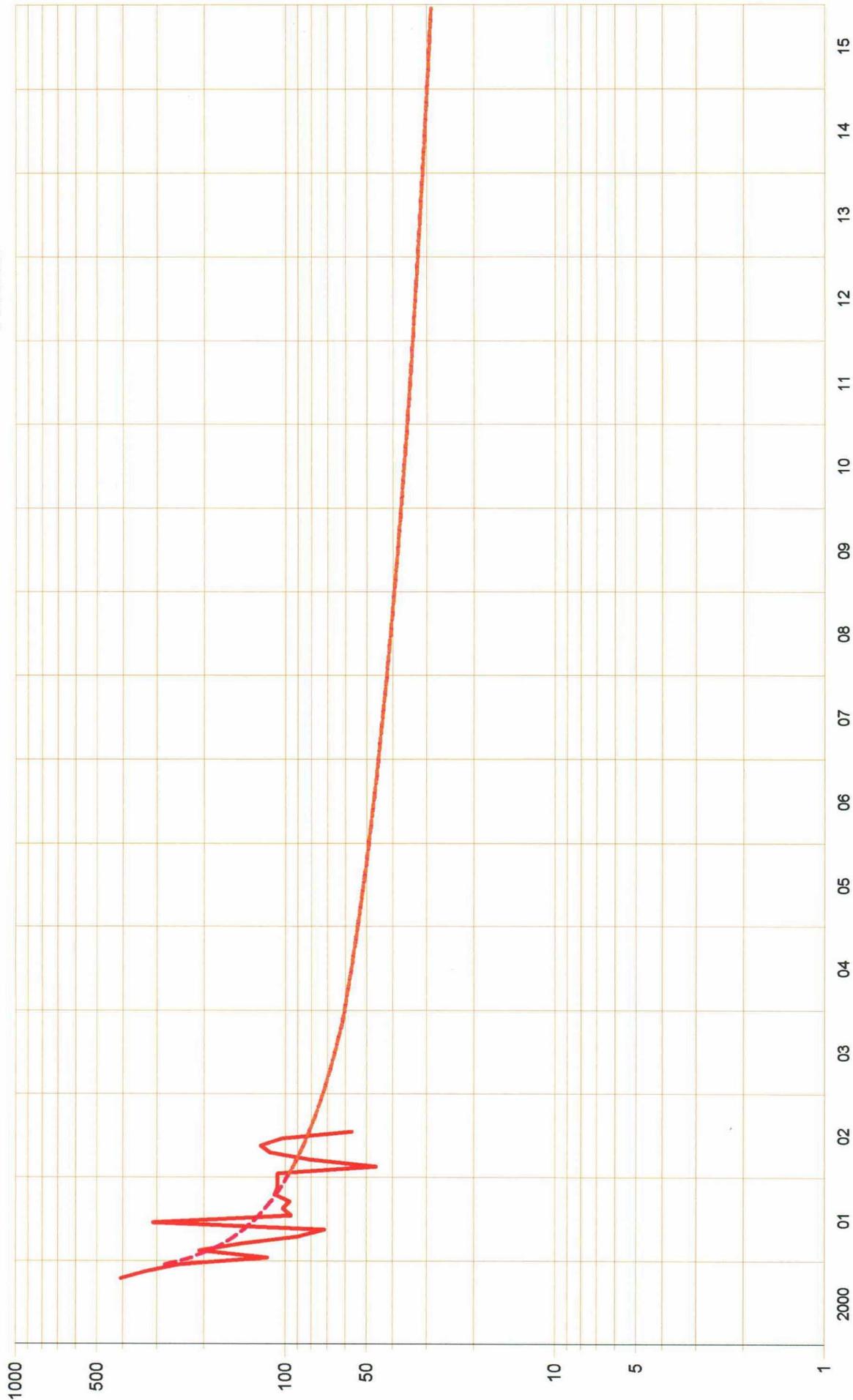
Cum. Gas Production : ~~1242~~ MMcf

Cum. Oil Production : 0.0 Mbbl

API - 3003925117 Last Prod Date: 2002-07-

F060202

- Gas Rate (Cal. Day) (Mcf/d)
- 2003 LS Forecast (Mcf/d)
- 2003 MV Forecast (Mcf/d)
- 2003 Total Gas Fcst (Mcf/d)



Phillips Petroleum Company
Commerciality Determination

San Juan 31-6 Unit #35E
Mesaverde
NW/4 Section 35, 31N-6W
Rio Arriba Co., NM

This well was drilled to the Dakota in September 1993 and completed in the Mesaverde in October 2000 by Phillips.

The cost to drill a Mesaverde stand alone were used in the determination

Average 2001 well operating expenses were used in this determination.

The gas price is an average for 2000, 2001 and 2002 for the 31-6 Unit Mesaverde PA wells, with transportation costs removed. The 2003 Gas price was held constant in the future.

Recommend that this well be determined commercial.

Actual Production

Month	Production	
Nov-00	19,224	MCF
Dec-00	4,777	MCF
Jan-01	732	MCF
Feb-01	7,211	MCF
Mar-01	11,678	MCF
Apr-01	6,821	MCF
May-01	5,505	MCF
Jun-01	6,672	MCF
Jul-01	341	MCF
Aug-01	5,176	MCF
Sep-01	777	MCF
Oct-01	131	MCF
Nov-01	4,440	MCF
Dec-01	3,898	MCF
Jan-02	8,193	MCF
Feb-02	4,411	MCF
Mar-02	6,035	MCF
Apr-02	6,409	MCF
May-02	4,199	MCF
Jun-02	5,063	MCF
Jul-02	4,273	MCF

Phillips Petroleum Company
Commerciality Determination

San Juan 31-6 Unit #35E
Mesaverde
NW/4 Section 35, 31N-6W
Rio Arriba Co., NM

Date of First Delivery:	<u>11/01/000</u>
Total Well Costs:	<u>\$560,153</u>
2000 Avg. Gas Price (\$/mcf):	<u>\$3.43</u>
BLM Royalty:	<u>12.5%</u>
Production Taxes:	<u>9.14%</u>

**Estimated Gross Annual Production
and Operating Expenses**

Period	Year	Gas MCF	Operating Expense, \$
1	2000	24,001 (actual)	582 (actual)
2	2001	53,382 (actual)	3,491 (actual)
3	2002	61,512	3,491
4	2003	47,345	3,491
5	2004	41,351	3,491
6	2005	37,256	3,491
7	2006	34,171	3,491
8	2007	31,692	3,491
9	2008	29,729	3,491
10	2009	27,921	3,491
11	2010	26,443	3,491
12	2011	25,160	3,491
13	2012	24,098	3,491
14	2013	23,030	3,491
15	2014	22,134	3,491
Total		<u>509,225</u>	

SAN JUAN 31-6 # 35E MV

WILLIAMS WILLIAMS-A A-48

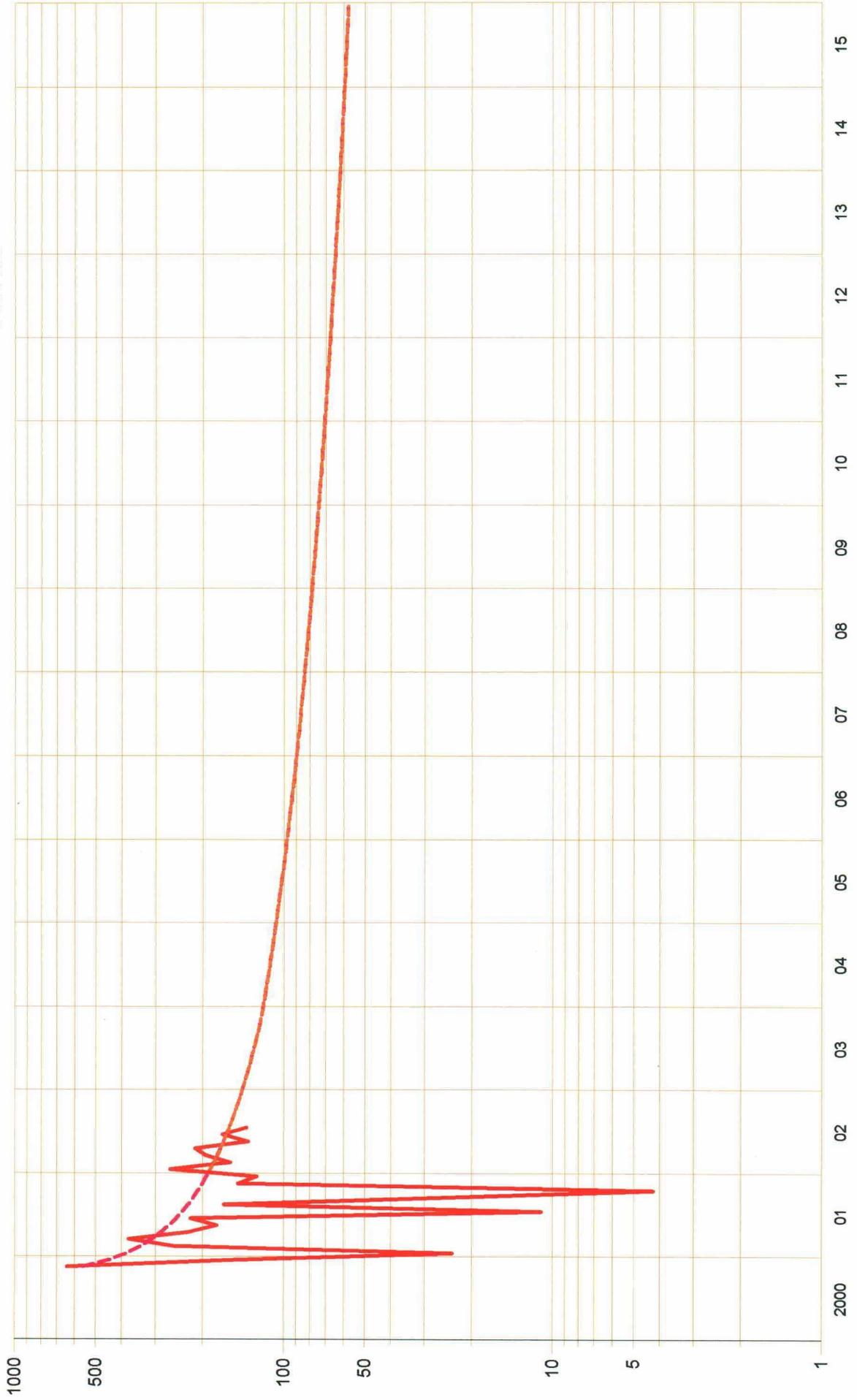
Cum. Gas Production : ~~153.6~~ MMcf

Cum. Oil Production : 0.0 Mbbl

API - 3003925289 Last Prod Date: 2002-07-

F060402

- Gas Rate (Cal. Day) (Mcf/d)
- 2003 LS Forecast (Mcf/d)
- 2003 MV Forecast (Mcf/d)
- 2003 Total Gas Fcst (Mcf/d)





PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

RECEIVED

OCT 10 2002

OIL CONSERVATION
DIVISION

October 10, 2002

Bureau of Land Management (3 copies)
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
Attn: Mr. Ray Powell
PO Box 1148
Santa Fe, NM 87504-1148

Oil Conservation Division (2 copies)
State of New Mexico
Attn: Ms. Lori Wrotenberry
1220 Saint Francis Drive
Santa Fe, NM 87505-4000

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
SEVENTEENTH MESAVERDE EXPANSION - EFFECTIVE 1-1-02
RIO ARRIBA COUNTY, NEW MEXICO
C49866, LCN 650114

Ladies and Gentlemen:

Pursuant to Section 11(a) of the San Juan 31-6 Unit Agreement #14-08-001-464, approved November 28, 1952, Phillips Petroleum Company, as Unit Operator, determined on the date indicated below that the well listed below is capable of producing unitized substances in paying quantities from the Mesaverde Formation. Therefore, this application for the Seventeenth Expansion of the Participating Areas established for the Mesaverde Formation is respectfully submitted for your approval as follows:

Seventeenth Expanded Participating Area
Effective January 1, 2002

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well No.</u>
E/2, Section 29, T31N, R6W	320.00	44E

The San Juan 31-6 Unit #44E was drilled and completed into the Mesaverde Formation on September 26, 2000 with cumulative gas production of 93,284 mcf through May 31, 2002. The drillblock unit for this well is described as the E/2, Section 29, T31N, R6W, Rio Arriba County, New Mexico.

San Juan 31-6 Unit
Seventeenth Expansion
Mesaverde Formation
October 10, 2002
Page 2

Enclosed herewith is Schedule XVIII for the Seventeenth Expanded Participating Area Mesaverde Formation. This schedule describes the participating area and indicates the percentage of unitized substances allocated to the unit tracts according to the Mesaverde formation ownership of such tracts. Also included is a map reflecting the existing Participating Area and the Proposed Seventeenth Expansions of the San Juan 31-6 Unit Mesaverde Formation Participating Area.

Unless this application is disapproved or contested, the Seventeenth Expanded Participating Area is effective as of October 1, 2000. Copies of this application are being provided to the State of New Mexico Land Office, State of New Mexico Oil Conservation Division and Unit Working Interest Owners.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Skip Fraker", with a long horizontal flourish extending to the right.

Skip Fraker
Southwestern Region-Land Dept.
(505) 599-3428

The signatory approvals below are for the Seventeenth Expanded Participating Area of the Mesaverde Formation in the San Juan 31-6 Unit #14-08-001-464.

Approved _____
Assistant District Manager-Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands
And the Oil Conservation Division

Approved _____
Commissioner of Public Lands
Subject to like approval by the
Bureau of Land Management
And the Oil Conservation Division

Approved _____
Oil Conservation Division
Subject to like approval by the
Bureau of Land Management
And the Commissioner of Public Lands

**SAN JUAN 31-6 UNIT
MESAVERDE
PARTICIPATING AREA OWNERS**

PHILLIPS PETROLEUM COMPANY
BP AMERICA PRODUCTION COMPANY
BURLINGTON RESOURCES OIL & GAS COMPANY
CONOCO, INC.
FOUR STAR OIL & GAS
ST. JOHNS OPERATING #1L2
WILLIAMS PETROLEUM COMPANY
WISER OIL COMPANY

**SAN JUAN 31-6 UNIT
MESAVERDE
DRILLBLOCK OWNERS**

PHILLIPS PETROLEUM COMPANY
WILLIAMS PETROLEUM COMPANY

SCHEDULE XVIII

SEVENTEENTH EXPANDED PARTICIPATING AREA FOR THE MESA VERDE FORMATION

SAN JUAN 31-6 UNIT

DRILLING BLOCK

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PRESENT ACTUAL
USA SF-078995	<u>Township 31 North, Range 6 West</u>	1280.00	Royalty:	12.500000	12.500000	15.745358
	Sec. 28: W/2		Working Interest:			
	29: E/2		Phillips Petroleum Company	67.650000	67.650000	
	31: All		Williams Production Company	14.850000	14.850000	
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
				100.000000	100.000000	
USA SF-078999	<u>Township 31 North, Range 6 West</u>	960.00	Royalty:	12.500000	12.500000	11.809019
	Sec. 27: E/2		Working Interest:			
	34: E/2		Phillips Petroleum Company	67.650000	67.650000	
	35: E/2		Williams Production Company	14.850000	14.850000	
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
				100.000000	100.000000	
USA SF-078999	<u>Township 31 North, Range 6 West</u>	320.00	Royalty:	12.500000	12.500000	3.936339
	Sec. 33: W/2		Working Interest:			
			Phillips Petroleum Company	67.650000	67.650000	
			Williams Production Company	14.850000	14.850000	
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
				100.000000	100.000000	

SCHEDULE XVIII

SEVENTEENTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION

SAN JUAN 31-6 UNIT

USA SF-79000	<u>Township 30 North, Range 7 West</u> Sec. 1: Lots 7, 8, S/2NW/4, SW/4	319.10	Royalty: Working Interest: Burlington Resources Oil & Gas Co. Overriding Royalty Interest	12.500000 84.000000 3.500000 100.000000	12.500000 84.000000 3.500000 100.000000	3.925269
USA SF-79000-A	<u>Township 30 North, Range 7 West</u> Sec. 1: Lots 5, 6, S/2NE/4, SE/4	319.70	Royalty: Working Interest: BP America Production Conoco, Inc. Overriding Royalty Interest	12.500000 33.750000 33.750000 20.000000 100.000000	12.500000 33.750000 33.750000 20.000000 100.000000	3.932649
USA NM-012735	<u>Township 30 North, Range 6 West</u> Sec. 6: Lots 8, 9, 10, 11, S/2N/2, S/2	639.40	Royalty: Working Interest: Burlington Resources Oil & Gas Co. Overriding Royalty Interest	12.500000 82.500000 5.000000 100.000000	12.500000 82.500000 5.000000 100.000000	7.865298
USA SF-079012	<u>Township 30 North, Range 6 West</u> Sec. 4: Lots 5, 6, 7, 8, S/2N/2, S/2	639.84	Royalty: Working Interest: Burlington Resources Oil & Gas Co. Overriding Royalty Interest	12.500000 82.500000 5.000000 100.000000	12.500000 82.500000 5.000000 100.000000	7.870711

SCHEDULE XVIII

SEVENTEENTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION

SAN JUAN 31-6 UNIT

	<u>Tract 7</u>		
USA SF-079401	<u>Township 30 North, Range 6 West</u>	159.69	Royalty:
	Sec. 1: Lots 7, 8, S/2NW/4		Working Interest:
			Phillips Petroleum Company
			Williams Production Company
			Overriding Royalty Interest
			12.500000
			68.060000
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SCHEDULE XVIII

SEVENTEENTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION

SAN JUAN 31-6 UNIT

		<u>Tract 11</u>		1.968170
STATE OF NM E-289-3	<u>Township 31 North, Range 6 West</u> Sec. 32: NW/4	160.00	Royalty: Working Interest: Wiser Oil Company Overriding Royalty Interest	12.500000 12.500000 87.500000 0.000000 100.000000
STATE OF NM E-289-45	<u>Township 31 North, Range 6 West</u> Sec. 32: SW/4NE/4	40.00	Royalty: Working Interest: Phillips Petroleum Company Williams Production Company Overriding Royalty Interest	12.500000 12.500000 67.650000 14.850000 5.000000 100.000000
STATE OF NM E-289-43	<u>Township 31 North, Range 6 West</u> Sec. 32: N/2NE/4	80.00	Royalty: Working Interest: Phillips Petroleum Company Williams Production Company Overriding Royalty Interest	12.500000 12.500000 67.650000 14.850000 5.000000 100.000000
STATE OF NM E-346-26	<u>Township 31 North, Range 6 West</u> Sec. 32: SE/4NE/4, SE/4	200.00	Royalty: Working Interest: Phillips Petroleum Company Williams Production Company Overriding Royalty Interest	12.500000 12.500000 67.650000 14.850000 5.000000 95.000000

SCHEDULE XVIII
SEVENTEENTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
SAN JUAN 31-6 UNIT

STATE OF NM E-346-25	<u>Township 31 North, Range 6 West</u> Sec. 32: SW/4	160.00	Royalty: Working Interest: Phillips Petroleum Company Williams Production Company Overriding Royalty Interest	12.500000 12.500000 69.700000 15.300000 <u>2.500000</u> 100.000000	1.968170
<u>Tract 12A</u>					
STATE OF NM E-347-40	<u>Township 30 North, Range 6 West</u> Sec. 2: N/2SE/4 <u>Township 31 North, Range 6 West</u> Sec. 36: N/2NW/4	160.00	Royalty: Working Interest: Four Star Oil & Gas Company Williams Production Company Overriding Royalty Interest	12.500000 12.500000 67.855000 14.895000 <u>4.750000</u> 100.000000	1.968170
<u>Tract 13</u>					
STATE OF NM E-347-41	<u>Township 30 North, Range 6 West</u> Sec. 2: S/2SE/4	160.00	Royalty: Working Interest: Williams Production Company Overriding Royalty Interest	12.500000 12.500000 82.500000 <u>5.000000</u> 100.000000	1.968170
<u>Tract 13A</u>					
STATE OF NM E-347-34	<u>Township 31 North, Range 6 West</u> Sec. 36: S/2NW/4		Royalty: Working Interest: BP Amoco Overriding Royalty Interest	12.500000 12.500000 82.500000 <u>5.000000</u> 100.000000	

SCHEDULE XVIII
SEVENTEENTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
SAN JUAN 31-6 UNIT

STATE OF NM E-347-38	<u>Township 30 North, Range 6 West</u>	320.00	Royalty:	12.500000	12.500000
	Sec. 2: SW/4		Working Interest:		
	<u>Township 31 North, Range 6 West</u>		Phillips Petroleum Company	69.700000	69.700000
	Sec. 36: SW/4		Williams Production Company	15.300000	15.300000
			Overriding Royalty Interest	<u>2.500000</u>	<u>2.500000</u>
				100.000000	100.000000
					6.708999
STATE OF NM E-347-39	<u>Township 30 North, Range 6 West</u>	545.40	Royalty:	12.500000	12.500000
	Sec. 2: Lots 5, 6, 7, 8, S/2N/2	8129.38	Working Interest:		
	<u>Township 31 North, Range 6 West</u>		Phillips Petroleum Company	67.650000	67.650000
	Sec. 36: Lots 1, 2, 3, 4, W/2E/2		Williams Production Company	14.850000	14.850000
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>
				100.000000	100.000000
					6.708999

Effective January 1, 2002

SCHEDULE XVIII

SEVENTEENTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION

SAN JUAN 31-6 UNIT

RECAPITULATION

Description of Lands in Participating Area

Township 30 North, Range 6 West, N.M.P.M.

Section 1: All

Section 2: All

Section 3: All

Section 4: All

Section 5: All

Section 6: All

Township 30 North, Range 7 West, N.M.P.M.

Section 1: All

Township 31 North, Range 6 West, N.M.P.M.

Section 27: E/2

Section 28: W/2

Section 29: E/2

Section 31: All

Section 32: All

Section 33: W/2

Section 34: E/2

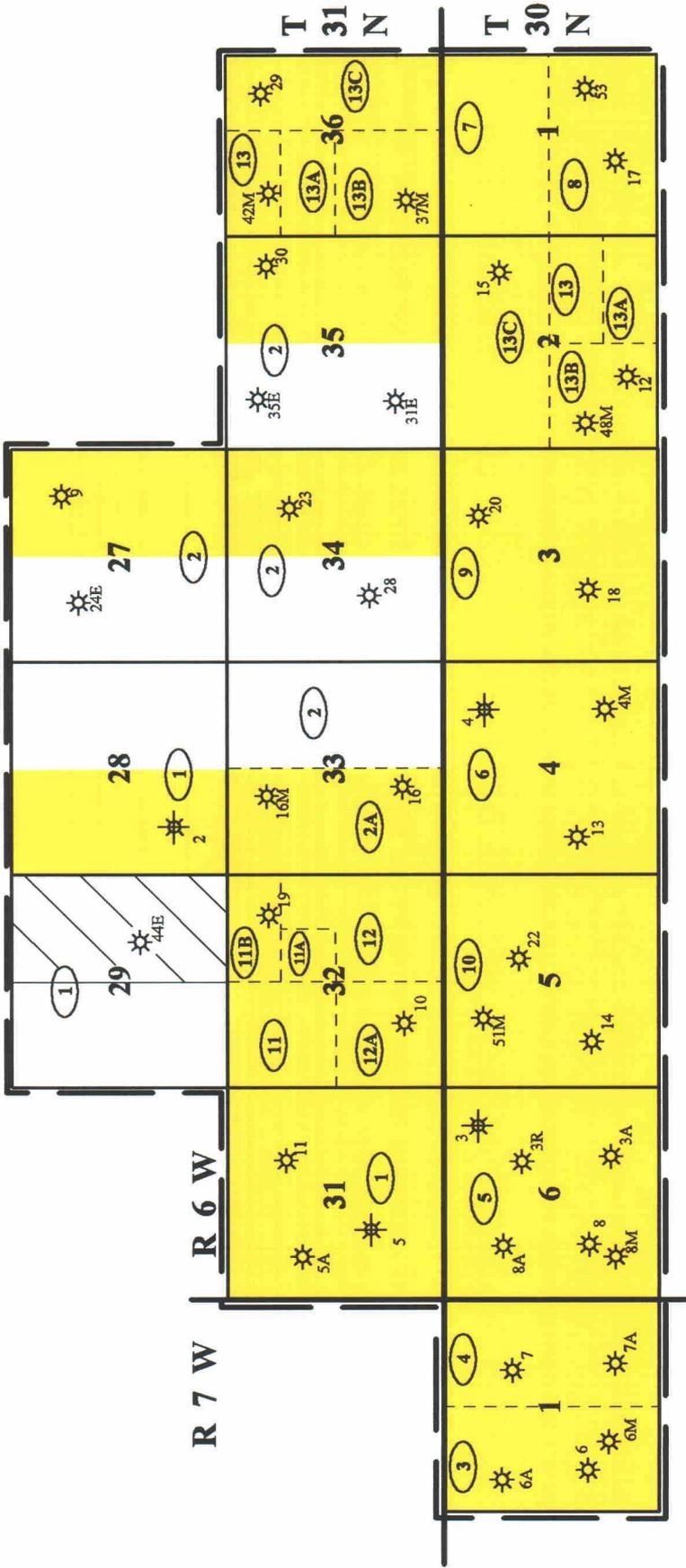
Section 35: E/2

Section 36: All

Total Number of acres to Participating Area 8,129.38

Total Number of acres committed to Participating Area 8,129.38

Total Number of acres not committed to Participating Area 0.00



--- SAN JUAN 31-6 UNIT BOUNDARY

EXISTING MESAVERDE FORMATION PARTICIPATING AREA

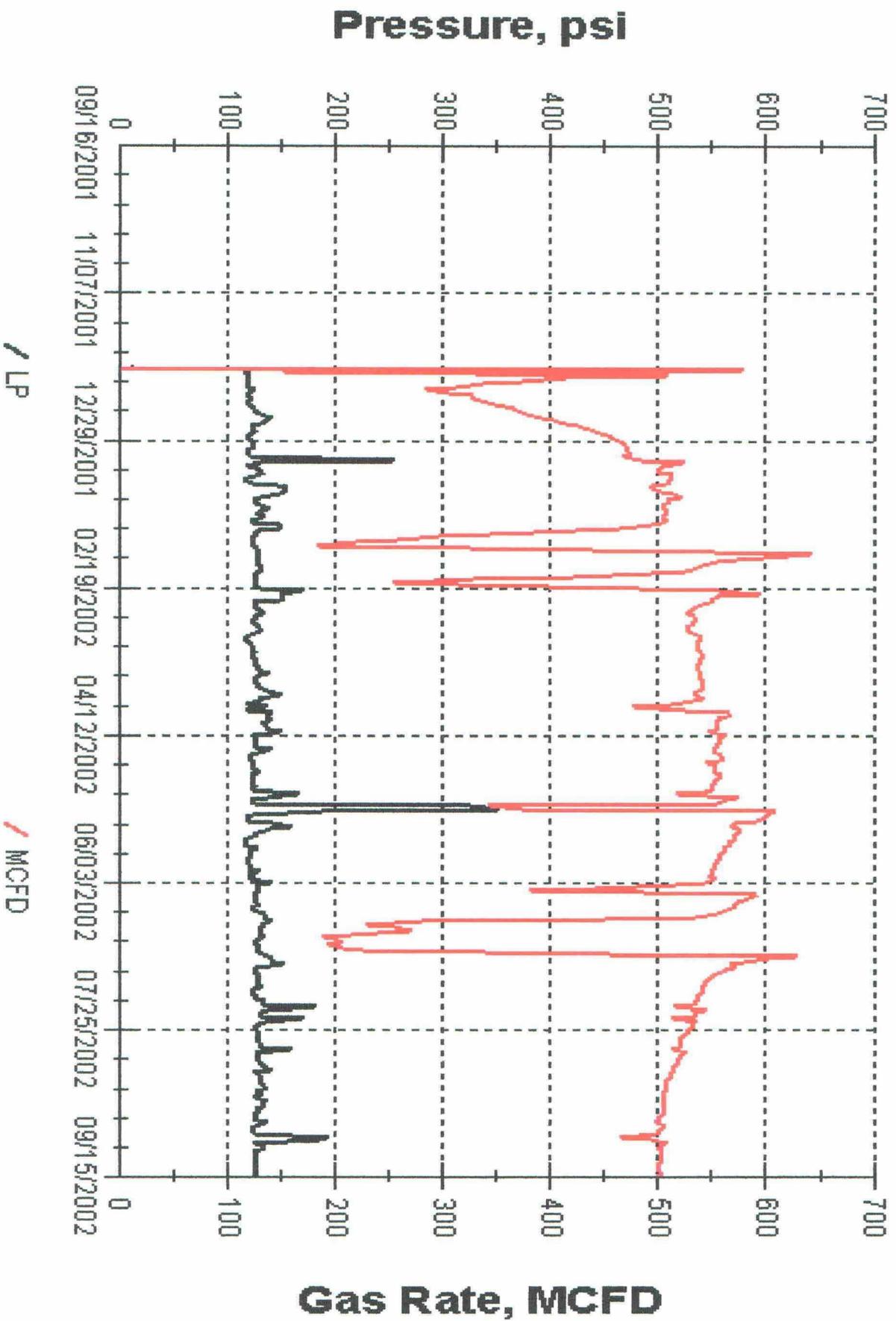
17TH EXPANSION MESAVERDE FORMATION PARTICIPATING AREA EFFECTIVE 1-1-02

PHILLIPS PETROLEUM CO

SAN JUAN 31-6 UNIT
RIO ARriba COUNTY, NM

October 10, 2002

San Juan 31-6 #231R





PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

September 27, 2002

Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands
State of New Mexico
Attn: Mr. Ray Powell
PO Box 1148
Santa Fe, NM 87504-1148

Oil Conservation Division
State of New Mexico
Attn: Ms. Lori Wrotenberry
2040 South Pacheco
Santa Fe, NM 87505

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
COMMERCIALITY DETERMINATION
SAN JUAN 31-6 UNIT #231R
W/2 SECTION 27, T31N, R6W
SAN JUAN COUNTY, NEW MEXICO
C49866

Gentlemen:

Pursuant to the provisions of Section 11(a) of the San Juan 31-6 Unit Agreement, #14-08-001-464, Phillips Petroleum Company (Phillips) has determined that the San Juan 31-6 Unit #231R well is capable of producing unitized substances in paying quantities from the Fruitland Coal formation. Phillips requests confirmation of this commercial well determination. A summary of production and economic data is enclosed for the well.

Upon receipt of approval from the Bureau of Land Management and concurring responses from the Commissioner of Public Lands and Oil Conservation Division, the formal Participating Area schedules will be prepared and submitted.

Copies of this submittal and enclosures are being sent to all owners on the attached listing. Please contact the undersigned, should you have any questions.

Very truly yours,

Skip Fraker
San Juan Area – Land Department
(505)599-3428

**SAN JUAN 31-6 UNIT
FRUITLAND COAL PARTICIPATING AREA OWNERS**

PHILLIPS -SAN JUAN LIMITED PARTNERSHIP
BP AMERICA PRODUCTION COMPANY
BURLINGTON RESOURCES OIL & GAS COMPANY
CBP SAN JUAN LIMITED PARTNERSHIP
CONOCO, INC
FOUR STAR OIL & GAS COMPANY
ST JOHNS OPERATING #1 L3
FOUR STAR OIL & GAS COMPANY
WILLIAMS PRODUCTION COMPANY
WISER OIL COMPANY

SAN JUAN 31-6 UNIT #231R DRILL BLOCK OWNERS

PHILLIPS PETROLEUM COMPANY
WILLIAMS PRODUCTION COMPANY

Phillips Petroleum Company

Commerciality Determination

San Juan 31-6 Unit #231R

Fruitland Coal

SW/4 Section 27 31N-6W

Rio Arriba County, New Mexico

Date Spud: 10/29/2001
Date of Completion: 11/21/2001
Date of First Delivery: 12/04/2001

Total Well Costs: \$550,000 {1}
Current Gas Price (\$/mcf): \$1.55 {2}
BLM Royalty: 12.5%

% Production Taxes: 3.75000 Severance
4.00000 School
0.99500 Ad Valorem
0.19000 Conservation
0.17910 Prod Equip
9.11410

Estimated Gross Annual Production and Operating Expenses

Period	Year	Gas MCF	{4}	Operating Expense, \$	{3}
1	2001	10,863		3,665	
2	2002	208,685		43,983	
3	2003	215,110		43,983	
4	2004	183,581		43,983	
5	2005	152,782		43,983	
6	2006	128,494		43,983	
7	2007	109,084		43,983	
8	2008	93,387		43,983	
9	2009	80,558		43,983	
10	2010	69,971		43,983	
11	2011	61,157		43,983	
12	2012	53,761		43,983	
13	2013	47,509		43,983	
14	2014	42,188		43,983	
15	2015	37,631		43,983	
16	2016	33,706		43,983	
17	2017	30,307		43,983	
	Total	<u>1,558,774</u>			

Notes:

- {1} Total well costs, based on average 2001 costs, include drilling, completion, gathering lines and surface facilities.
{2} Gas price is actual until 2003 then a forecasted price of \$2.18 was used for the life of the well.
{3} Operating costs are approximate over life.
{4} The gas forecast is based on actual production through 2001, assumed to be flat for 13 months, and then a hyperbolic decline. The forecast is considered to be a conservative forecast.

Phillips Petroleum Company

Monthly Production Data

San Juan 31-6 Unit #231R
 Fruitland Coal
 SW/4 Section 27 31N-6W
 Rio Arriba County, New Mexico

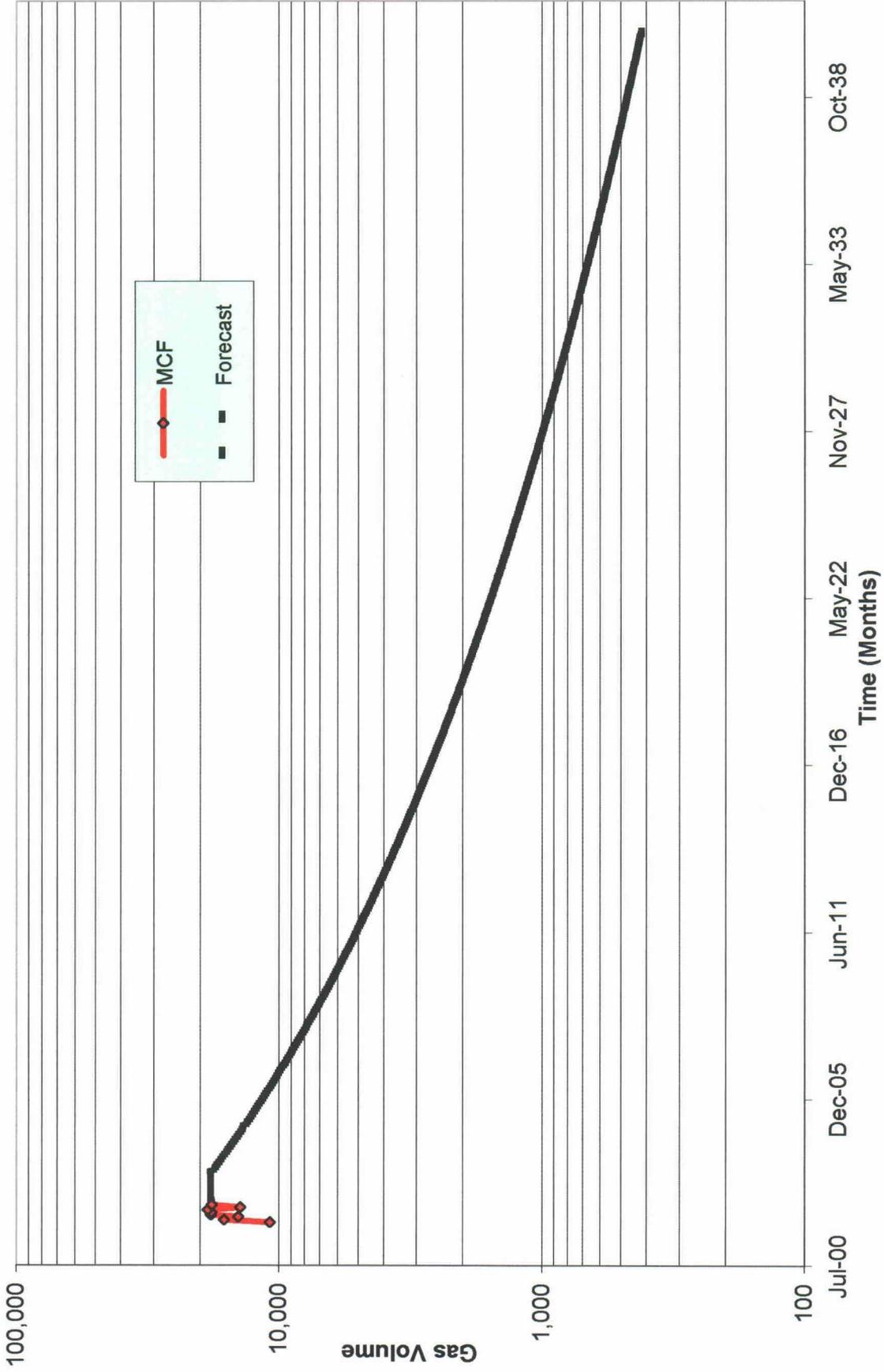
2001 Monthly Production

Yr	Mo	Gas MCF	Water BBLS
2001	Dec	10,863	369
1 mos. 2001		<u>10,863</u>	<u>369</u>

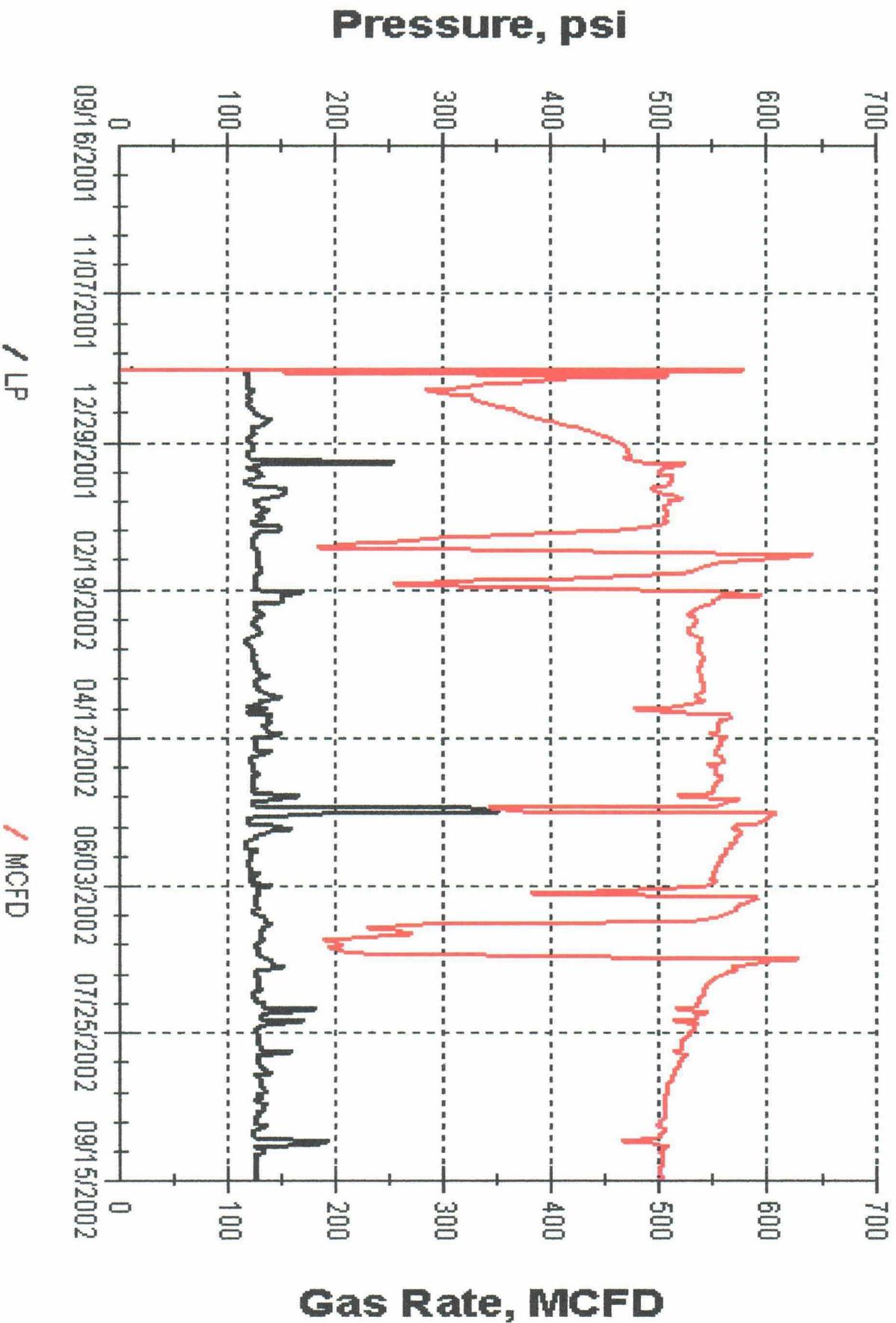
2002 Monthly Production

Yr	Mo	Gas MCF	Water BBLS
2002	Jan	16,183	924
2002	Feb	14,279	25
2002	Mar	18,173	193
2002	Apr	18,141	1,826
2002	May	18,728	0
2002	Jun	14,043	198
2002	Jul	18,043	0
7 mos. 2002		<u>117,590</u>	<u>3,166</u>

San Juan 31-6 #231R



San Juan 31-6 #231R





PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

September 25, 2002

Bureau of Land Management (3 copies)
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
Attn: Mr. Ray Powell
PO Box 1148
Santa Fe, NM 87504-1148

Oil Conservation Division (2 copies)
State of New Mexico
Attn: Ms. Lori Wrotenberry
1220 Saint Francis Drive
Santa Fe, NM 87505-4000

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
THIRTEENTH DAKOTA EXPANSION - EFFECTIVE 9-1-01
FOURTEENTH DAKOTA EXPANSION - EFFECTIVE 11-1-01
RIO ARRIBA COUNTY, NEW MEXICO
C49866, LCN 650263

Ladies and Gentlemen:

Pursuant to Section 11(a) of the San Juan 31-6 Unit Agreement #14-08-001-464, approved November 28, 1952, Phillips Petroleum Company, as Unit Operator, determined on the dates indicated below that the wells listed below are capable of producing unitized substances in paying quantities from the Dakota Formation. Therefore, this application for the Thirteenth & Fourteenth Expansions of the Participating Areas established for the Dakota Formation is respectfully submitted for your approval as follows:

Thirteenth Expanded Participating Area
Effective September 1, 2001

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well No.</u>
E/2, Section 4, T30N, R6W	320.00	4M

The San Juan 31-6 Unit #4M was drilled and completed into the Dakota Formation on August 31, 2001 with cumulative gas production of 149,081 mcf through May 31, 2002. The drillblock unit for this well is described as the E/2, Section 4, T30N, R6W, Rio Arriba County, New Mexico.

Fourteenth Expanded Participating Area
Effective November 1, 2001

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well No.</u>
W/2, Section 1, T30N, R7W	319.70	6M

The San Juan 31-6 Unit #6M was drilled and completed into the Dakota Formation on October 18, 2001 with cumulative gas production of 19,5951 mcf through May 31, 2002. The drillblock unit for this well is described as the W/2, Section 1, T30N, R7W, Rio Arriba County, New Mexico.

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well No.</u>
W/2, Section 6, T30N, R6W	319.85	8M

The San Juan 31-6 Unit #8M was drilled and completed into the Dakota Formation on October 9, 2001 with cumulative gas production of 78,889 mcf through May 31, 2002. The drillblock unit for this well is described as the W/2, Section 6, T30N, R6W, Rio Arriba County, New Mexico.

These wells were deemed commercial per letter dated August 30, 2002, from the Bureau of Land Management.

Enclosed herewith is Schedule XIV for the Thirteenth Expanded Participating Area and Schedule XV for the Fourteenth Expanded Participating Area for the Dakota Formation. These schedules describe the participating areas and indicates the percentage of unitized substances allocated to the unit tracts according to the Dakota Formation ownership of such tracts. Also included is a map reflection the existing Participating Area and the Proposed Thirteenth and Fourteenth Expansions of the San Juan 31-6 Unit Dakota Formation Participating Area.

Unless this application is disapproved or contested, the Thirteenth and Fourteenth Expanded Participating Areas are effective as of September 1, 2001 and November 1, 2001 (respectfully). Copies of this application are being provided to the State of New Mexico Land Office, State of New Mexico Oil Conservation Division and Unit Working Interest Owners.

Respectfully your,



Skip Fraker
Southwestern Region-Land Dept.
(505) 599-3428

The signatory approvals below are for the Thirteenth and Fourteenth Expanded Participating Areas of the Dakota Formation in the San Juan 31-6 Unit #14-08-001-464.

Approved _____

Assistant District Manager-Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands
And the Oil Conservation Division

Approved _____

Commissioner of Public Lands
Subject to like approval by the
Bureau of Land Management
And the Oil Conservation Division

Approved _____

Oil Conservation Division
Subject to like approval by the
Bureau of Land Management
And the Commissioner of Public Lands

**SAN JUAN 31-6 UNIT
DAKOTA
PARTICIPATING AREA AND DRILLBLOCK OWNERS**

PHILLIPS-NEW MEXICO PARTNERS, LTD
BP AMERICA PRODUCTION COMPANY
BURLINGTON RESOURCES OIL & GAS CO.
FOUR STAR OIL & GAS
ST. JOHNS OPERATING #1L2
WISER OIL COMPANY

SCHEDULE XIV
THIRTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 31-6 UNIT

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT
						ACTUAL
<u>DRILLING BLOCK</u>						
USA SF-078995	<u>Township 31 North, Range 6 West</u>	1600.00		12.500000	12.500000	22.168740
	Section 28: All		Working Interest:			
	29: All		Phillip-New Mexico Partners, L.P.	87.500000	87.500000	
	31: E/2		Overriding Royalty Interest	<u>0.000000</u>	<u>0.000000</u>	
				100.000000	100.000000	
			<u>Tract 1</u>			
USA SF-078999	<u>Township 31 North, Range 6 West</u>	2240.00		12.500000	12.500000	31.036236
	Section 27: All		Working Interest:			
	33: E/2		Phillip-New Mexico Partners, L.P.	84.000000	84.000000	
	34: All		Overriding Royalty Interest	<u>3.500000</u>	<u>3.500000</u>	
	35: All			100.000000	100.000000	
			<u>Tract 2</u>			
USA SF-078999	<u>Township 31 North, Range 6 West</u>	320.00		12.500000	12.500000	4.433748
	Section 1: W/2		Working Interest:			
			Burlington Resources Oil & Gas Co.	82.500000	82.500000	
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
				100.000000	100.000000	
			<u>Tract 2A</u>			
USA SF-079012	<u>Township 30 North, Range 6 West</u>	320.00		12.500000	12.500000	4.433748
	Section 4: Lots 5, 6, S/2NE/4, SE/4		Working Interest:			
			Burlington Resources Oil & Gas Co.	82.500000	82.500000	
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
				100.000000	100.000000	
			<u>Tract 6</u>			

SCHEDULE XIV
THIRTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 31-6 UNIT

USA SF-079401	<u>Township 30 North, Range 6 West</u>	159.69	Royalty:	<u>Tract 7</u>	12.500000	12.500000	2.212579
	Section 1: Lots 7, 8, S/2NW/4		Working Interest:				
			Phillip-New Mexico Partners, L.P.		83.000000	83.000000	
			Overriding Royalty Interest		<u>4.500000</u>	<u>4.500000</u>	
					100.000000	100.000000	
USA NM-012299	<u>Township 30 North, Range 6 West</u>	113.12	Royalty:	<u>Tract 8</u>	12.500000	12.500000	1.567330
	Section 1: Lots 5, 6, 9, SW/4NE/4		Working Interest:				
			St Johns Operating #1L2		65.910000	65.910000	
			Burlington Resources Oil & Gas Co.		18.590000	18.590000	
			Overriding Royalty Interest		<u>3.000000</u>	<u>3.000000</u>	
					100.000000	100.000000	
							8.855857
USA NM-03404	<u>Township 30 North, Range 6 West</u>	639.16	Royalty:	<u>Tract 10</u>	12.500000	12.500000	8.855857
	Section 5: Lots 5, 6, 7, 8, S/2NE/4, SE/4, S/2NW/4, SW/4		Working Interest:				
			Phillip-New Mexico Partners, L.P.		82.500000	82.500000	
			Overriding Royalty Interest		<u>5.000000</u>	<u>5.000000</u>	
					100.000000	100.000000	
STATE OF NM E-289-3	<u>Township 31 North, Range 6 West</u>	160.00	Royalty:	<u>Tract 11</u>	12.500000	12.500000	2.216874
	Section 32: NW/4		Working Interest:				
			Wiser Oil Company		87.500000	87.500000	
			Overriding Royalty Interest		<u>0.000000</u>	<u>0.000000</u>	
					100.000000	100.000000	

SCHEDULE XIV
THIRTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 31-6 UNIT

STATE OF NM	Tract	Royalty:	Working Interest:	Overriding Royalty Interest	Tract	Royalty:	Working Interest:	Overriding Royalty Interest	Tract	Royalty:	Working Interest:	Overriding Royalty Interest	Total		
STATE OF NM E-347-40	<u>Township 30 North, Range 6 West</u>	160.00			<u>Tract 13</u>	12.500000			2.216874						
	Section 2: N/2SE/4														
	<u>Township 31 North, Range 6 West</u>														
	Section 36: N/2NW/4														
STATE OF NM E-347-34	<u>Township 31 North, Range 6 West</u>	80.00			<u>Tract 13A</u>	12.500000			1.108437						
	Section 36: S/2NW/4														
STATE OF NM E-347-25	<u>Township 30 North, Range 6 West</u>	320.00			<u>Tract 13B</u>	12.500000			4.433748						
	Section 2: SW/4														
	<u>Township 31 North, Range 6 West</u>														
	Section 36: SW/4														
STATE OF NM E-347-26	<u>Township 30 North, Range 6 West</u>	545.40			<u>Tract 13C</u>	12.500000			7.556769						
	Section 2: Lots 5, 6, 7, 8, S/2N/2														
	<u>Township 31 North, Range 6 West</u>														
	Section 36: Lots 1, 2, 3, 4, W/2E/2														

SCHEDULE XIV
 THIRTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
 SAN JUAN 31-6 UNIT

	<u>Tract 13D</u>			
STATE OF NM E-347-41 <u>Township 30 North, Range 6 West</u>		80.00	Royalty:	12.500000
Section 2: S/2SE/4			Working Interest:	12.500000
			BP Amoco	82.500000
			Overriding Royalty Interest	<u>5.000000</u>
				100.000000
				<u>5.000000</u>
				100.000000
				1.108437

Effective September 1, 2001

SCHEDULE XV
FOURTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 31-6 UNIT

USA NM-012735	<u>Tract 5</u>						4.071245
	<u>Township 30 North, Range 6 West</u>	319.85	Royalty:	12.500000	12.500000		
	Section 6: Lots 10, 11, S/2NW/4, SW/4		Working Interest:				
			Burlington Resources Oil & Gas Co.	82.500000	82.500000		
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>		
				100.000000	100.000000		
USA SF-079012	<u>Tract 6</u>						4.073154
	<u>Township 30 North, Range 6 West</u>	320.00	Royalty:	12.500000	12.500000		
	Section 4: Lots 5, 6, S/2NE/4, SE/4		Working Interest:				
			Burlington Resources Oil & Gas Co.	82.500000	82.500000		
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>		
				100.000000	100.000000		
USA SF-079401	<u>Tract 7</u>						2.032631
	<u>Township 30 North, Range 6 West</u>	159.69	Royalty:	12.500000	12.500000		
	Section 1: Lots 7, 8, S/2NW/4		Working Interest:				
			Phillip-New Mexico Partners, L.P.	83.000000	83.000000		
			Overriding Royalty Interest	<u>4.500000</u>	<u>4.500000</u>		
				100.000000	100.000000		
USA NM-012299	<u>Tract 8</u>						1.439860
	<u>Township 30 North, Range 6 West</u>	113.12	Royalty:	12.500000	12.500000		
	Section 1: Lots 5, 6, 9, SW/4NE/4		Working Interest:				
			St Johns Operating #1L2	65.910000	65.910000		
			Burlington Resources Oil & Gas Co.	18.590000	18.590000		
			Overriding Royalty Interest	<u>3.000000</u>	<u>3.000000</u>		
				100.000000	100.000000		

SCHEDULE XV
FOURTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 31-6 UNIT

USA NM-03404	<u>Township 30 North, Range 6 West</u> Section 5: Lots 5, 6, 7, 8, S/2NE/4, SE/4, S/2NW/4, SW/4	639.16	Royalty:	<u>Tract 10</u>	12.500000	12.500000	8.135616
			Working Interest:				
			Phillip-New Mexico Partners, L.P.		82.500000	82.500000	
			Overriding Royalty Interest		<u>5.000000</u>	<u>5.000000</u>	
					100.000000	100.000000	
STATE OF NM E-289-3	<u>Township 31 North, Range 6 West</u> Section 32: NW/4	160.00	Royalty:	<u>Tract 11</u>	12.500000	12.500000	2.036577
			Working Interest:				
			Wiser Oil Company		87.500000	87.500000	
			Overriding Royalty Interest		<u>0.000000</u>	<u>0.000000</u>	
					100.000000	100.000000	
STATE OF NM E-289-45	<u>Township 31 North, Range 6 West</u> Section 32: SW/4NE/4	40.00	Royalty:	<u>Tract 11A</u>	12.500000	12.500000	0.509144
			Working Interest:				
			Phillip-New Mexico Partners, L.P.		82.500000	82.500000	
			Overriding Royalty Interest		<u>5.000000</u>	<u>5.000000</u>	
					100.000000	100.000000	
STATE OF NM E-289-43	<u>Township 31 North, Range 6 West</u> Section 32: N/2NE/4	80.00	Royalty:	<u>Tract 11B</u>	12.500000	12.500000	1.018288
			Working Interest:				
			Phillip-New Mexico Partners, L.P.		82.500000	87.500000	
			Overriding Royalty Interest		<u>5.000000</u>	<u>0.000000</u>	
					100.000000	100.000000	

SCHEDULE XV
FOURTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 31-6 UNIT

STATE OF NM E-347-25	<u>Township 30 North, Range 6 West</u>	320.00	Royalty:	<u>Tract 13B</u>	12.500000	12.500000	4.073154
	Section 2: SW/4		Working Interest:				
	<u>Township 31 North, Range 6 West</u>		Phillip-New Mexico Partners, L.P.		85.000000	85.000000	
	Section 36: SW/4		Overriding Royalty Interest		<u>2.500000</u>	<u>2.500000</u>	
					100.000000	100.000000	
				<u>Tract 13C</u>			6.942182
STATE OF NM E-347-26	<u>Township 30 North, Range 6 West</u>	545.40	Royalty:		12.500000	12.500000	
	Section 2: Lots 5, 6, 7, 8, S/2N/2		Working Interest:				
	<u>Township 31 North, Range 6 West</u>		Phillip-New Mexico Partners, L.P.		82.500000	82.500000	
	Section 36: Lots 1, 2, 3, 4, W/2E/2		Overriding Royalty Interest		<u>5.000000</u>	<u>5.000000</u>	
					100.000000	100.000000	
				<u>Tract 13D</u>			1.018288
STATE OF NM E-347-41	<u>Township 30 North, Range 6 West</u>	80.00	Royalty:		12.500000	12.500000	
	Section 2: S/2SE/4	7856.32	Working Interest:				
			BP Amoco		82.500000	82.500000	
			Overriding Royalty Interest		<u>5.000000</u>	<u>5.000000</u>	
					100.000000	100.000000	

Effective November 1, 2001



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:

San Juan 31-6 Unit (Dakota PA)
3162.7 (07100)

August 30, 2002

Phillips Petroleum Company
5525 Hwy. 64 NBU 3004
Farmington, NM 87401

RE: San Juan 31-6 Unit
Commerciality Determinations
Dakota Formation
Rio Arriba County, New Mexico

Dear Mr. Fraker:

In response to your letter dated August 14, 2002, the additional economic information submitted, and your letter dated August 28, 2002, the Farmington Field Office (FFO) has reviewed the data you submitted for a commerciality determination for the following wells completed in the Dakota formation.

Well Name & Number	Dedication	Lease	Completion Date	Determination
San Juan 31-6 Unit #4M	E/2 Sec.4,T30N,R6W	NMSF079012	8/31/01	Commercial
San Juan 31-6 Unit #6M	W/2 Sec.1,T30N,R7W	NMSF079000	10/18/01	Commercial
San Juan 31-6 Unit #8M	W/2 Sec.6,T30N,R6W	NMNM012735	10/9/01	Commercial

After completing our economic evaluations, we are in concurrence with the above determinations.

The wells were determined to be commercial in the Dakota formation and are to be included in the Dakota participating area. It is required that revisions be submitted to include these wells in the San Juan 31-6 Unit Dakota Participating Area.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order(s) described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions concerning this matter, please contact Wayne Townsend at the above address or telephone (505) 599-6359.

Sincerely,

Wayne Townsend
Petroleum Engineer
Petroleum Management Team

Phillips Petroleum Company

Commerciality Determination

San Juan 31-6 #4M
Dakota
SE/4 Section 4 30N - 6W
Rio Arriba County, New Mexico

This well was completed in year 2001 by Phillips Petroleum Company.

Actual costs for this well were used in the determination.

Average operating expenses for year 2002 were used in the determination.

The average gas price from the 31-6 Dakota Property Code was used in the determination.

It is recommended that the well be determined commercial.

Actual Production

Month	Production
Oct-01	18,498 MCF
Nov-01	19,481 MCF
Dec-01	21,973 MCF
Jan-02	20,485 MCF
Feb-02	16,407 MCF
Mar-02	18,541 MCF
Apr-02	17,238 MCF
May-02	16,458 MCF

Phillips Petroleum Company
Commerciality Determination

San Juan 31-6 #4M
Dakota
SE/4 Section 4 30N - 6W
Rio Arriba County, New Mexico

Date of First Delivery:	<u>09/10/01</u>
Total Well Costs:	<u>\$480,796</u>
2001 Avg. Gas Price (\$/mcf):	<u>\$1.68</u>
BLM Royalty:	<u>12.5%</u>
Production Taxes:	<u>9.14%</u>

**Estimated Gross Annual Production
and Operating Expenses**

Period	Year	Gas MCF	Operating Expense, \$
1	2001	59,952	5,446
2	2002	197,994	5,446
3	2003	165,159	5,446
4	2004	149,431	5,446
5	2005	136,523	5,446
6	2006	126,513	5,446
7	2007	118,269	5,446
8	2008	111,644	5,446
9	2009	105,396	5,446
10	2010	100,244	5,446
11	2011	95,720	5,446
12	2012	91,962	5,446
13	2013	88,120	5,446
14	2014	84,886	5,446
15	2015	81,954	5,446
16	2016	79,503	5,446
17	2017	76,833	5,446
18	2018	74,579	5,446
19	2019	72,494	5,446
20	2020	70,752	5,446
Remaining		2,628,753	
Total		<u>4,716,681</u>	

Phillips Petroleum Company

Commerciality Determination

San Juan 31-6 #6M

Dakota

SW/4 Section 1 30N - 7W

Rio Arriba County, New Mexico

This well was completed in year 2001 by Phillips Petroleum Company.

Actual costs for this well were used in the determination.

Average operating expenses for year 2002 were used in the determination.

The gas price from the 31-6 Dakota Property Code was used in the determination.

It is recommended that the well be determined commercial.

Actual Production

Month	Production
Oct-01	1,292 MCF
Nov-01	32,722 MCF
Dec-01	42,762 MCF
Jan-02	36,128 MCF
Feb-02	13,106 MCF
Mar-02	26,672 MCF
Apr-02	22,016 MCF
May-02	21,253 MCF

Phillips Petroleum Company
Commerciality Determination

San Juan 31-6 #6M
Dakota
SW/4 Section 1 30N - 7W
Rio Arriba County, New Mexico

Date of First Delivery:	<u>10/20/01</u>
Total Well Costs:	<u>\$424,968</u>
2001 Avg. Gas Price (\$/mcf):	<u>\$1.68</u>
BLM Royalty:	<u>12.5%</u>
Production Taxes:	<u>9.14%</u>

**Estimated Gross Annual Production
and Operating Expenses**

<u>Period</u>	<u>Year</u>	<u>Gas MCF</u>	<u>Operating Expense, \$</u>
1	2001	76,776	5,359
2	2002	205,829	5,359
3	2003	109,869	5,359
4	2004	87,662	5,359
5	2005	76,122	5,359
6	2006	68,780	5,359
7	2007	63,084	5,359
8	2008	58,673	5,359
9	2009	54,733	5,359
10	2010	51,547	5,359
11	2011	48,820	5,359
12	2012	46,578	5,359
13	2013	44,367	5,359
14	2014	42,517	5,359
15	2015	40,864	5,359
16	2016	39,482	5,359
17	2017	38,019	5,359
18	2018	36,785	5,359
19	2019	35,654	5,359
20	2020	34,707	5,359
Remaining		1,251,880	
	Total	<u>2,512,748</u>	

Phillips Petroleum Company

Commerciality Determination

San Juan 31-6 #8M
Dakota
SW/4 Section 6 30N - 6W
Rio Arriba County, New Mexico

This well was completed in year 2001 by Phillips Petroleum Company.

Actual costs for this well were used in the determination.

Average operating expenses for year 2002 were used in the determination.

The gas price from the 31-6 Dakota Property code wells were used in the determination.

It is recommended that the well be determined non-commercial.

Actual Production

Month	Production
Nov-01	22,552 MCF
Dec-01	13,765 MCF
Jan-02	11,167 MCF
Feb-02	9,063 MCF
Mar-02	8,957 MCF
Apr-02	5,954 MCF
May-02	7,461 MCF

Phillips Petroleum Company
Commerciality Determination

San Juan 31-6 #8M
Dakota
SW/4 Section 6 30N - 6W
Rio Arriba County, New Mexico

Date of First Delivery:	<u>10/17/01</u>
Total Well Costs:	<u>\$592,981</u>
2001 Avg. Gas Price (\$/mcf):	<u>\$1.68</u>
BLM Royalty:	<u>12.5%</u>
Production Taxes:	<u>9.14%</u>

**Estimated Gross Annual Production
and Operating Expenses**

Period	Year	Gas MCF	Operating Expense, \$
1	2001	36,317	5,220
2	2002	82,317	5,220
3	2003	50,357	5,220
4	2004	40,177	5,220
5	2005	34,889	5,220
6	2006	31,525	5,220
7	2007	28,913	5,220
8	2008	26,892	5,220
9	2009	25,087	5,220
10	2010	23,626	5,220
11	2011	22,375	5,220
12	2012	21,347	5,220
13	2013	20,334	5,220
14	2014	19,485	5,220
15	2015	18,730	5,220
16	2016	18,094	5,220
17	2017	17,424	5,220
18	2018	16,859	5,220
19	2019	16,343	5,220
20	2020	15,907	5,220
Remaining		459,571	
	Total	<u>1,026,569</u>	



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

September 25, 2002

Bureau of Land Management (3 copies)
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
Attn: Mr. Ray Powell
PO Box 1148
Santa Fe, NM 87504-1148

Oil Conservation Division (2 copies)
State of New Mexico
Attn: Ms. Lori Wrotenberry
1220 Saint Francis Drive
Santa Fe, NM 87505-4000

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
THIRTEENTH DAKOTA EXPANSION - EFFECTIVE 9-1-01
FOURTEENTH DAKOTA EXPANSION - EFFECTIVE 11-1-01
RIO ARRIBA COUNTY, NEW MEXICO
C49866, LCN 650263

Ladies and Gentlemen:

Pursuant to Section 11(a) of the San Juan 31-6 Unit Agreement #14-08-001-464, approved November 28, 1952, Phillips Petroleum Company, as Unit Operator, determined on the dates indicated below that the wells listed below are capable of producing unitized substances in paying quantities from the Dakota Formation. Therefore, this application for the Thirteenth & Fourteenth Expansions of the Participating Areas established for the Dakota Formation is respectfully submitted for your approval as follows:

Thirteenth Expanded Participating Area
Effective September 1, 2001

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well No.</u>
E/2, Section 4, T30N, R6W	320.00	4M

The San Juan 31-6 Unit #4M was drilled and completed into the Dakota Formation on August 31, 2001 with cumulative gas production of 149,081 mcf through May 31, 2002. The drillblock unit for this well is described as the E/2, Section 4, T30N, R6W, Rio Arriba County, New Mexico.

Fourteenth Expanded Participating Area
Effective November 1, 2001

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well No.</u>
W/2, Section 1, T30N, R7W	319.70	6M

The San Juan 31-6 Unit #6M was drilled and completed into the Dakota Formation on October 18, 2001 with cumulative gas production of 19,5951 mcf through May 31, 2002. The drillblock unit for this well is described as the W/2, Section 1, T30N, R7W, Rio Arriba County, New Mexico.

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well No.</u>
W/2, Section 6, T30N, R6W	319.85	8M

The San Juan 31-6 Unit #8M was drilled and completed into the Dakota Formation on October 9, 2001 with cumulative gas production of 78,889 mcf through May 31, 2002. The drillblock unit for this well is described as the W/2, Section 6, T30N, R6W, Rio Arriba County, New Mexico.

These wells were deemed commercial per letter dated August 30, 2002, from the Bureau of Land Management.

Enclosed herewith is Schedule XIV for the Thirteenth Expanded Participating Area and Schedule XV for the Fourteenth Expanded Participating Area for the Dakota Formation. These schedules describe the participating areas and indicates the percentage of unitized substances allocated to the unit tracts according to the Dakota Formation ownership of such tracts. Also included is a map reflection the existing Participating Area and the Proposed Thirteenth and Fourteenth Expansions of the San Juan 31-6 Unit Dakota Formation Participating Area.

Unless this application is disapproved or contested, the Thirteenth and Fourteenth Expanded Participating Areas are effective as of September 1, 2001 and November 1, 2001 (respectfully). Copies of this application are being provided to the State of New Mexico Land Office, State of New Mexico Oil Conservation Division and Unit Working Interest Owners.

Respectfully your,



Skip Fraker
Southwestern Region-Land Dept.
(505) 599-3428

The signatory approvals below are for the Thirteenth and Fourteenth Expanded Participating Areas of the Dakota Formation in the San Juan 31-6 Unit #14-08-001-464.

Approved _____
Assistant District Manager-Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands
And the Oil Conservation Division

Approved _____
Commissioner of Public Lands
Subject to like approval by the
Bureau of Land Management
And the Oil Conservation Division

Approved _____
Oil Conservation Division
Subject to like approval by the
Bureau of Land Management
And the Commissioner of Public Lands

**SAN JUAN 31-6 UNIT
DAKOTA
PARTICIPATING AREA AND DRILLBLOCK OWNERS**

PHILLIPS-NEW MEXICO PARTNERS, LTD

BP AMERICA PRODUCTION COMPANY

BURLINGTON RESOURCES OIL & GAS CO.

FOUR STAR OIL & GAS

ST. JOHNS OPERATING #1L2

WISER OIL COMPANY

SCHEDULE XIV

THIRTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION

SAN JUAN 31-6 UNIT

DRILLING BLOCK

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL
USA SF-078995	<u>Township 31 North, Range 6 West</u> Section 28: All 29: All 31: E/2	1600.00	Royalty: Working Interest: Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	12.500000 87.500000 0.000000 100.000000	12.500000 87.500000 0.000000 100.000000	22.168740
JSA SF-078999	<u>Township 31 North, Range 6 West</u> Section 27: All 33: E/2 34: All 35: All	2240.00	Royalty: Working Interest: Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	12.500000 84.000000 3.500000 100.000000	12.500000 84.000000 3.500000 100.000000	31.036236
USA SF-078999	<u>Township 31 North, Range 6 West</u> Section 1: W/2	320.00	Royalty: Working Interest: Burlington Resources Oil & Gas Co. Overriding Royalty Interest	12.500000 82.500000 5.000000 100.000000	12.500000 82.500000 5.000000 100.000000	4.433748
USA SF-079012	<u>Township 30 North, Range 6 West</u> Section 4: Lots 5, 6, S/2NE/4, SE/4	320.00	Royalty: Working Interest: Burlington Resources Oil & Gas Co. Overriding Royalty Interest	12.500000 82.500000 5.000000 100.000000	12.500000 82.500000 5.000000 100.000000	4.433748

SCHEDULE XIV

THIRTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION

SAN JUAN 31-6 UNIT

USA SF-079401	<u>Township 30 North, Range 6 West</u> Section 1: Lots 7, 8, S/2NW/4	159.69	Royalty: Working Interest: Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	12.500000 12.500000 83.000000 4.500000 100.000000	12.500000 12.500000 83.000000 4.500000 100.000000	2.212579
USA NM-012299	<u>Township 30 North, Range 6 West</u> Section 1: Lots 5, 6, 9, SW/4NE/4	113.12	Royalty: Working Interest: St Johns Operating #1L2 Burlington Resources Oil & Gas Co. Overriding Royalty Interest	12.500000 12.500000 65.910000 18.590000 3.000000 100.000000	12.500000 12.500000 65.910000 18.590000 3.000000 100.000000	1.567330
USA NM-03404	<u>Township 30 North, Range 6 West</u> Section 5: Lots 5, 6, 7, 8, S/2NE/4, SE/4, S/2NW/4, SW/4	639.16	Royalty: Working Interest: Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	12.500000 12.500000 82.500000 5.000000 100.000000	12.500000 12.500000 82.500000 5.000000 100.000000	8.855857
STATE OF NM E-289-3	<u>Township 31 North, Range 6 West</u> Section 32: NW/4	160.00	Royalty: Working Interest: Wiser Oil Company Overriding Royalty Interest	12.500000 12.500000 87.500000 0.000000 100.000000	12.500000 12.500000 87.500000 0.000000 100.000000	2.216874

SCHEDULE XIV
 THIRTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
 SAN JUAN 31-6 UNIT

STATE OF NM E-289-45	<u>Township 31 North, Range 6 West</u> Section 32: SW/4NE/4	40.00	Royalty: Working Interest: Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	12.500000 12.500000 82.500000 5.000000 100.000000	12.500000 12.500000 82.500000 5.000000 100.000000	0.554219
<u>Tract 11A</u>						
STATE OF NM E-289-43	<u>Township 31 North, Range 6 West</u> Section 32: N/2NE/4	80.00	Royalty: Working Interest: Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	12.500000 12.500000 87.500000 0.000000 100.000000	12.500000 12.500000 87.500000 0.000000 100.000000	1.108437
<u>Tract 11B</u>						
STATE OF NM E-346-26	<u>Township 31 North, Range 6 West</u> Section 32: SE/4NE/4, SE/4	200.00	Royalty: Working Interest: Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	12.500000 12.500000 82.500000 5.000000 100.000000	12.500000 12.500000 82.500000 5.000000 100.000000	2.771093
<u>Tract 12</u>						
STATE OF NM E-346-25	<u>Township 31 North, Range 6 West</u> Section 32: SW/4	160.00	Royalty: Working Interest: Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	12.500000 12.500000 85.000000 2.500000 100.000000	12.500000 12.500000 85.000000 2.500000 100.000000	2.216874
<u>Tract 12A</u>						

SCHEDULE XIV

THIRTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION

SAN JUAN 31-6 UNIT

		<u>Tract 13</u>		2.216874
STATE OF NM E-347-40	<u>Township 30 North, Range 6 West</u>	160.00	Royalty:	12.500000
	Section 2: N/2SE/4		Working Interest:	
	<u>Township 31 North, Range 6 West</u>		Four Star Oil & Gas Company	82.750000
	Section 36: N/2NW/4		Overriding Royalty Interest	<u>4.750000</u>
				100.000000
STATE OF NM E-347-34	<u>Township 31 North, Range 6 West</u>	80.00	Royalty:	12.500000
	Section 36: S/2NW/4		Working Interest:	
			BP Amoco	82.500000
			Overriding Royalty Interest	<u>5.000000</u>
				100.000000
STATE OF NM E-347-25	<u>Township 30 North, Range 6 West</u>	320.00	Royalty:	12.500000
	Section 2: SW/4		Working Interest:	
	<u>Township 31 North, Range 6 West</u>		Phillip-New Mexico Partners, L.P.	85.000000
	Section 36: SW/4		Overriding Royalty Interest	<u>2.500000</u>
				100.000000
STATE OF NM E-347-26	<u>Township 30 North, Range 6 West</u>	545.40	Royalty:	12.500000
	Section 2: Lots 5, 6, 7, 8, S/2N/2		Working Interest:	
	<u>Township 31 North, Range 6 West</u>		Phillip-New Mexico Partners, L.P.	82.500000
	Section 36: Lots 1, 2, 3, 4, W/2E/2		Overriding Royalty Interest	<u>5.000000</u>
				100.000000

SCHEDULE XIV

THIRTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION

SAN JUAN 31-6 UNIT

		<u>Tract 13D</u>		1.108437
STATE OF NM E-347-41	<u>Township 30 North, Range 6 West</u>	80.00	Royalty:	12.500000
	Section 2: S/2SE/4		Working Interest:	
			BP Amoco	82.500000
			Overriding Royalty Interest	<u>5.000000</u>
				100.000000

Effective September 1, 2001

SCHEDULE XV

FOURTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION

SAN JUAN 31-6 UNIT

DRILLING BLOCK

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PRESENT ACTUAL
USA SF-078995	<u>Township 31 North, Range 6 West</u>	1600.00	Royalty:	12.500000	12.500000	20.365769
	Section 28: All		Working Interest:			
	29: All		Phillip-New Mexico Partners, L.P.	87.500000	87.500000	
	31: E/2		Overriding Royalty Interest	0.000000	0.000000	
				100.000000	100.000000	
USA SF-078999	<u>Township 31 North, Range 6 West</u>	2240.00	Royalty:	12.500000	12.500000	28.512077
	Section 27: All		Working Interest:			
	33: E/2		Phillip-New Mexico Partners, L.P.	84.000000	84.000000	
	34: All		Overriding Royalty Interest	3.500000	3.500000	
	35: All			100.000000	100.000000	
USA SF-078999	<u>Township 31 North, Range 6 West</u>	320.00	Royalty:	12.500000	12.500000	4.073154
	Section 1: W/2		Working Interest:			
			Burlington Resources Oil & Gas Co.	82.500000	82.500000	
			Overriding Royalty Interest	5.000000	5.000000	
				100.000000	100.000000	
USA SF-79000	<u>Township 30 North, Range 7 West</u>	319.10	Royalty:	12.500000	12.500000	4.061698
	Section 1: Lots 7, 8, S/2NW/4, SW/4		Working Interest:			
			Burlington Resources Oil & Gas Co.	84.000000	84.000000	
			Overriding Royalty Interest	3.500000	3.500000	
				100.000000	100.000000	

SCHEDULE XV

FOURTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION

SAN JUAN 31-6 UNIT

	<u>Tract 5</u>		
USA NM-012735	<u>Township 30 North, Range 6 West</u>	319.85	4.071245
	Section 6: Lots 10, 11, S/2NW/4, SW/4	Royalty:	12.500000
		Working Interest:	12.500000
		Burlington Resources Oil & Gas Co.	82.500000
		Overriding Royalty Interest	<u>5.000000</u>
			100.000000
			100.000000
			4.073154
			12.500000
			82.500000
			<u>5.000000</u>
			100.000000
			100.000000
			2.032631
			12.500000
			83.000000
			<u>4.500000</u>
			100.000000
			100.000000
			1.439860
			12.500000
			65.910000
			18.590000
			<u>3.000000</u>
			100.000000
			100.000000

SCHEDULE XV
 FOURTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
 SAN JUAN 31-6 UNIT

USA NM-03404	<u>Township 30 North, Range 6 West</u> Section 5: Lots 5, 6, 7, 8, S/2NE/4, SE/4, S/2NW/4, SW/4	639.16	Royalty: Working Interest: Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	12.500000 82.500000 <u>5.000000</u> 100.000000	12.500000 82.500000 <u>5.000000</u> 100.000000	8.135616
STATE OF NM E-289-3	<u>Township 31 North, Range 6 West</u> Section 32: NW/4	160.00	Royalty: Working Interest: Wiser Oil Company Overriding Royalty Interest	12.500000 87.500000 <u>0.000000</u> 100.000000	12.500000 87.500000 <u>0.000000</u> 100.000000	2.036577
STATE OF NM E-289-45	<u>Township 31 North, Range 6 West</u> Section 32: SW/4NE/4	40.00	Royalty: Working Interest: Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	12.500000 82.500000 <u>5.000000</u> 100.000000	12.500000 82.500000 <u>5.000000</u> 100.000000	0.509144
STATE OF NM E-289-43	<u>Township 31 North, Range 6 West</u> Section 32: N/2NE/4	80.00	Royalty: Working Interest: Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	12.500000 82.500000 <u>5.000000</u> 100.000000	12.500000 82.500000 <u>5.000000</u> 100.000000	1.018288

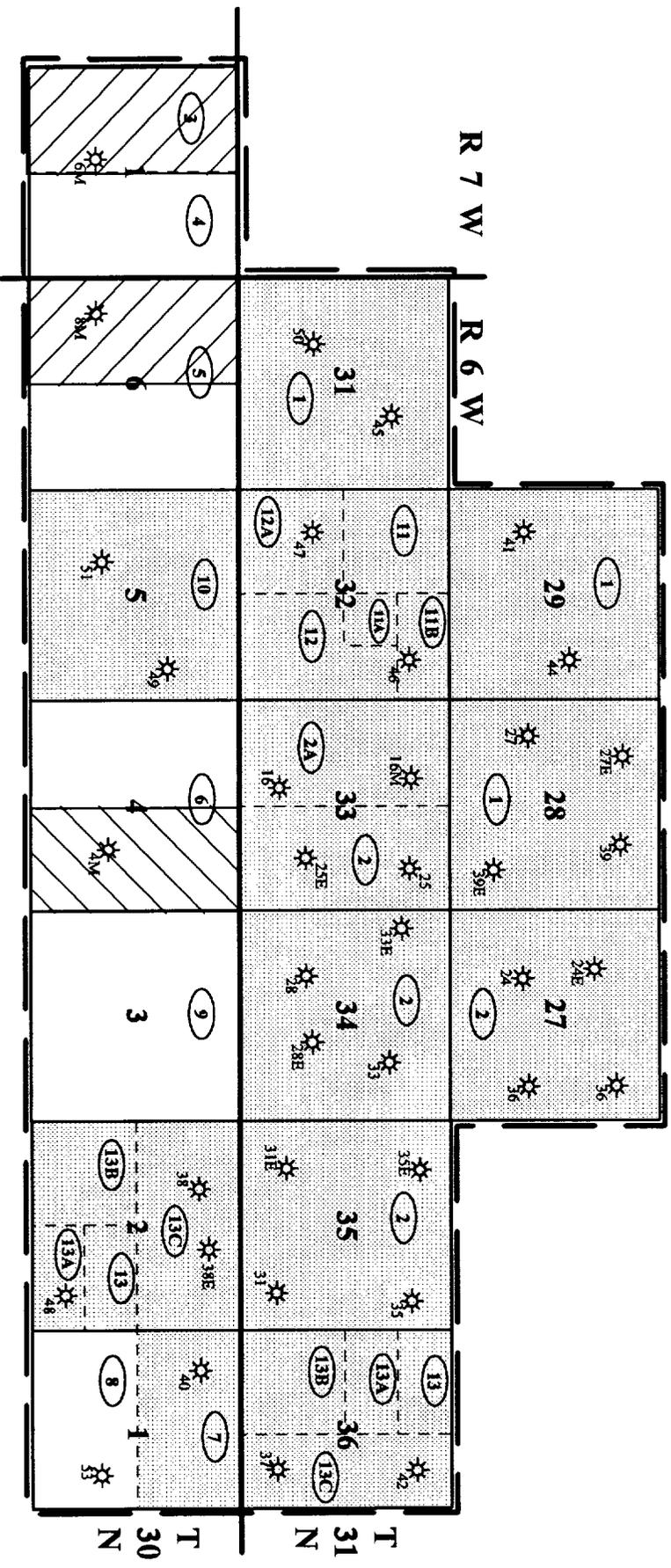
SCHEDULE XV
 FOURTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
 SAN JUAN 31-6 UNIT

STATE OF NM E-346-26	<u>Township 31 North, Range 6 West</u> Section 32: SE/4NE/4, SE/4	200.00	Royalty: Working Interest: Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	12.500000 12.500000 82.500000 <u>5.000000</u> 100.000000	12.500000 12.500000 82.500000 <u>5.000000</u> 100.000000	2.545721
<u>Tract 12</u>						
STATE OF NM E-346-25	<u>Township 31 North, Range 6 West</u> Section 32: SW/4	160.00	Royalty: Working Interest: Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	12.500000 12.500000 85.000000 <u>2.500000</u> 100.000000	12.500000 12.500000 85.000000 <u>2.500000</u> 100.000000	2.036577
<u>Tract 12A</u>						
STATE OF NM E-347-40	<u>Township 30 North, Range 6 West</u> Section 2: N/2SE/4 <u>Township 31 North, Range 6 West</u> Section 36: N/2NW/4	160.00	Royalty: Working Interest: Four Star Oil & Gas Company Overriding Royalty Interest	12.500000 12.500000 82.750000 <u>4.750000</u> 100.000000	12.500000 12.500000 82.750000 <u>4.750000</u> 100.000000	2.036577
<u>Tract 13</u>						
STATE OF NM E-347-34	<u>Township 31 North, Range 6 West</u> Section 36: S/2NW/4	80.00	Royalty: Working Interest: BP Amoco Overriding Royalty Interest	12.500000 12.500000 82.500000 <u>5.000000</u> 100.000000	12.500000 12.500000 82.500000 <u>5.000000</u> 100.000000	1.018288
<u>Tract 13A</u>						

SCHEDULE XV
 FOURTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
 SAN JUAN 31-6 UNIT

STATE OF NM E-347-25	<u>Township 30 North, Range 6 West</u> Section 2: SW/4	320.00	Royalty: Working Interest:	12.500000 12.500000	4.073154
	<u>Township 31 North, Range 6 West</u> Section 36: SW/4		Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	85.000000 <u>2.500000</u> 100.000000	
<u>Tract 13B</u>					
STATE OF NM E-347-26	<u>Township 30 North, Range 6 West</u> Section 2: Lots 5, 6, 7, 8, S/2N/2	545.40	Royalty: Working Interest:	12.500000 12.500000	6.942182
	<u>Township 31 North, Range 6 West</u> Section 36: Lots 1, 2, 3, 4, W/2E/2		Phillip-New Mexico Partners, L.P. Overriding Royalty Interest	82.500000 <u>5.000000</u> 100.000000	
<u>Tract 13C</u>					
STATE OF NM E-347-41	<u>Township 30 North, Range 6 West</u> Section 2: S/2SE/4	80.00 7856.32	Royalty: Working Interest: BP Amoco Overriding Royalty Interest	12.500000 82.500000 <u>5.000000</u> 100.000000	1.018288
<u>Tract 13D</u>					

Effective November 1, 2001



- SAN JUAN 31-6 UNIT BOUNDARY
- EXISTING DAKOTA FORMATION PARTICIPATING AREA
- 13TH EXPANSION DAKOTA FORMATION PARTICIPATING AREA EFFECTIVE 9-1-01
- 14TH EXPANSION DAKOTA FORMATION PARTICIPATING AREA EFFECTIVE 11-1-01

PHILLIPS PETROLEUM CO
 SAN JUAN 31-6 UNIT
 RIO ARRIBA COUNTY, NM
 September 25, 2002



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

August 28, 2002

Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands
State of New Mexico
Attn: Mr. Ray Powell
PO Box 1148
Santa Fe, NM 87504-1148

Oil Conservation Division
State of New Mexico
Attn: Ms. Lori Wrotenberry
1220 S. Saint Francis Drive
Santa Fe, NM 87505-4000

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
COMMERCIALITY DETERMINATION - CORRECTION
SAN JUAN 31-6 UNIT #8M
RIO ARRIBA COUNTY, NEW MEXICO
C49866

Gentlemen:

Economic information in my letter dated August 14, 2002 concerning the above captioned well had some unadjusted calculations that let us to believe this well to be not capable of being determined commercial. The gas price used was \$1.69/MCF for the life of the well, the correct price should have been \$2.18/MCF from October of 2001 to present.

It would appear that the increase in price will make this well capable of being deemed commercial.

Also, production for June and July of this well was 7180 MCF and 6286 MCF, respectfully.

Respectfully yours

Skip Fraker
San Juan Area – Land Department
(505)599-3428
San Juan Area



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

August 14, 2002

Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands
State of New Mexico
Attn: Mr. Ray Powell
PO Box 1148
Santa Fe, NM 87504-1148

Oil Conservation Division
State of New Mexico
Attn: Ms. Lori Wrotenberry
1220 S. Saint Francis Drive
Santa Fe, NM 87505-4000

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
COMMERCIALITY DETERMINATION
SAN JUAN 31-6 UNIT #24E
W/2 SECTION 27, T31N, R6W
SAN JUAN 31-6 UNIT #44E
E/2 SECTION 29, T31N, R6W
RIO ARRIBA COUNTY, NEW MEXICO
C49866

Gentlemen:

Pursuant to the provisions of Section 11(a) of the San Juan 31-6 Unit Agreement, #14-08-001-464, Phillips Petroleum Company (Phillips) has determined that the San Juan 31-6 Unit #24E and 44E wells are capable of producing unitized substances in paying quantities from the Mesaverde formation. Phillips requests confirmation of these paying well determinations. A summary of production and economic data is enclosed for the wells.

Upon receipt of approval from the Bureau of Land Management and concurring responses from the Commissioner of Public Lands and Oil Conservation Division, the formal Participating Area schedules will be prepared and submitted.

Copies of this submittal and enclosures are being sent to all owners on the attached listing. Please contact the undersigned, should you have any questions.

Respectfully yours

Skip Fraker
San Juan Area – Land Department
(505)599-3428
San Juan Area

**SAN JUAN 31-6 UNIT
MESAVERDE PARTICIPATING AREA OWNERS**

PHILLIPS PETROLEUM COMPANY
BP AMOCO
BURLINGTON RESOURCES OIL & GAS COMPANY
CONOCO, INC
ST JOHNS OPERATING #1 L3
FOUR STAR OIL & GAS COMPANY
WILLIAMS PRODUCTION COMPANY
WISER OIL COMPANY

SAN JUAN 31-6 UNIT #24E & 44E MESAVERDE DRILL BLOCK OWNERS

PHILLIPS PETROLEUM COMPANY
WILLIAMS PRODUCTION COMPANY

Phillips Petroleum Company

Commerciality Determination

San Juan 31-6 #24E
Mesa Verde
NW/4 Section 27 31N - 6W
Rio Arriba County, New Mexico

This well was completed in 1999 by Phillips Petroleum Company.

Actual costs for this well were used in the determination.

Average operating expenses for the year 2000 were used in the determination.

The gas price from year 2000, with transportation costs removed, was used in the determination.

It is recommended that the well be determined commercial.

Actual Production

Month	Production
Dec-99	4,563 MCF
Jan-00	5,059 MCF
Feb-00	3,887 MCF
Mar-00	3,603 MCF
Apr-00	2,571 MCF
May-00	2,290 MCF
Jun-00	2,705 MCF
Jul-00	257 MCF
Aug-00	3,766 MCF
Sep-00	2,325 MCF
Oct-00	1,716 MCF
Nov-00	1,628 MCF
Dec-00	957 MCF
Jan-01	949 MCF
Feb-01	171 MCF
Mar-01	127 MCF
Apr-01	670 MCF
May-01	365 MCF
Jun-01	537 MCF
Jul-01	1,367 MCF
Aug-01	1,266 MCF
Sep-01	767 MCF
Oct-01	623 MCF
Nov-01	525 MCF
Dec-01	821 MCF
Jan-02	1,338 MCF
Feb-02	1,069 MCF
Mar-02	928 MCF
Apr-02	1,087 MCF
May-02	1,263 MCF

Phillips Petroleum Company
Commerciality Determination

San Juan 31-6 #24E
Mesa Verde
NW/4 Section 27 31N - 6W
Rio Arriba County, New Mexico

Date of First Delivery:	<u>12/10/99</u>
Total Well Costs:	<u>\$162,696.00</u>
2001 Avg. Gas Price (\$/mcf):	<u>\$2.16</u>
BLM Royalty:	<u>12.5%</u>
Production Taxes:	<u>9.14%</u>

**Estimated Gross Annual Production
and Operating Expenses**

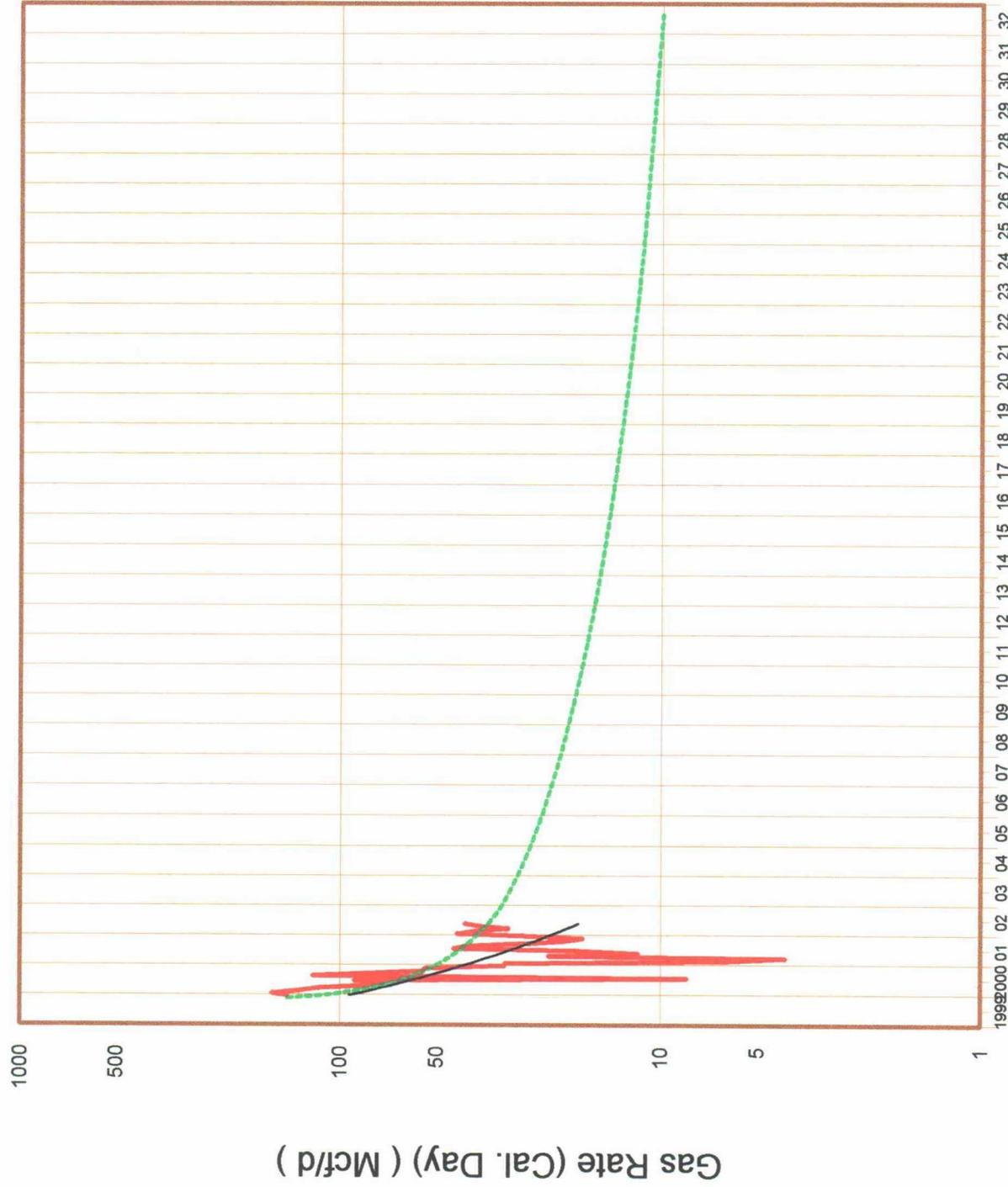
Period	Year	Gas MCF	Operating Expense, \$
1	1999	4,563	3,285
2	2000	30,764	3,285
3	2001	8,188	3,285
4	2002	12,672	3,285
5	2003	10,786	3,285
6	2004	9,771	3,285
7	2005	8,937	3,285
8	2006	8,290	3,285
9	2007	7,755	3,285
10	2008	7,324	3,285
11	2009	6,917	3,285
12	2010	6,579	3,285
13	2011	6,285	3,285
14	2012	6,040	3,285
15	2013	5,789	3,285
16	2014	5,579	3,285
17	2015	5,385	3,285
18	2016	5,224	3,285
19	2017	5,051	3,285
20	2018	4,903	3,285
Remaining		61,488	
	Total	<u>228,290</u>	

F061302

SAN JUAN 31-6 # 24E MV

Cum. Gas Production : 55.9 MMcf

Cum. Oil Production : 0.0 Mbbl



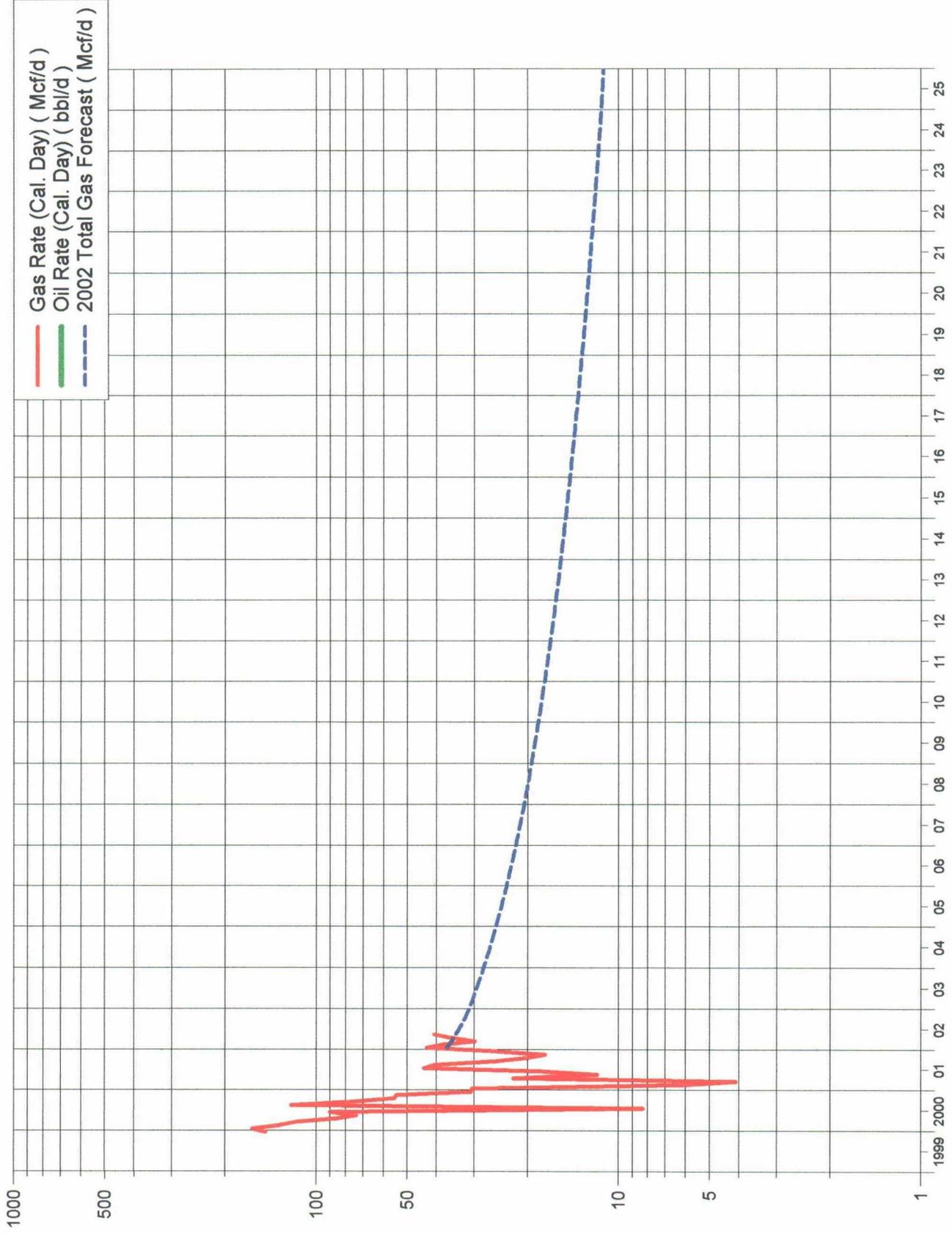
Phase	: Gas
Case Name	: RMS2002
b	: 2
Di	: 0.38 M.n.
qi	: 170 Mcf/d
ti	: 10/31/1999
te	: 10/31/2002
Econ. Limit	: 10 Mcf/d
Final Rate	: 10 Mcf/d
Cum. Prod.	: 6.712 MMcf
Cum. Date	: 10/31/1999
Reserves	: 228.525 MMcf
EUR	: 235.237 MMcf
Forecast Limit	: Economic
Forecast Date	: 08/01/2002

SAN JUAN 31-6 # 24E MV

Cum. Gas Production : 55.9 MMcf

F061302

Cum. Oil Production : * Mbbl



Phillips Petroleum Company

Commerciality Determination

San Juan 31-6 #44E
Mesa Verde
SE/4 Section 29 31N - 6W
Rio Arriba County, New Mexico

This well was completed in year 2001 by Phillips Petroleum Company.

Actual costs for this well were used in the determination.

Average operating expenses from year 2002 were used in the determination.

The average gas price from year 2002 was used in the determination.

It is recommended that the well be determined commercial.

Actual Production

Month	Production
Dec-01	33,946 MCF
Jan-02	15,660 MCF
Feb-02	10,228 MCF
Mar-02	12,341 MCF
Apr-02	12,019 MCF
May-02	9,090 MCF

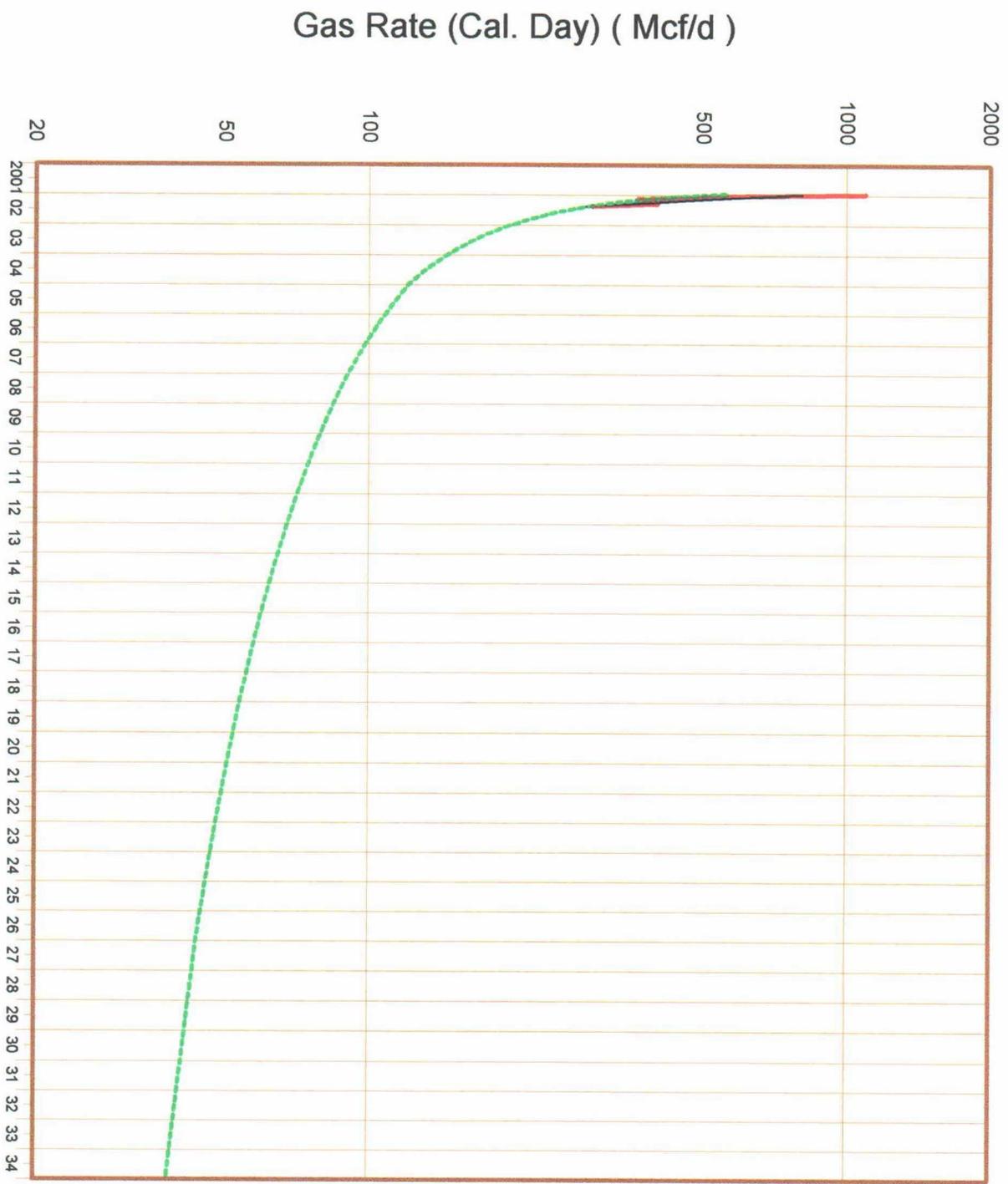
Phillips Petroleum Company
Commerciality Determination

San Juan 31-6 #44E
Mesa Verde
SE/4 Section 29 31N - 6W
Rio Arriba County, New Mexico

Date of First Delivery:	<u>12/04/01</u>
Total Well Costs:	<u>\$344,294</u>
2002 Avg. Gas Price (\$/mcf):	<u>\$1.81</u>
BLM Royalty:	<u>12.5%</u>
Production Taxes:	<u>9.14%</u>

**Estimated Gross Annual Production
and Operating Expenses**

Period	Year	Gas MCF	Operating Expense, \$
1	2001	33,946	5,057
2	2002	108,508	5,057
3	2003	61,021	5,057
4	2004	48,211	5,057
5	2005	41,617	5,057
6	2006	37,550	5,057
7	2007	34,402	5,057
8	2008	31,971	5,057
9	2009	29,803	5,057
10	2010	28,053	5,057
11	2011	26,559	5,057
12	2012	25,331	5,057
13	2013	24,121	5,057
14	2014	23,109	5,057
15	2015	22,205	5,057
16	2016	21,450	5,057
17	2017	20,652	5,057
18	2018	19,977	5,057
19	2019	19,360	5,057
20	2020	18,845	5,057
Remaining		634,713	
	Total	<u>1,311,404</u>	



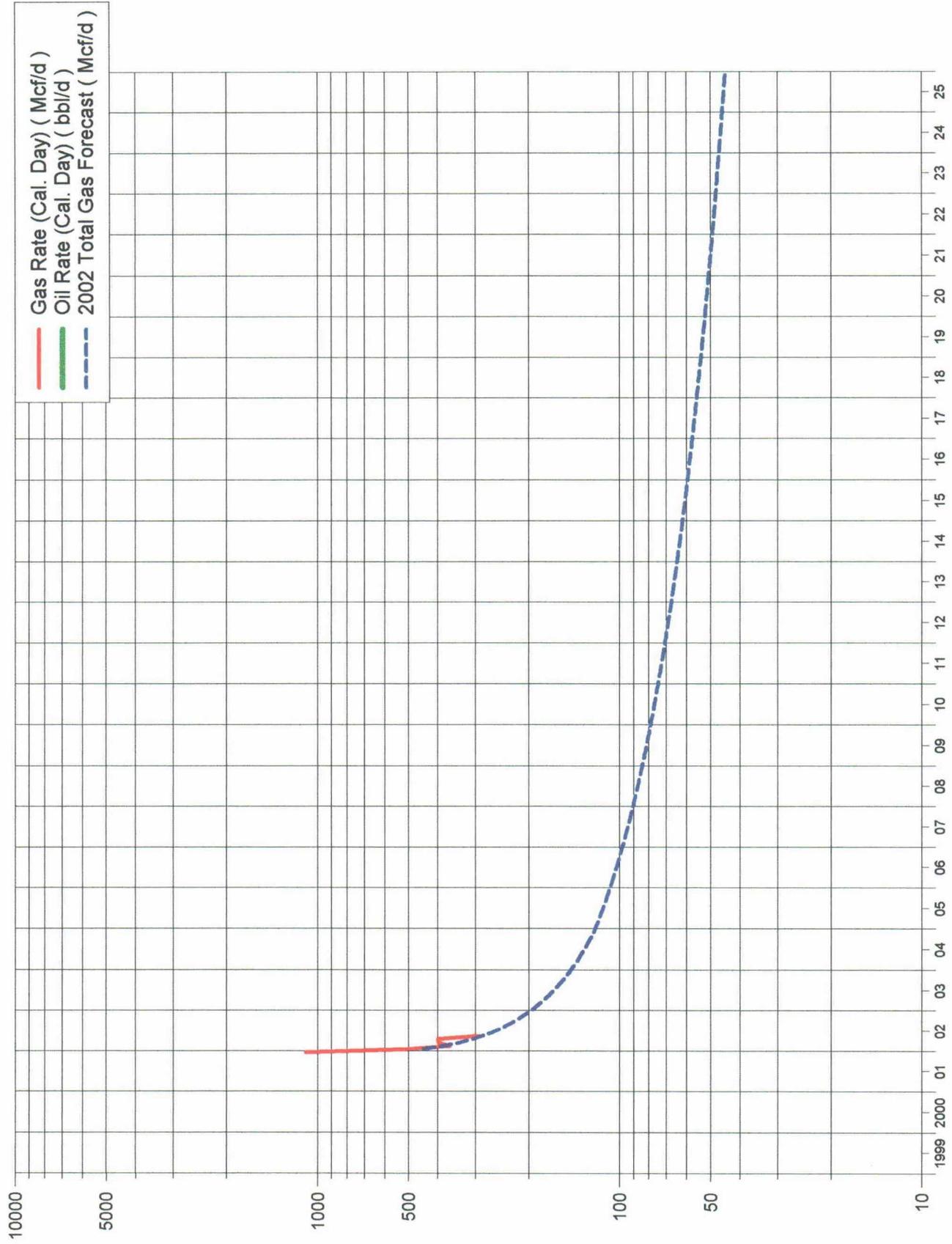
Phase	: Gas
Case Name	: RMS2002
b	: 2
Di	: 0.38 M.n.
qi	: 650 Mcf/d
ti	: 11/30/2001
te	: 11/30/2004
Econ. Limit	: 20 Mcf/d
Final Rate	: 20 Mcf/d
Cum. Prod.	: 146.19 MMcf
Cum. Date	: 11/30/2001
Reserves	: 1311.93 MMcf
EUR	: 1458.12 MMcf
Forecast Limit	: Economic
Forecast Date	: 08/01/2002

SAN JUAN 31-6 # 44E MV

Cum. Gas Production : 239.5 MMcf

F069202

Cum. Oil Production : * Mbbl





PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NEU 3004

August 14, 2002

Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands
State of New Mexico
Attn: Mr. Ray Powell
PO Box 1148
Santa Fe, NM 87504-1148

Oil Conservation Division
State of New Mexico
Attn: Ms. Lori Wrotenberry
1220 S. Saint Francis Drive
Santa Fe, NM 87505-4000

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
COMMERCIALITY DETERMINATION
SAN JUAN 31-6 UNIT #4M
E/2 SECTION 4, T30N, R6W
SAN JUAN 31-6 UNIT #6M
E/2 SECTION 1, T30N, R7W
SAN JUAN 31-6 UNIT #8M
E/2 SECTION 6, T30N, R6W
RIO ARRIBA COUNTY, NEW MEXICO
C49866

Gentlemen:

Pursuant to the provisions of Section 11(a) of the San Juan 31-6 Unit Agreement, #14-08-001-464, Phillips Petroleum Company (Phillips) has determined that the San Juan 31-6 Unit #4M and 6M wells are capable of producing unitized substances in paying quantities from the Dakota formation. Also, the San Juan 31-6 #8M is not capable of producing unitized substances in paying quantities from the Dakota formation. Phillips requests confirmation of the appropriate paying well determinations. A summary of production and economic data is enclosed for the wells.

Upon receipt of approval from the Bureau of Land Management and concurring responses from the Commissioner of Public Lands and Oil Conservation Division, the formal Participating Area schedules will be prepared and submitted.

Copies of this submittal and enclosures are being sent to all owners on the attached listing. Please contact the undersigned, should you have any questions.

Respectfully yours

Skip Fraker
San Juan Area – Land Department
(505)599-3428
San Juan Area

**SAN JUAN 31-6 UNIT
DAKOTA PARTICIPATING AREA OWNERS**

PHILLIPS-NEW MEXICO PARTNERS, LP
BP AMOCO
BURLINGTON RESOURCES OIL & GAS COMPANY
ST JOHNS OPERATING #1 L3
FOUR STAR OIL & GAS COMPANY
WISER OIL COMPANY

SAN JUAN 31-6 UNIT #4M, 6M & 8M DRILL BLOCK OWNERS

BURLINGTON RESOURCES OIL & GAS COMPANY

Phillips Petroleum Company
Commerciality Determination

San Juan 31-6 #4M
Dakota
SE/4 Section 4 30N - 6W
Rio Arriba County, New Mexico

This well was completed in year 2001 by Phillips Petroleum Company.

Actual costs for this well were used in the determination.

Average operating expenses for year 2002 were used in the determination.

The average gas price from the 31-6 Dakota Property Code was used in the determination.

It is recommended that the well be determined commercial.

Actual Production

Month	Production
Oct-01	18,498 MCF
Nov-01	19,481 MCF
Dec-01	21,973 MCF
Jan-02	20,485 MCF
Feb-02	16,407 MCF
Mar-02	18,541 MCF
Apr-02	17,238 MCF
May-02	16,458 MCF

Phillips Petroleum Company
Commerciality Determination

San Juan 31-6 #4M
Dakota
SE/4 Section 4 30N - 6W
Rio Arriba County, New Mexico

Date of First Delivery:	<u>09/10/01</u>
Total Well Costs:	<u>\$480,796</u>
2001 Avg. Gas Price (\$/mcf):	<u>\$1.68</u>
BLM Royalty:	<u>12.5%</u>
Production Taxes:	<u>9.14%</u>

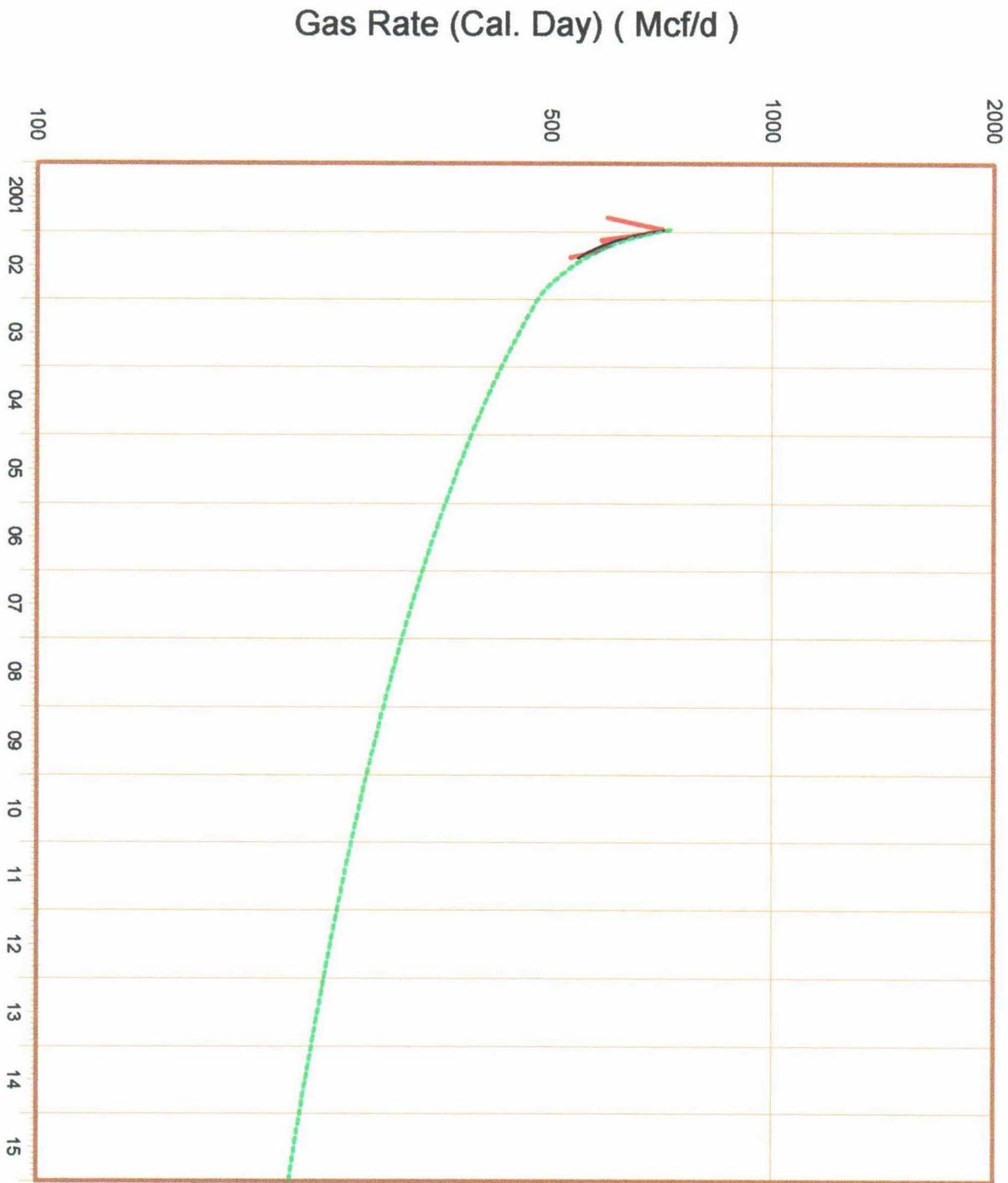
**Estimated Gross Annual Production
and Operating Expenses**

Period	Year	Gas MCF	Operating Expense, \$
1	2001	59,952	5,446
2	2002	197,994	5,446
3	2003	165,159	5,446
4	2004	149,431	5,446
5	2005	136,523	5,446
6	2006	126,513	5,446
7	2007	118,269	5,446
8	2008	111,644	5,446
9	2009	105,396	5,446
10	2010	100,244	5,446
11	2011	95,720	5,446
12	2012	91,962	5,446
13	2013	88,120	5,446
14	2014	84,886	5,446
15	2015	81,954	5,446
16	2016	79,503	5,446
17	2017	76,833	5,446
18	2018	74,579	5,446
19	2019	72,494	5,446
20	2020	70,752	5,446
Remaining		2,628,753	
	Total	<u>4,716,681</u>	

SAN JUAN 31-6 # 4M DK NQ

Cum. Gas Production : 281.9 MMcf

Cum. Oil Production : 0.0 Mbbl



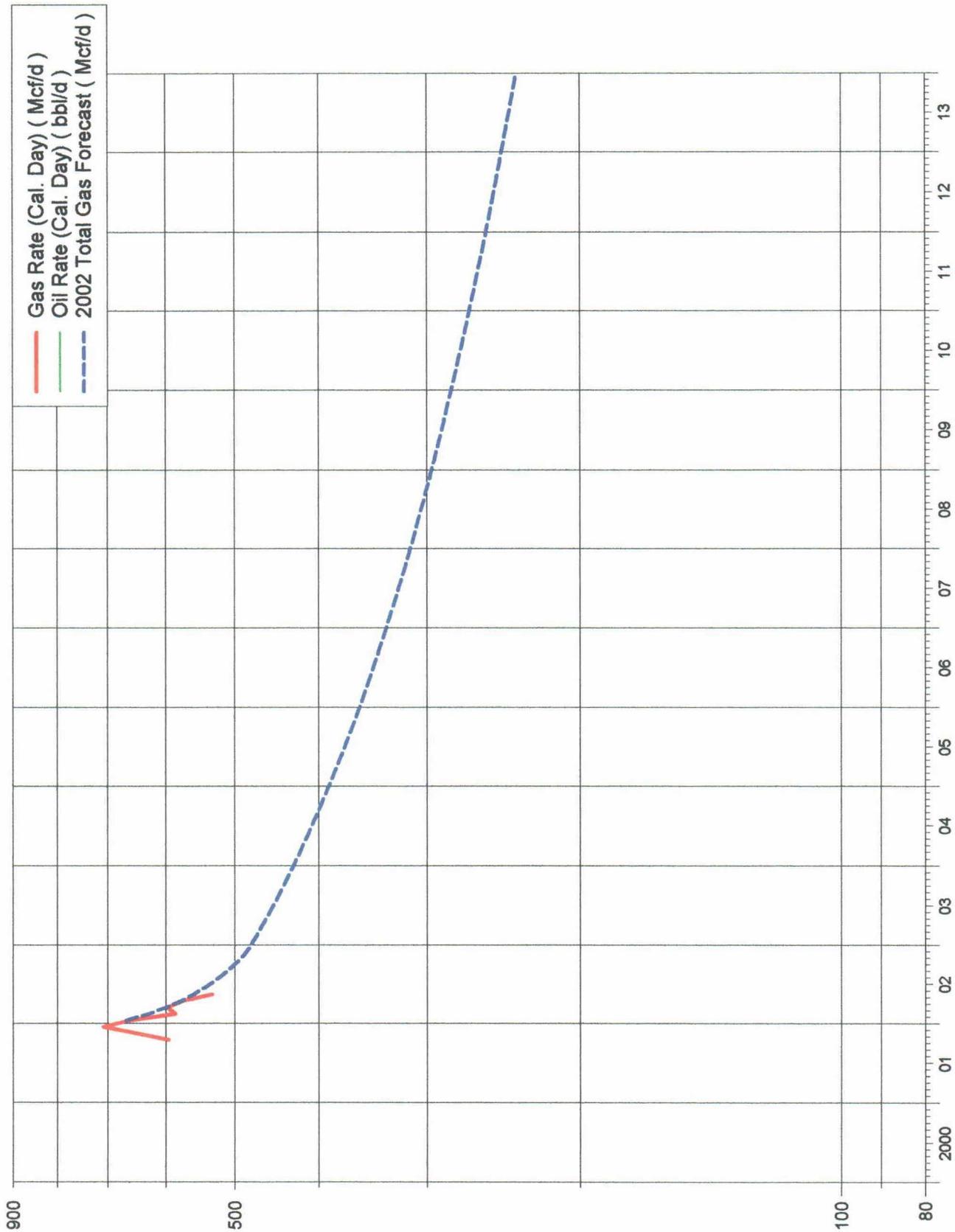
Phase	: Gas
Case Name	: RMS2002
b	: 4.54895
Di	: 0.10055 M.n.
qi	: 766.1 Mcf/d
ti	: 11/30/2001
te	: 11/30/2002
Econ. Limit	: 10 Mcf/d
Final Rate	: 72.3218 Mcf/d
Cum. Prod.	: 170.749 MMcf
Cum. Date	: 11/30/2001
Reserves	: 4716.68 MMcf
EUR	: 4887.43 MMcf
Forecast Limit	: Time
Forecast Date	: 08/05/2002

SAN JUAN 31-6 # 4M DK NQ

Cum. Gas Production : 281.9 MMcf

F073901

Cum. Oil Production : * Mbbl



Phillips Petroleum Company

Commerciality Determination

San Juan 31-6 #6M

Dakota

SW/4 Section 1 30N - 7W

Rio Arriba County, New Mexico

This well was completed in year 2001 by Phillips Petroleum Company.

Actual costs for this well were used in the determination.

Average operating expenses for year 2002 were used in the determination.

The gas price from the 31-6 Dakota Property Code was used in the determination.

It is recommended that the well be determined commercial.

Actual Production

Month	Production
Oct-01	1,292 MCF
Nov-01	32,722 MCF
Dec-01	42,762 MCF
Jan-02	36,128 MCF
Feb-02	13,106 MCF
Mar-02	26,672 MCF
Apr-02	22,016 MCF
May-02	21,253 MCF

Phillips Petroleum Company
Commerciality Determination

San Juan 31-6 #6M
Dakota
SW/4 Section 1 30N - 7W
Rio Arriba County, New Mexico

Date of First Delivery:	<u>10/20/01</u>
Total Well Costs:	<u>\$424,968</u>
2001 Avg. Gas Price (\$/mcf):	<u>\$1.68</u>
BLM Royalty:	<u>12.5%</u>
Production Taxes:	<u>9.14%</u>

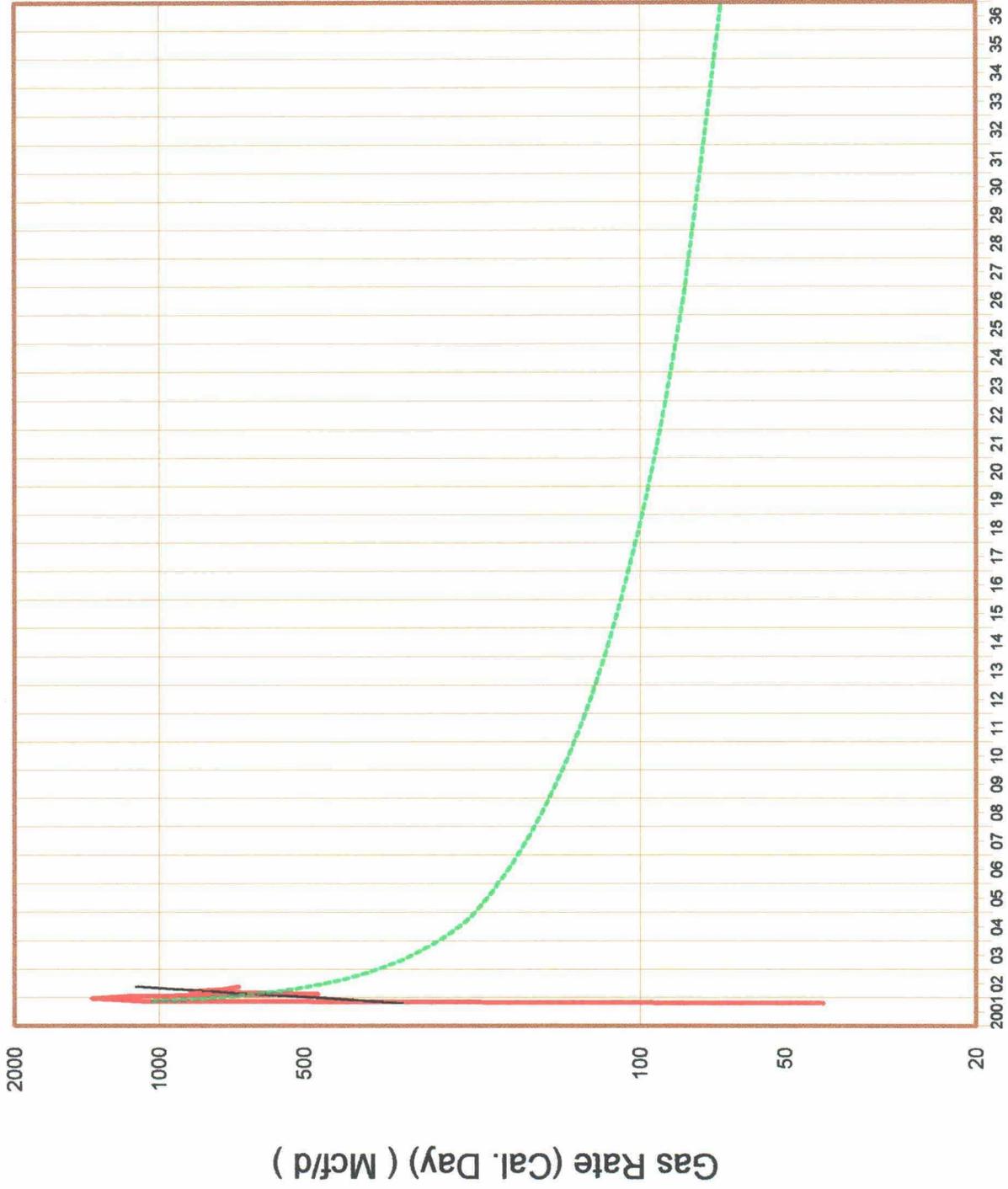
**Estimated Gross Annual Production
and Operating Expenses**

Period	Year	Gas MCF	Operating Expense, \$
1	2001	76,776	5,359
2	2002	205,829	5,359
3	2003	109,869	5,359
4	2004	87,662	5,359
5	2005	76,122	5,359
6	2006	68,780	5,359
7	2007	63,084	5,359
8	2008	58,673	5,359
9	2009	54,733	5,359
10	2010	51,547	5,359
11	2011	48,820	5,359
12	2012	46,578	5,359
13	2013	44,367	5,359
14	2014	42,517	5,359
15	2015	40,864	5,359
16	2016	39,482	5,359
17	2017	38,019	5,359
18	2018	36,785	5,359
19	2019	35,654	5,359
20	2020	34,707	5,359
Remaining		1,251,880	
	Total	<u>2,512,748</u>	

SAN JUAN 31-6 # 6M DK NQ

Cum. Gas Production : 433.7 MMcf

Cum. Oil Production : 0.0 Mbbl



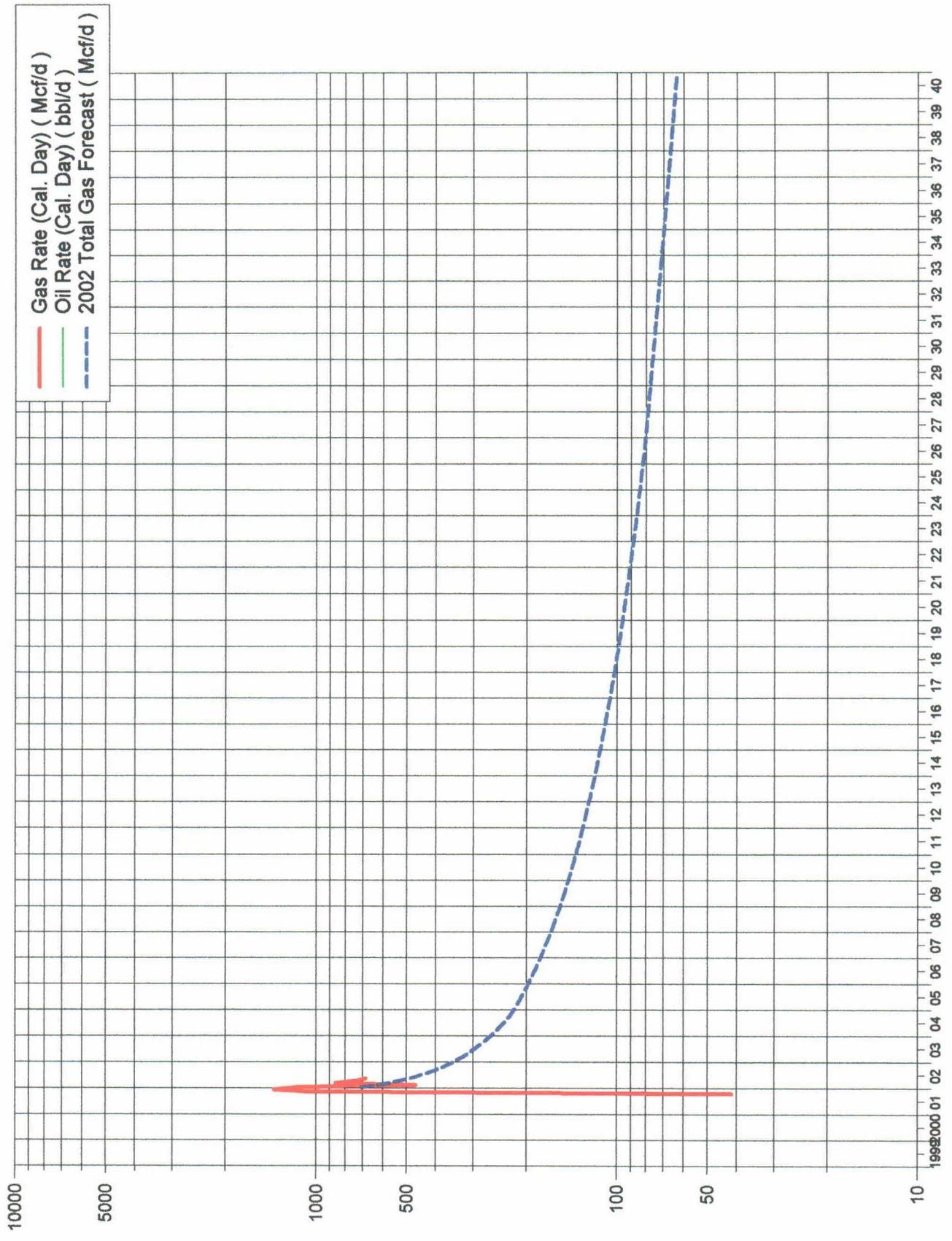
Phase	: Gas
Case Name	: RMS2002
b	: 2
Di	: 0.38 M.n.
qi	: 1200 Mcf/d
ti	: 10/31/2001
te	: 10/31/2004
Econ. Limit	: 20 Mcf/d
Final Rate	: 33.6449 Mcf/d
Cum. Prod.	: 239.051 MMcf
Cum. Date	: 10/31/2001
Reserves	: 2512.68 MMcf
EUR	: 2751.73 MMcf
Forecast Limit	: Time
Forecast Date	: 08/06/2002

SAN JUAN 31-6 # 6M DK NQ

Cum. Gas Production : 433.7 MMcf

F074001

Cum. Oil Production : * Mbbl



Phillips Petroleum Company

Commerciality Determination

San Juan 31-6 #8M
Dakota
SW/4 Section 6 30N - 6W
Rio Arriba County, New Mexico

This well was completed in year 2001 by Phillips Petroleum Company.

Actual costs for this well were used in the determination.

Average operating expenses for year 2002 were used in the determination.

The gas price from the 31-6 Dakota Property code wells were used in the determination.

It is recommended that the well be determined non-commercial.

Actual Production

Month	Production
Nov-01	22,552 MCF
Dec-01	13,765 MCF
Jan-02	11,167 MCF
Feb-02	9,063 MCF
Mar-02	8,957 MCF
Apr-02	5,954 MCF
May-02	7,461 MCF

Phillips Petroleum Company

Commerciality Determination

San Juan 31-6 #8M
Dakota
SW/4 Section 6 30N - 6W
Rio Arriba County, New Mexico

Date of First Delivery:	<u>10/17/01</u>
Total Well Costs:	<u>\$592,981</u>
2001 Avg. Gas Price (\$/mcf):	<u>\$1.68</u>
BLM Royalty:	<u>12.5%</u>
Production Taxes:	<u>9.14%</u>

Estimated Gross Annual Production and Operating Expenses

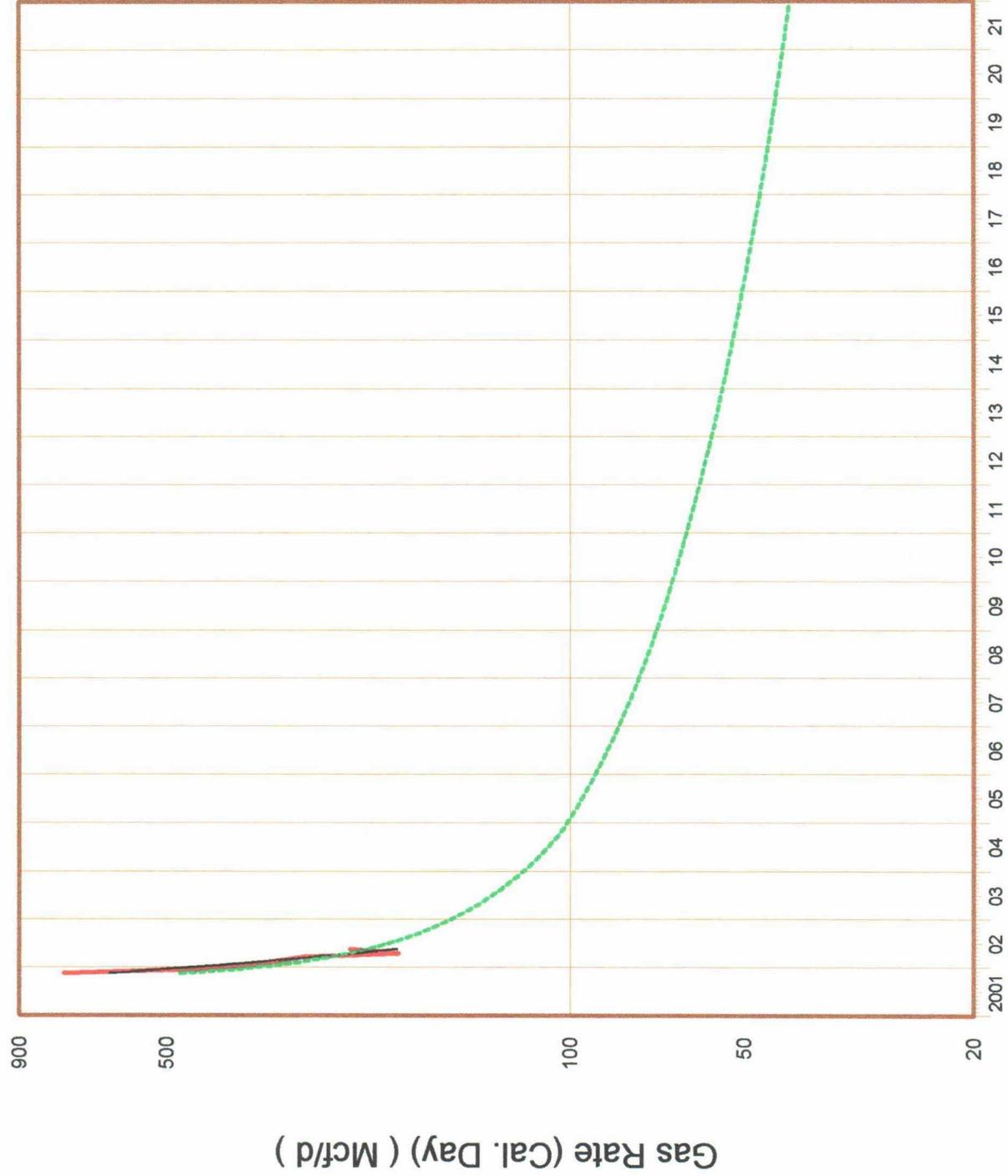
Period	Year	Gas MCF	Operating Expense, \$
1	2001	36,317	5,220
2	2002	82,317	5,220
3	2003	50,357	5,220
4	2004	40,177	5,220
5	2005	34,889	5,220
6	2006	31,525	5,220
7	2007	28,913	5,220
8	2008	26,892	5,220
9	2009	25,087	5,220
10	2010	23,626	5,220
11	2011	22,375	5,220
12	2012	21,347	5,220
13	2013	20,334	5,220
14	2014	19,485	5,220
15	2015	18,730	5,220
16	2016	18,094	5,220
17	2017	17,424	5,220
18	2018	16,859	5,220
19	2019	16,343	5,220
20	2020	15,907	5,220
Remaining		459,571	
	Total	<u>1,026,569</u>	

F074201

SAN JUAN 31-6 # 8M DK NQ

Cum. Gas Production : 152.2 MMcf

Cum. Oil Production : 0.0 Mbbl



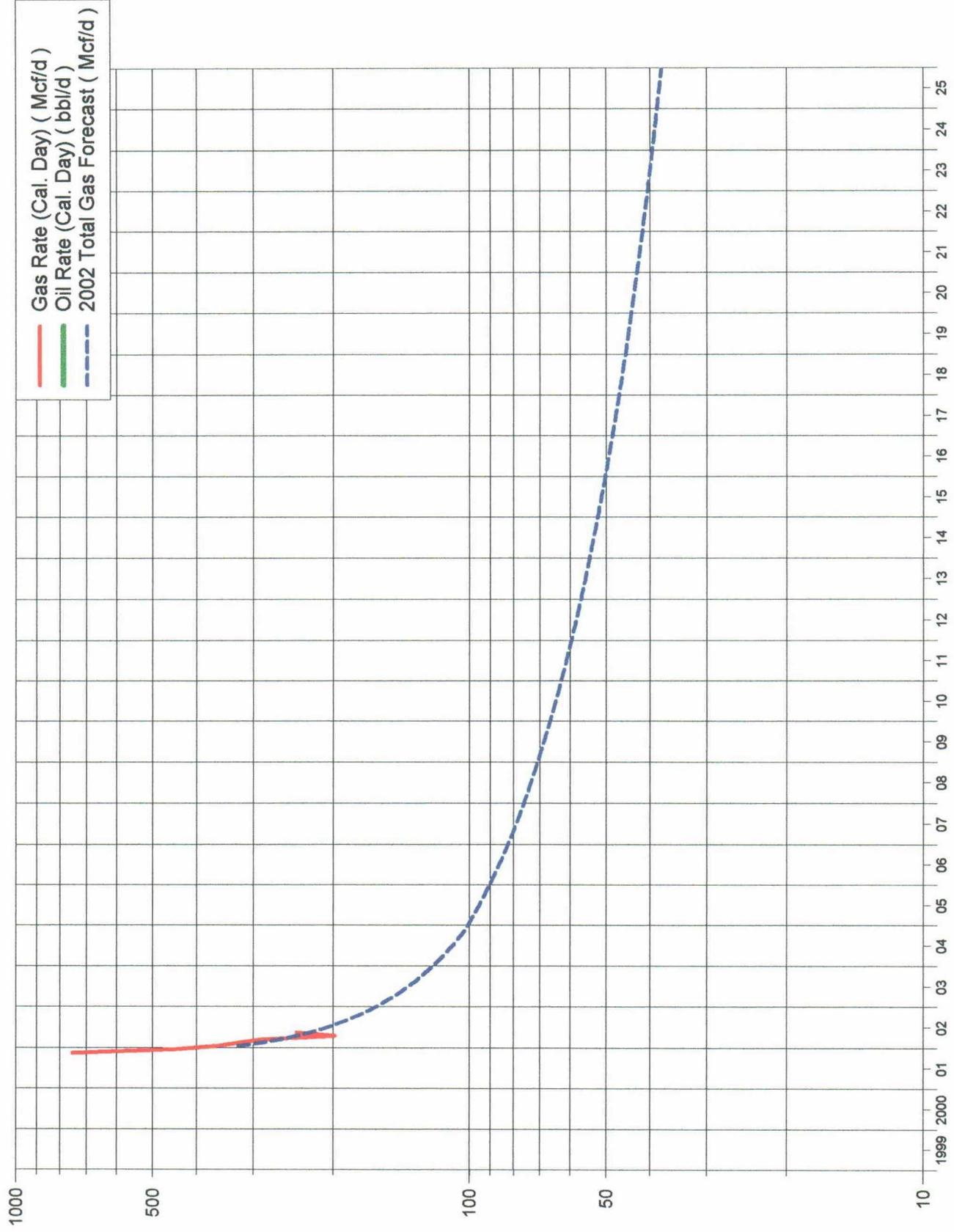
Phase	: Gas
Case Name	: RMS2002
b	: 2
Di	: 0.38 M.n.
qi	: 550 Mcf/d
ti	: 10/31/2001
te	: 10/31/2004
Econ. Limit	: 20 Mcf/d
Final Rate	: 20 Mcf/d
Cum. Prod.	: 73.304 MMcf
Cum. Date	: 10/31/2001
Reserves	: 1027.1 MMcf
EUR	: 1100.4 MMcf
Forecast Limit	: Economic
Forecast Date	: 08/06/2002

SAN JUAN 31-6 # 8M DK NQ

Cum. Gas Production : 152.2 MMcf

F074201

Cum. Oil Production : * Mbbl



COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

ADMINISTRATION

Phone (505) 827-5700

Fax (505) 827-5853

GENERAL COUNSEL

Phone (505) 827-5713

Fax (505) 827-4262

PUBLIC AFFAIRS

Phone (505) 827-1245

Fax (505) 827-5766



**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

COMMERCIAL RESOURCES

Phone (505) 827-5724

Fax (505) 827-6157

MINERAL RESOURCES

Phone (505) 827-5744

Fax (505) 827-4739

ROYALTY MANAGEMENT

Phone (505) 827-5772

Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793

Fax (505) 827-5711

February 5, 2002

Phillips Petroleum Company
5525 HWY. 64 NBU 3004
Farmington, New Mexico 87401

Attn: Mr. Jim Ball

Re: 2002 Plan of Development
San Juan 31-6 Unit
Rio Arriba County, New Mexico

Dear Mr. Ball:

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,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

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

RP/JB/cpm
xc: Reader File

OCD

BLM

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766

ADMINISTRATION

Phone (505) 827-5700
Fax (505) 827-5853

GENERAL COUNSEL

Phone (505) 827-5713
Fax (505) 827-4262

PUBLIC AFFAIRS

Phone (505) 827-1245
Fax (505) 827-5766



**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

COMMERCIAL RESOURCES

Phone (505) 827-5724
Fax (505) 827-6157

MINERAL RESOURCES

Phone (505) 827-5744
Fax (505) 827-4739

ROYALTY MANAGEMENT

Phone (505) 827-5772
Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793
Fax (505) 827-5711

January 14, 2002

Phillips Petroleum Company
5525 HWY, 64 NBU 3004
Farmington, NM 87401

Attention: Mr. Skip Fraker

Re: San Juan 31-6 Unit
Dakota Participating Area
Twelfth Expansion Effective 9/1/1999
Rio Arriba County, New Mexico

Dear Mr. Fraker:

We have received your letter of July 10, 2000, requesting our approval to the above-mentioned Dakota participating area expansion for the San Juan 31-6 Unit.

By their letter of December 17, 2001, the Bureau of Land Management advised this office of their approval to this expansion.

The Commissioner of Public Lands concurs with the Bureau of Land Management and has this date approved the above-mentioned expanded participating area effective as follows:

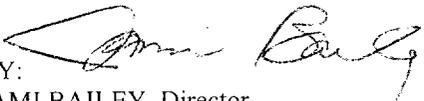
TWELFTH EXPANSION EFFECTIVE 9/1/1999

WELL	DRILLING BLOCK	ACRES
San Juan 31-6 Unit Well No. 16M	W/2 Sec. 33-31N-6W	320.00

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

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 

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

RP/JB/pm

pc: Reader File,
BLM Farmington-Attn.: Mr. Wayne Townsend
OCD-Attn.: Mr. Roy Johnson
TRD-Attn.: Mr. Valdean Severson,
RMD-Attn.: Mr. Kurt McFall



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

July 10, 2000

Bureau of Land Management (3 copies)
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
Attn: Mr. Ray Powell
PO Box 1148
Santa Fe, NM 87504-1148

Oil Conservation Division (2 copies)
State of New Mexico
Attn: Ms. Lori Wrotenberry
2040 South Pacheco
Santa Fe, NM 87505

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
TWELFTH DAKOTA EXPANSION - EFFECTIVE 9-1-99
RIO ARRIBA COUNTY, NEW MEXICO
C49866, LCN 650263

Ladies and Gentlemen:

Pursuant to Section 11(a) of the San Juan 31-6 Unit Agreement #14-08-001-464, approved November 28, 1952, Phillips Petroleum Company, as Unit Operator, determined on the dates indicated below that the wells listed below were capable of producing unitized substances in paying quantities from the Dakota Formation. Therefore, this application for the Twelfth Expansion of the Participating Area established for the Dakota Formation is respectfully submitted for your approval as follows:

Twelfth Expanded Participating Area
Effective September 1, 1999

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well No.</u>
W/2, Section 33, T31N, R6W	320.00	16M

The San Juan 31-6 Unit #16M was drilled and completed into the Dakota Formation on November 15, 1999 with cumulative gas production of 97,219 mcf through March 31, 2000. The drillblock unit for this well is described as the W/2, Section 33, T31N, R6W, Rio Arriba County, New Mexico.

San Juan 31-6 Unit

Twelfth Expansion - Effective 9-1-99

Dakota Formation

June 30, 2000

Page 2

This well was deemed commercial per letter dated June 1, 2000, from the Bureau of Land Management.

Enclosed herewith is Schedule VIII for the Twelfth Expanded Participating Area for the Dakota Formation. These schedules describe the participating area and indicates the percentage of unitized substances allocated to the unit tracts according to the Dakota Formation ownership of such tracts. Also included is a map reflection the existing Participating Area and the Proposed Twelfth Expansion of the San Juan 31-6 Unit Dakota Formation Participating Area.

Unless this application is disapproved or contested, the Twelfth Expanded Participating Area is effective as of September 1, 1999. Copies of this application are being provided to the Unit Working Interest Owners.

Respectfully your,

A handwritten signature in black ink, appearing to read "Skip Fraker", with a long horizontal flourish extending to the right.

Skip Fraker

Southwestern Region-Land Dept.

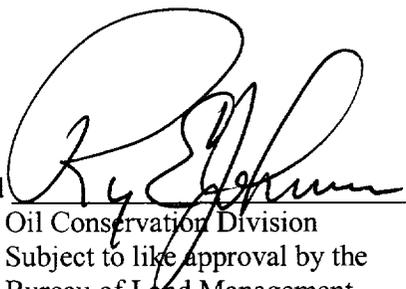
(505) 599-3428

San Juan 31-6 Unit
Twelfth Expansion - Effective 9-1-99
Pictured Cliffs Formation
June 30, 2000
Page 3

The signatory approvals below are for the Twelfth Expanded Participating Areas of the Dakota Formation in the San Juan 31-6 Unit #14-08-001-464.

Approved _____
Assistant District Manager-Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands
And the Oil Conservation Division

Approved _____
Commissioner of Public Lands
Subject to like approval by the
Bureau of Land Management
And the Oil Conservation Division

Approved  _____ 7/21/00
Oil Conservation Division
Subject to like approval by the
Bureau of Land Management
And the Commissioner of Public Lands

cc: San Juan 29-6 Unit Owners
W. D. Japp (r) Supervisors
J. L. Mathis (r) C40453

SCHEDULE XII

TWELFTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION

SAN JUAN 31-6 UNIT

USA NM-012299	Township 30 North, Range 6 West	113.12	Royalty:	12.500000	12.500000	1.640045%
	Section 1: Lots 5, 6, 9, SW/4NE/4		Working Interest:			
			St Johns Operating #1L2	65.910000	65.910000	
			Burlington Resources Oil & Gas Co.	18.590000	18.590000	
			Overriding Royalty Interest	<u>3.000000</u>	<u>3.000000</u>	
				100.000000	100.000000	
			<u>Tract 10</u>			9.266721%
USA NM-03404	Township 30 North, Range 6 West	639.16	Royalty:	12.500000	12.500000	
	Section 5: Lots 5, 6, 7, 8, S/2NE/4, SE/4, S/2NW/4, SW/4		Working Interest:			
			Phillip-New Mexico Partners, L.P.	82.500000	82.500000	
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
				100.000000	100.000000	
			<u>Tract 11</u>			2.319725%
STATE OF NM E-289-3	Township 31 North, Range 6 West	160.00	Royalty:	12.500000	12.500000	
	Section 32: NW/4		Working Interest:			
			Wiser Oil Company	87.500000	87.500000	
			Overriding Royalty Interest	<u>0.000000</u>	<u>0.000000</u>	
				100.000000	100.000000	
			<u>Tract 11A</u>			0.579931%
STATE OF NM E-289-45	Township 31 North, Range 6 West	40.00	Royalty:	12.500000	12.500000	
	Section 32: SW/4NE/4		Working Interest:			
			Phillip-New Mexico Partners, L.P.	82.500000	82.500000	
			Overriding Royalty Interest	<u>5.000000</u>	<u>5.000000</u>	
				100.000000	100.000000	

SCHEDULE XIII
 TWELFTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
 SAN JUAN 31-6 UNIT

STATE OF NM	E-289-43	Township 31 North, Range 6 West	Section 32: N/2NE/4	Royalty:	Working Interest:	Phillip-New Mexico Partners, L.P.	Overriding Royalty Interest	Tract 11B	1.159862%	
STATE OF NM	E-346-26	Township 31 North, Range 6 West	Section 32: SE/4NE/4, SE/4	200.00	Royalty:	Working Interest:	Phillip-New Mexico Partners, L.P.	Overriding Royalty Interest	Tract 12	2.899656%
STATE OF NM	E-346-25	Township 31 North, Range 6 West	Section 32: SW/4	160.00	Royalty:	Working Interest:	Phillip-New Mexico Partners, L.P.	Overriding Royalty Interest	Tract 12A	2.319725%
STATE OF NM	E-347-40	Township 30 North, Range 6 West	Section 2: N/2SE/4	160.00	Royalty:	Working Interest:	Four Star Oil & Gas Company	Overriding Royalty Interest	Tract 13	2.319725%
			Section 36: N/2NW/4							

SCHEDULE XII

TWELFTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION

SAN JUAN 31-6 UNIT

STATE OF NM	Section	Tract	Royalty:	Working Interest:	Overriding Royalty Interest	12.500000	12.500000	
STATE OF NM E-347-34	Township 31 North, Range 6 West Section 36: S/2NW/4	Tract 13A	80.00			12.500000	12.500000	1.159862%
				Working Interest:				
				BP Amoco	82.500000	82.500000		
				Overriding Royalty Interest	5.000000	5.000000		
				Overriding Royalty Interest	100.000000	100.000000		
		Tract 13B						4.639450%
STATE OF NM E-347-25	Township 30 North, Range 6 West Section 2: SW/4	Tract 13B	320.00			12.500000	12.500000	1.159862%
				Working Interest:				
				Phillip-New Mexico Partners, L.P.	85.000000	85.000000		
				Overriding Royalty Interest	2.500000	2.500000		
				Overriding Royalty Interest	100.000000	100.000000		
		Tract 13C						7.907362%
STATE OF NM E-347-26	Township 30 North, Range 6 West Section 2: Lots 5, 6, 7, 8, S/2N/2	Tract 13C	545.40			12.500000	12.500000	1.159862%
				Working Interest:				
				Phillip-New Mexico Partners, L.P.	82.500000	82.500000		
				Overriding Royalty Interest	5.000000	5.000000		
				Overriding Royalty Interest	100.000000	100.000000		
STATE OF NM E-347-41	Township 30 North, Range 6 West Section 2: S/2SE/4	Tract 13D	80.00			12.500000	12.500000	1.159862%
				Working Interest:				
				BP Amoco	82.500000	82.500000		
				Overriding Royalty Interest	5.000000	5.000000		
				Overriding Royalty Interest	100.000000	100.000000		

Effective September 1, 1999

SCHEDULE XII
TWELFTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 31-6 UNIT

RECAPITULATION

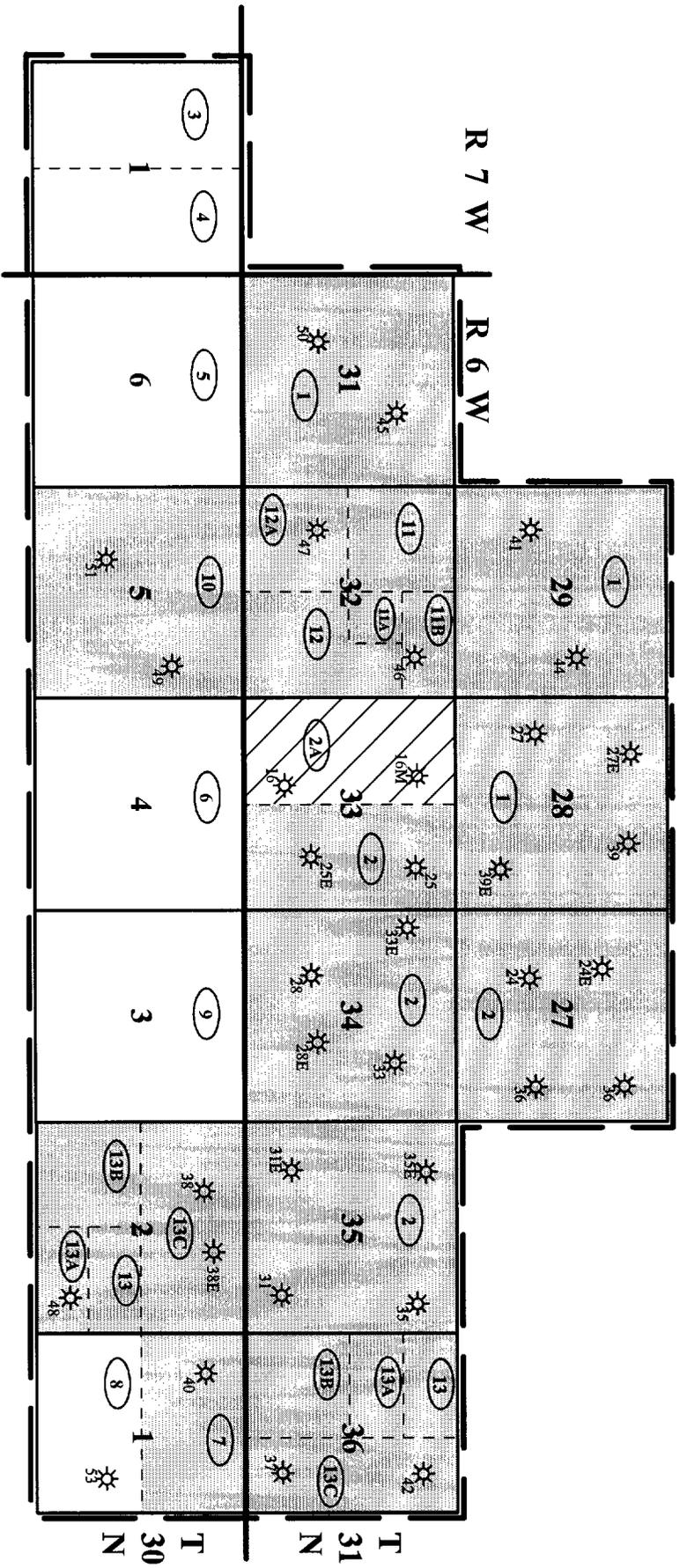
Description of Lands in Participating Area

- Township 30 North, Range 6 West, N.M.P.M.
- Section 1: N/2
- Section 2: All
- Section 5: All

- Township 30 North, Range 6 West, N.M.P.M.
- Section 27: All
- Section 28: All
- Section 29: All
- Section 31: E/2
- Section 32: All
- Section 33: All
- Section 34: All
- Section 35: All
- Section 36: All

<u>Total Number of acres to Participating Area</u>	6897.37
<u>Total Number of acres committed to Participating Area</u>	6897.37
<u>Total Number of acres not committed to Participating Area</u>	0.00

Effective September 1, 1999



— SAN JUAN 31-6 UNIT BOUNDARY

EXISTING DAKOTA FORMATION PARTICIPATING AREA

12TH EXPANSION DAKOTA FORMATION PARTICIPATING AREA EFFECTIVE 9-1-99

PHILLIPS PETROLEUM CO

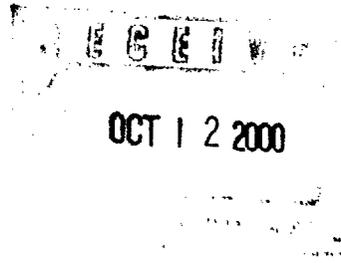
SAN JUAN 31-6 UNIT
RIO ARRIBA COUNTY, NM



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

October 2, 2000



Bureau of Land Management (3 copies)
Farmington Field Office
1235 La Plata Highway
Farmington, New Mexico 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
PO Box 1148
Santa Fe, New Mexico 87501-1148

Oil Conservation Division (2 copies)
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
First Amended 2000 Plan of Development

Ladies and Gentlemen:

By letter dated February 1, 2000, Philips Petroleum Company (Phillips), as Unit Operator, filed the 2000 Initial Plan of Development (POD).

It is now proposed that the POD be amended to include the addition of two (2) wells to be recompleted which were not included in the Initial POD.

The proposed well to be drilled is as follows:

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>	<u>Operation</u>
San Juan 31-6 Unit #31E	W/2 Section 35-31N-6W	Mesaverde	Recompletion
San Juan 31-6 Unit #35E	W/2 Section 35-31N-6W	Mesaverde	Recompletion

The Mesaverde drillblock for these wells are located within the Mesaverde Participating Area and is owned by the participating owners.

Phillips Petroleum Company, as Unit Operator, will drill any wells that may be required to prevent drainage and any others wells deemed necessary or requested by the Unit Working Interest Owners under the terms and provisions of the Unit Operating Agreement.

Per Section 10 of the San Juan 30-5 Unit Agreement, please confirm your approval of this Second Amendment to the POD by executing in the appropriate space and returning one (1) copy of this letter to the attention of the undersigned.

Respectfully your,

Skip Fraker
Southwestern Region-Land Dept.
(505) 599-3428

Cc: J. L. Mathis
W. D. Jaap
Mike Larimer

BUREAU OF LAND MANAGEMENT

DATE

COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO

DATE



OIL CONSERVATION DIVISION
STATE OF NEW MEXICO

10/12/00
DATE

467



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

February 14, 2000

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Farmington Field Office
1235 La Plata Highway
Farmington, New Mexico 87401

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

Oil Conservation Division (2 copies)
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
RIO ARRIBA COUNTY, NEW MEXICO
CORRECTION TO AMENDMENT OF 2000 PLAN OF DEVELOPMENT
CONTRACT C49866

Ladies and Gentlemen:

By letter dated February 1, 2000, Phillips Petroleum Company submitted a First Amendment to the 2000 Plan of Development. This Amendment provided for the inclusion of an additional well to be drilled. The well submitted was the San Juan 31-6 Unit #8B, and was submitted as a Mesaverde/Pictured Cliffs downhole commingled well.

It has now been determined that this well will not be drilled as a Mesaverde/Pictured Cliffs well. Instead, this well will be only a Pictured Cliffs well. This was an error on our part and the submitted information should have read as follows:

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>	<u>Operation</u>
San Juan 31-6 Unit #54	W/2 Section 6-30N-6W	Pictured Cliffs	Drill

The Pictured Cliffs drillblock for this well is not in a Participating Area and is owned by Burlington Resources Oil & Gas Company. This well is being drilled at the request of Burlington Resources.

Please pardon our errors in this matter and we apologize for any inconvenience this may have caused.

Very truly yours,

S. Scott Prather, CPL
Senior Landman
San Juan Area
(505) 599-3410

cc: San Juan 31-6 Unit Owners
J. L. Mathis (r)C49866
W. D. Jaap (r) local supervisors



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

#467

JAN - 7 2000

December 27, 1999

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Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

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P.O. Box 1148
Santa Fe, New Mexico 87504-1148

Oil Conservation Division (2 copies)
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
Rio Arriba County, New Mexico
2000 Plan of Development
Contract C49866

Gentlemen:

By letter dated January 12, 1999, Phillips Petroleum Company (Phillips) as Unit Operator filed the 1999 Plan of Development (POD) which was amended by letter dated October 6, 1999 (First Amendment). The initial POD indicated two (2) wells were planned to be drilled in 1999 with the subsequent amendment adding one (1) well to be recompleted. The 1999 status is shown below:

1. Attached are maps for each participating area.
2. The following wells were drilled in 1999.

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>
San Juan 31-6 Unit #3R	E/2 (MV&DK) Section 6-30N-6W	Mesaverde/Dakota
San Juan 31-6 Unit #16M	W/2 (MV&DK) Section 33-31N-6W	Mesaverde/Dakota

The #3R and #16M wells were drilled as infill wells in the Mesaverde Participating Area with the Dakota being on a drillblock basis.

3. The following wells were recompleted in 1999.

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>
San Juan 31-6 Unit #24E	W/2 Section 27-31N-6W	Mesaverde

This recompletion was done on a drillblock basis.

1999 Summary-There were two (2) Mesaverde/Dakota downhole commingled wells drilled. One (1) Dakota well was recompleted into the Mesaverde and downhole commingled. There were no expansions of any Participating Area. All downhole commingle and recompletion operations were conducted in accordance with existing regulatory parameters.

The Participating Areas which have been established in the 31-6 Unit are:

<u>Formation</u>	<u>Revision</u>	<u>Effective</u>
Fruitland Coal	Fifteenth	6/1/95
Mesaverde	Sixteenth	1/1/86
Dakota	Eleventh	11/1/94

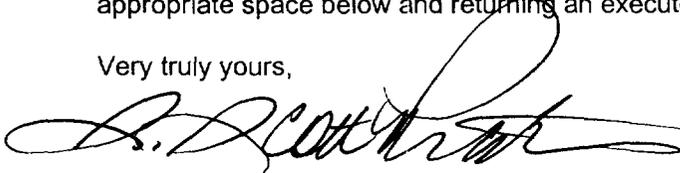
Pursuant to Section 10 of the San Juan 31-6 Unit Agreement, Phillips, as Unit Operator, hereby submits the following wells for the 2000 POD:

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>	<u>Operation</u>
San Juan 31-6 Unit #37M	W/2(MV), S/2(DK) Section 36-31N-6W	Mesaverde/Dakota	Drill
San Juan 31-6 Unit #42M	W/2(MV), N/2(DK) Section 36-31N-6W	Mesaverde/Dakota	Drill
San Juan 31-6 Unit #44E	E/2(MV&DK) Section 29-31N-6W	Mesaverde/Dakota	Drill
San Juan 31-6 Unit #46M	E/2(MV&DK) Section 32-31N-6W	Mesaverde/Dakota	Drill
San Juan 31-6 Unit #51M	W/2(MV&DK) Section 5-30N-6W	Mesaverde/Dakota	Drill

The San Juan 31-6 Unit working interest owners have been contacted with respect to this POD and are being provided with a copy of this letter. Phillips, as Unit Operator, will drill any wells that may be required to prevent drainage and any other wells deemed necessary or requested by the Unit working interest owners under the terms and provisions of the Unit Operating Agreement.

Per Section 10 of the Unit Agreement, please confirm your approval of this POD by signing in the appropriate space below and returning an executed copy to my attention.

Very truly yours,



S. Scott Prather, CPL
Senior Landman
San Juan Area
(505) 599-3410

**SAN JUAN 31-6 UNIT #14-08-001-464
2000 INITIAL PLAN OF DEVELOPMENT**

Bureau of Land Management

Date

New Mexico Commissioner of Public Lands

Date

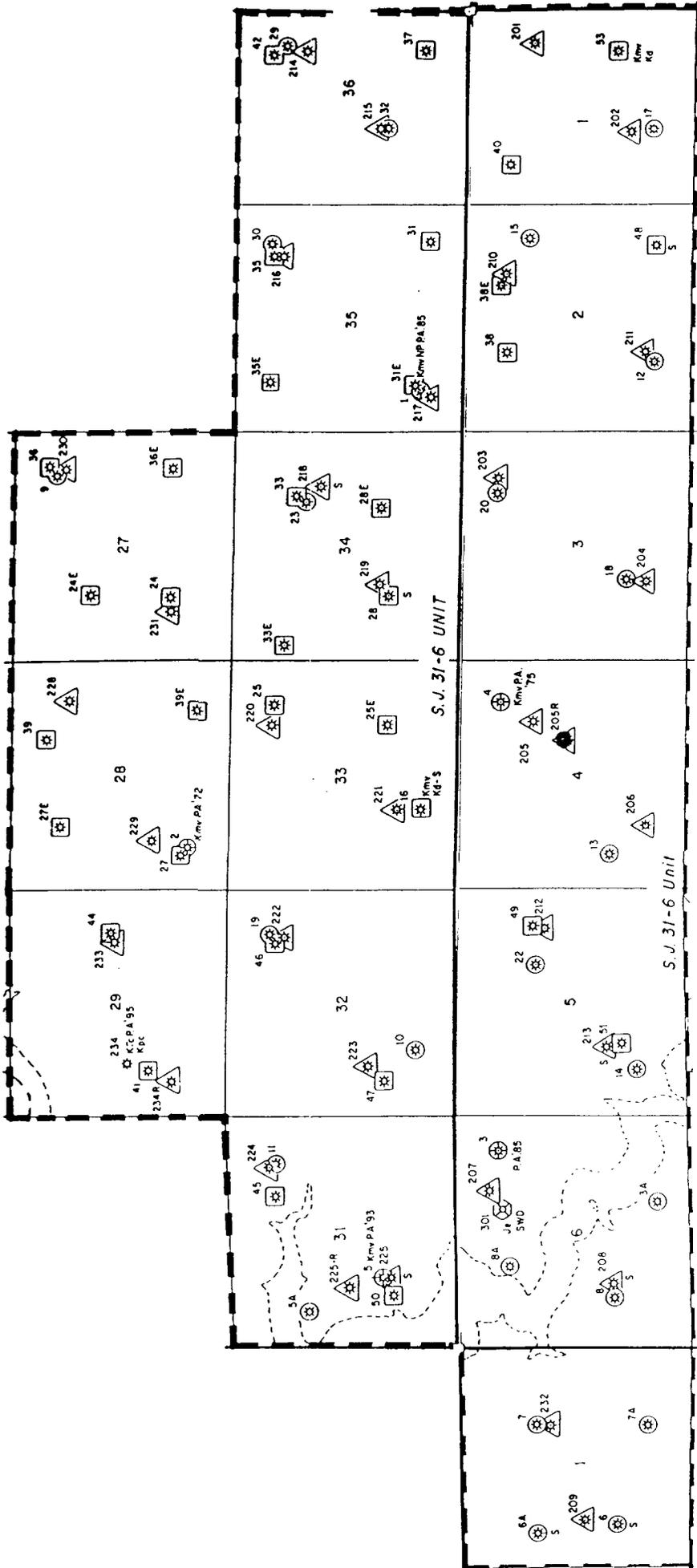


New Mexico Oil Conservation Division

1-7-00
Date

cc: San Juan 31-6 Unit Owners
J. L. Mathis (r) C49866
W. D. Jaap (r) local supervisors

R-6-W



R-6-W



PHILLIPS PETROLEUM COMPANY
FARMINGTON AREA

S. J. 31-6 UNIT
Rio Arriba County, New Mexico

FRUITLAND PA

0 1/4 1/2 1 MILE
SCALE

JANUARY 26, 1998

PRODUCING INTERVAL

★	FARMINGTON	K _{fm}
★	KIRTLAND	K _{ka}
▲	FRUITLAND	K _f
★	PICTURED CLIFFS	K _{pc}
★	CHACRA	K _c
★	LA VENTANA	K _{lv}
★	MESAVERDE	K _{mv}
★	GALLUP	K _g
★	DAKOTA	K _d
★	CLIFFHOUSE	K _{ch}
★	MENEFFEE	K _m
★	POINT LOOKOUT	K _{pl}
★	TOCITO	K _t
★	GREENHORN	K _{gh}



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

October 6, 1999

Bureau of Land Management (3 copies)
Farmington Field Office
1235 La Plata Highway
Farmington, New Mexico 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501-1148

Oil Conservation Division (2 copies)
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

**RE: SAN JUAN 31-6 UNIT
#14-08-001-464
RIO ARRIBA COUNTY, NEW MEXICO
FIRST AMENDED 1999 PLAN OF DEVELOPMENT
CONTRACT C49866**

Ladies and Gentlemen:

By letter dated January 12, 1999, Phillips Petroleum Company (Phillips) as Unit Operator, filed the 1999 Initial Plan of Development (POD).

It is now proposed that the POD be amended to include the addition of one (1) new well to be recompleted which was not originally included in the Initial POD. Phillips has contacted the working interest owners in accordance with the terms and provisions of the Unit Operating Agreement.

The proposed well to be recompleted is as follows:

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>	<u>Operation</u>
San Juan 31-6 Unit #24E	W/2 Section 27-31N-6W	Mesaverde	Recomplete

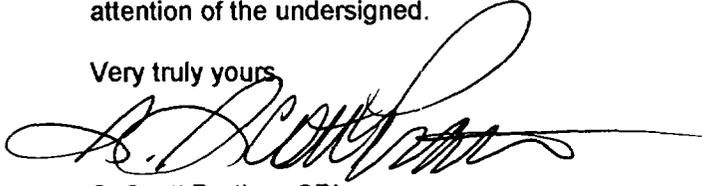
The Mesaverde drillblock for this well is not located within the Mesaverde PA and the working interest is owned by Phillips Petroleum Company and Williams Production Company. This well will be completed as a downhole commingled well.

Phillips Petroleum Company, as Unit Operator, will drill any wells that may be required to prevent drainage and any other wells deemed necessary or requested by the Unit Working Interest Owners under the terms and provisions of the Unit Operating Agreement.

San Juan 31-6 Unit
First Amended 1999 Plan of Development
October 6, 1999
Page 2

Per Section 10 of the San Juan 31-6 Unit Agreement, please confirm your approval of this First Amendment to the POD by executing in the appropriate space and returning one copy of this letter to the attention of the undersigned.

Very truly yours

A handwritten signature in black ink, appearing to read 'S. Scott Prather', with a long horizontal flourish extending to the right.

S. Scott Prather, CPL
Senior Landman
San Juan Area
(505) 599-3410

SAN JUAN 31-6 UNIT #14-08-001-464
FIRST AMENDED 1999 INITIAL PLAN OF DEVELOPMENT

BUREAU OF LAND MANAGEMENT

DATE

COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO

DATE



OIL CONSERVATION DIVISION
STATE OF NEW MEXICO

10/14/99

DATE

cc: San Juan 31-6 Unit Owners
J. L. Mathis (r)C49866
W. D. Jaap (r) local supervisors

**SAN JUAN 31-6 UNIT
MESAVERDE WORKING INTEREST OWNERS**

PHILLIPS PETROLEUM COMPANY

CONOCO INCORPORATED

AMOCO PRODUCTION COMPANY

BURLINGTON RESOURCES OIL & GAS COMPANY

CINCO GENERAL PARTNERSHIP

FOUR STAR OIL & GAS COMPANY

THE WISER OIL COMPANY

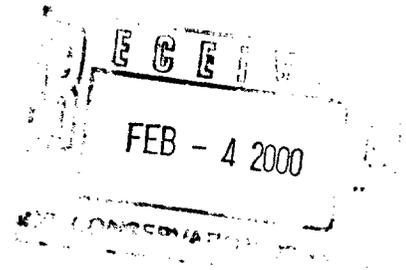
WILLIAMS PRODUCTION COMPANY

CROSS TIMBERS OIL COMPANY



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004



February 1, 2000

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Farmington Field Office
1235 La Plata Highway
Farmington, New Mexico 87401

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

Oil Conservation Division (2 copies)
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
RIO ARRIBA COUNTY, NEW MEXICO
FIRST AMENDED 2000 PLAN OF DEVELOPMENT
CONTRACT C49866

Ladies and Gentlemen:

By letter dated December 27, 1999, Phillips Petroleum Company (Phillips) as Unit Operator, filed the 2000 Initial Plan of Development (POD).

It is now proposed that the POD be amended to include the addition of one (1) new well to be drilled, which was not originally included in the Initial POD. Phillips has contacted the Working Interest Owners in accordance with the terms and provisions of the Unit Operating Agreement.

The proposed well is as follows:

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>	<u>Operation</u>
San Juan 31-6 Unit #8B	W/2 (PC & MV) Section 6-30N-6W	Pictured Cliffs/Mesaverde	Drill

The Pictured Cliffs drillblock for this well is not in a Participating Area and is owned by Burlington Resources Oil & Gas Company. The Mesaverde drillblock is located within the Mesaverde PA and is an infill well. This well will be completed as a downhole commingled well.

Phillips Petroleum Company, as Unit Operator, will drill any wells that may be required to prevent drainage and any any other wells deemed necessary or requested by the Unit Working Interest Owners under the term and provisions of the Unit Operating Agreement.

Per Section 10 of the San Juan 31-6 Unit Agreement, please confirm your approval of this First Amendment to the POD by executing in the appropriate space and returning one (1) copy of this letter to the attention of the undersigned.

Very truly yours,

S. Scott Prather, CPL
Senior Landman
San Juan Area
(505) 599-3410

**SAN JUAN 31-6 UNIT #14-08-001-464
FIRST AMENDED 2000 INITIAL PLAN OF DEVELOPMENT**

BUREAU OF LAND MANAGEMENT

DATE

COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO

DATE



OIL CONSERVATION DIVISION
STATE OF NEW MEXICO

DATE

2/4/00

cc: San Juan 31-6 Unit Owners
J. L. Mathis (r) C49866
W. D. Jaap (r) local supervisors

**SAN JUAN 31-6 UNIT
PARTICIPATING AREA OWNERS**

AMOCO PRODUCTION COMPANY

BURLINGTON RESOURCES OIL & GAS COMPANY

CONOCO INC.

FOUR STAR OIL & GAS COMPANY

MERCHANT RESOURCES

PHILLIPS-NEW MEXICO PARTNERS, L. P.

PHILLIPS-SAN JUAN LIMITED PARTNERSHIP

WILLIAMS PRODUCTION COMPANY

WISER OIL COMPANY



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

January 12, 1999

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Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico

Oil Conservation Division (2 copies)
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

**RE: SAN JUAN 31-6 UNIT
#14-08-001-464
RIO ARRIBA COUNTY, NEW MEXICO
1999 PLAN OF DEVELOPMENT
G. F. 5469**

Gentlemen:

By letter dated January 21, 1998, Phillips Petroleum Company (Phillips) as Unit Operator filed the 1998 Plan of Development (POD). The POD indicated no wells were planned for 1998. The 1998 status is shown below.

1. Attached are maps for each participating area.
2. The following wells were drilled in 1998.

None
3. The following wells were recompleted in 1998.

None
4. The following wells were downhole commingled in 1998.

None

1998 Summary-There were no wells drilled, recompleted or downhole commingled. There were no expansions of any Participating Area.

1999 PLAN OF DEVELOPMENT
SAN JUAN 31-6 UNIT
PAGE 2

The Participating Areas which have been established in the San Juan 31-6 Unit are:

<u>Formation</u>	<u>Revision</u>	<u>Effective</u>
Fruitland Coal	Fifteenth	6/1/95
Mesaverde	Sixteenth	1/1/86
Dakota	Eleventh	11/1/94

Pursuant to Section 10 of the San Juan 31-6 Unit Agreement, Phillips, as Unit Operator hereby submits the following wells for the 1999 POD:

<u>Well Name</u>	<u>Location</u>	<u>Formation</u>	<u>Operation</u>
San Juan 31-6 Unit #3R	NE/4 Section 6-30N-6W	Mesaverde/Dakota	Drill
San Juan 31-6 Unit #16A	NW/4 Section 33-31N-6W	Mesaverde/Dakota	Drill

The San Juan 31-6 Unit working interest owners have been contacted with respect to this POD and are being provided with a copy of this letter. Phillips, as Unit Operator, will drill any wells that may be required to prevent drainage and any other wells deemed necessary or requested by the Unit working interest owners under the terms and provisions of the Unit Operating Agreement.

Per Section 10 of the Unit Agreement, please confirm your approval of this POD by signing in the appropriate space below and returning an executed copy to my attention.

Very truly yours,



S. Scott Prather, CPL
Senior Landman
San Juan Basin
(505) 599-3410

**SAN JUAN 31-6 UNIT #14-08-001-464
1999 INITIAL PLAN OF DEVELOPMENT**

Bureau of Land Management

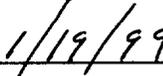
Date

New Mexico
Commissioner of Public Lands

Date



New Mexico
Oil Conservation Division



Date

cc: San Juan 30-5 Unit Owners
J. L. Mathis (r) G. F.5397
W. D. Jaap (r) local supervisors

**SAN JUAN 31-6 UNIT
FRUITLAND PARTICIPATING AREA OWNERS**

AMOCO

BURLINGTON RESOURCES O&G COMPANY

CBP SAN JUAN LIMITED PARTNERSHIP

CONOCO INC.

FOUR STAR OIL & GAS COMPANY

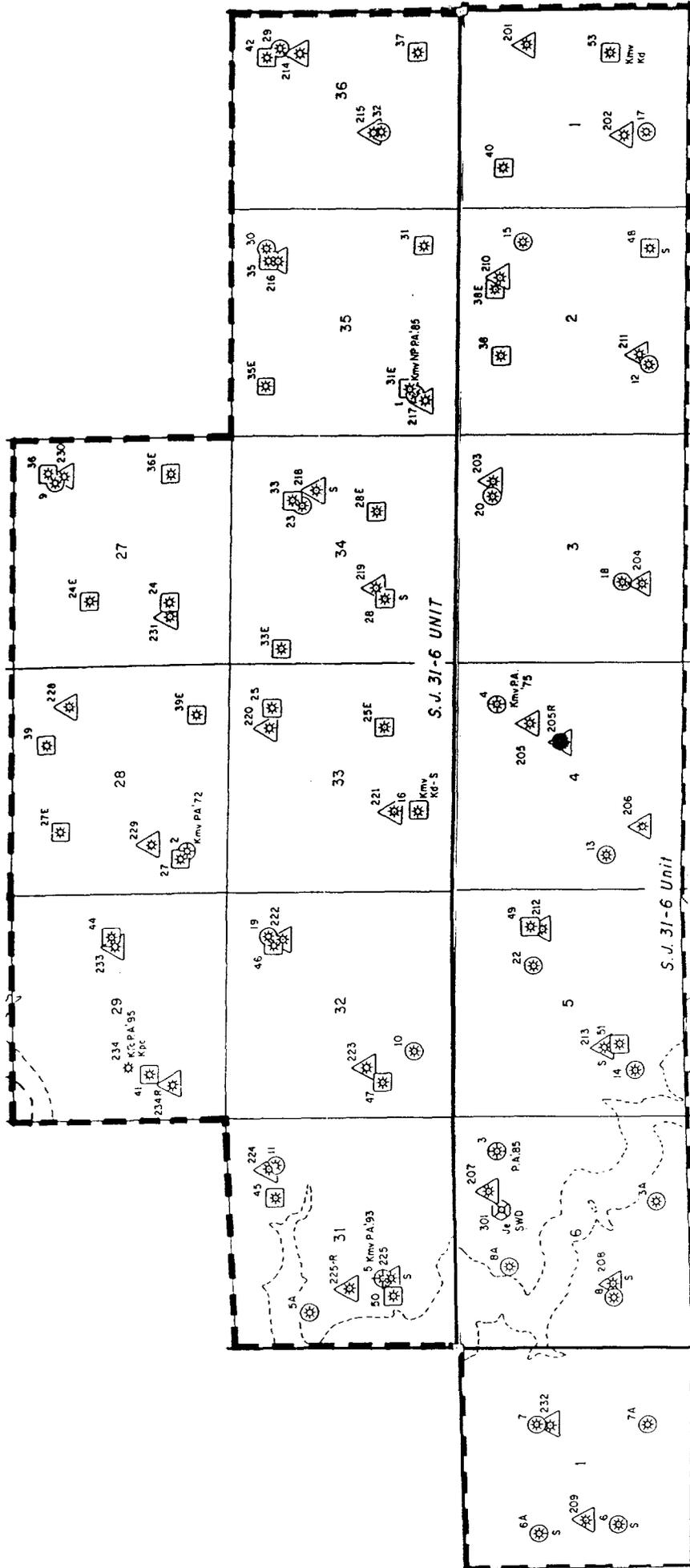
GLOBAL NATURAL RESOURCES

PHILLIPS-SAN JUAN LTD PARTNERS

WILLIAMS PRODUCTION COMPANY

WISER OIL COMPANY

R-6-W



PHILLIPS PETROLEUM COMPANY
FARMINGTON AREA

S. J. 31-6 UNIT
Rio Arriba County, New Mexico

FRUITLAND PA



JANUARY 26, 1958

PRODUCING INTERVAL

Kf	FARMINGTON	Kf	CLIFFHOUSE
Kk	KIRTLAND	Kk	MENEFEE
Kl	FRUITLAND	Kl	POINT LOOKOUT
Kpc	PICTURED CLIFFS	Kpc	
Kc	CHACRA	Kc	
Kiv	LA VENTANA	Kiv	
Kmv	MESAVERDE	Kmv	
Kq1	GALLUP	Kq1	
Kd	DAKOTA	Kd	



467

COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5793

MINERAL RESOURCES
(505)-827-5744

ROYALTY
(505)-827-5772

State of New Mexico
Commissioner of Public Lands

Ray Powell, M.S., D.V.M.
310 Old Santa Fe Trail, P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Phone (505)-827-5760, Fax (505)-827-5766

PUBLIC AFFAIRS
(505)-827-5765

ADMINISTRATIVE MGMT.
(505)-827-5700

LEOAL
(505)-827-5713

PLANNING
(505)-827-5752

May 11, 1998

Phillips Petroleum Company
5525 HWY. 64 NBU 3004
Farmington, New Mexico 87401

Attn: Mr. S. Scott Prather

Re: 1998 Plan of Development
San Juan 31-6 Unit
Rio Arriba County, New Mexico

Dear Mr. Prather:

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,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: *For Anthony H. Neal*
JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/cpm
pc: Reader File

OCD

BLM

457



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401

January 21, 1998 5525 HWY. 64 NBU 3004

Bureau of Land Management (3 copies)
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501-1148

Oil Conservation Division (2 copies)
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

30
OIL CONSERVATION DIVISION

**RE: SAN JUAN 31-6 UNIT
#14-08-001-464
RIO ARRIBA COUNTY, NEW MEXICO
1998 PLAN OF DEVELOPMENT
G. F. 5469**

Gentlemen:

By letter dated March 7, 1997, Phillips Petroleum Company (Phillips) as Unit Operator filed the 1997 Plan of Development (POD) which was amended by Phillips letter of June 9, 1997. The POD indicated no wells were planned for 1997, however the amendment in June listed one proposed well. The 1997 status is shown below.

1. Attached are maps for each Participating Area.
2. The following well was drilled in 1997:

<u>Well Name</u>	<u>Location</u>	<u>Formation</u>
San Juan 31-6 Unit #205R	NE/4 Section 4-30N-6W	Fruitland

This well is located within the existing Fruitland Participating Area.

3. No wells were recompleted in 1997.
4. No wells were downhole commingled in 1997.

1997 Summary - All wells drilled were on lands located within existing Participating Areas. There were no expansions of any Participating Area and no recompletion and/or downhole commingle operations were conducted.

The Participating Areas which have been established in the San Juan 31-6 Unit are:

<u>Formation</u>	<u>Revision</u>	<u>Effective</u>
Fruitland Coal	Fifteenth	6/1/95
Mesaverde	Sixteenth	1/1/86
Dakota	Eleventh	11/1/84

Pursuant to Section 10 of the San Juan 31-6 Unit Agreement, Phillips, as Unit Operator hereby submits no wells for the 1998 POD.

The San Juan 31-6 Unit working interest owners have been contacted with respect to this POD and are being provided with a copy of this letter. Phillips, as Unit Operator will drill any wells that may be required to prevent drainage and any other wells deemed necessary or requested by the Unit Working interest owners under the terms and provisions of the Unit Operating Agreement.

Per Section 10 of the Unit Agreement, please confirm your approval of this POD by signing in the appropriate space below and returning an executed copy to my attention.

Very truly yours,



S. Scott Prather, CPL
Senior Landman
San Juan Basin
(505) 599-3410

**SAN JUAN 31-6 UNIT #14-08-001-464
1998 INITIAL PLAN OF DEVELOPMENT**

BUREAU OF LAND MANAGEMENT

DATE

NEW MEXICO
COMMISSIONER OF PUBLIC LANDS

DATE



NEW MEXICO
OIL CONSERVATION DIVISION

1/30/98
DATE

cc: San Juan 31-6 Unit Owners
J. L. Mathis-G. F. 5469
C. D. Richard - local Supervisors

**SAN JUAN 31-6 UNIT
PARTICIPATING AREA OWNERS**

AMOCO

BURLINGTON RESOURCES OIL & GAS COMPANY

CBP SAN JUAN LIMITED PARTNERSHIP

CINCO GENERAL PARTNERSHIP

CONOCO INC.

FOUR STAR OIL & GAS COMPANY

GLOBAL NATURAL RESOURCES (DOMESTIC)

PHILLIPS-NEW MEXICO PARTNERS, L. P.

PHILLIPS-SAN JUAN LTD PARTNERS

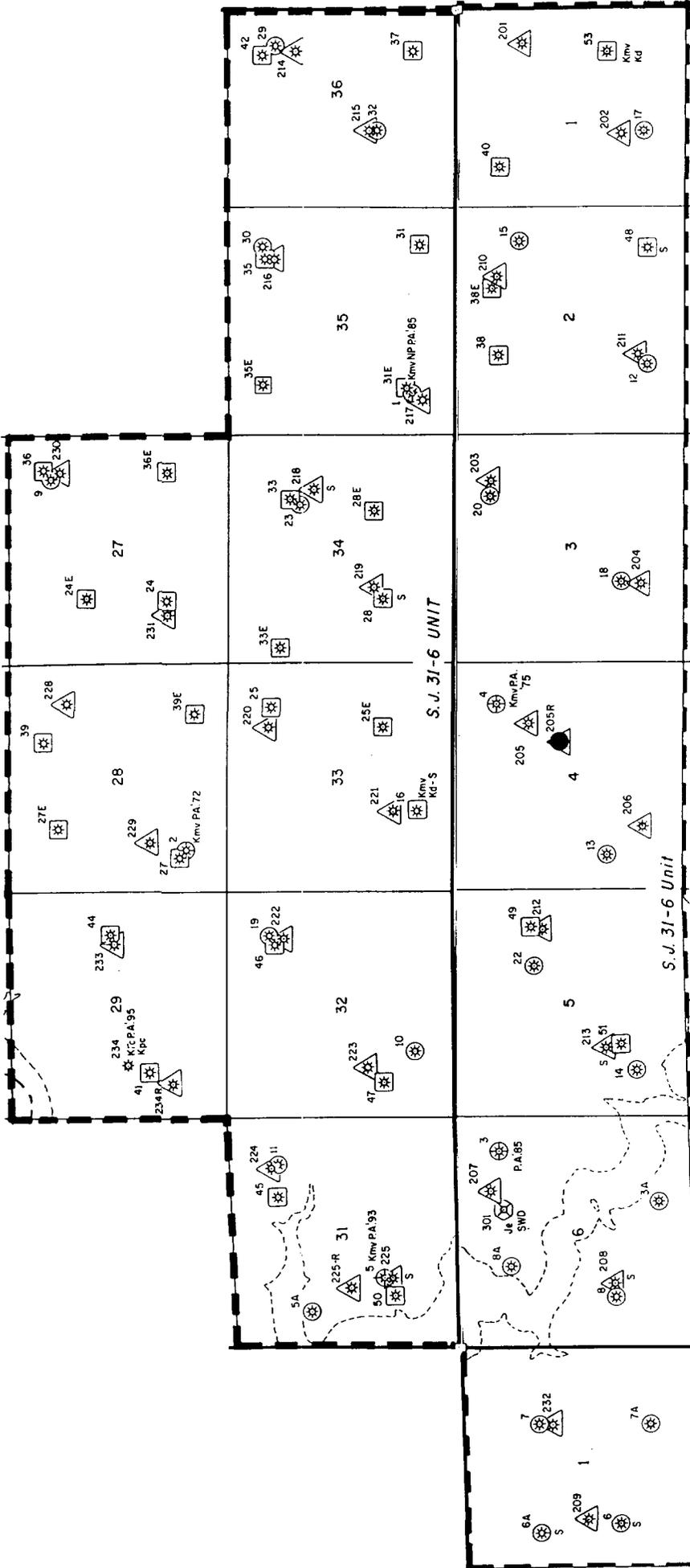
WILLIAMS PRODUCTION COMPANY

WISER OIL COMPANY

R-6-W

T 31 N

T 30 N



R-6-W



PHILLIPS PETROLEUM COMPANY
FARMINGTON AREA

S. J. 31-6 UNIT
Rio Arriba County, New Mexico

FRUITLAND PA



JANUARY 26, 1998

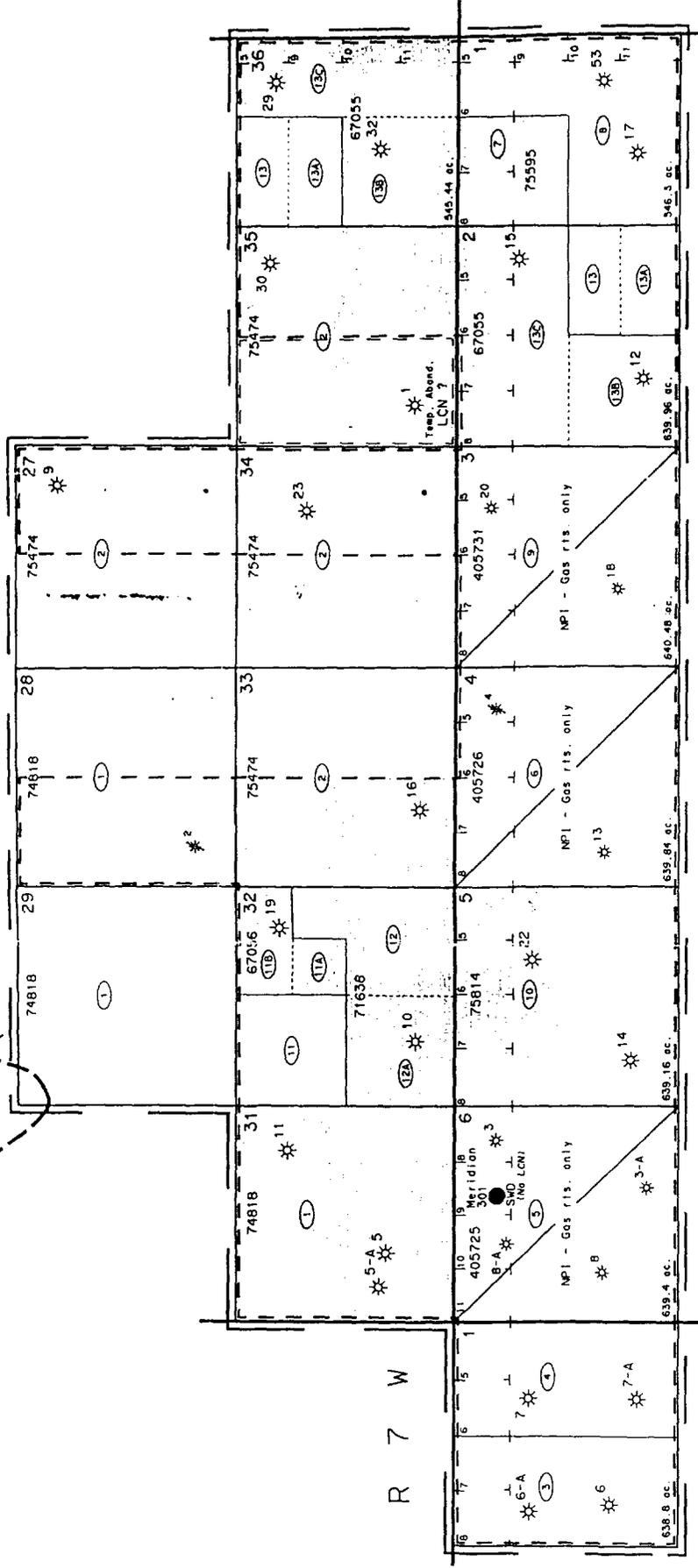
PRODUCING INTERVAL

- Kfm * FARMINGTON
- Kk * KIRTLAND
- Kf * FRUITLAND
- Kpc * PICTURED CLIFFS
- Kc * CHACRA
- Kiv * LA VENTANA
- Kmv * MESAVERDE
- Kgl * GALLUP
- Kd * DAKOTA
- Kch * CLIFFHOUSE
- Km * MENEFE
- Kpl * POINT LOOKOUT
- K1 * TOCITO
- Kgh * GREENHORN

T 31 N T 30 N

R 6 W

SAN JUAN CO. RIO ARRIBA CO.



SAN JUAN 31-6 UNIT (MESAVERDE)
PPCo - OPERATOR

Mesaverde Participating Area (7,809.38 Ac.)
16th Expansion Effective 1-1-86
UNIT BOUNDARY
(10,049.38 Ac. in Unit Area)

BLANCO (MESAVERDE) FIELD
RIO ARRIBA CO., NM
Scale: 2" = 1 Mile
8/90 JO

467



COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5795

MINERAL RESOURCES
(505)-827-5744

ROYALTY
(505)-827-5772

State of New Mexico
Commissioner of Public Lands

Ray Powell, M.S., D.V.M.
310 Old Santa Fe Trail, P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Phone (505)-827-5760, Fax (505)-827-5766

PUBLIC AFFAIRS
(505)-827-5765

ADMINISTRATIVE MGMT.
(505)-827-5700

LEGAL
(505)-827-5715

PLANNING
(505)-827-5752

June 25, 1997

Phillips Petroleum Company
5525 HWY. 64 NBU 3004
Farmington, New Mexico 87401

Attn: Mr. Patrick H. Noah

Re: 1997 Plan of Development
San Juan 31-6 Unit
First Amendment
Rio Arriba County, New Mexico

Dear Mr. Noah:

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,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: *Jami Bailey*
JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/cpm

cc: Reader File

OCD

BLM



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

JUN 12 1997

CONSERVATION DIVISION

June 9, 1997

Bureau of Land Management (3 copies)
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
P. O. Box 1148
Santa Fe, NM 87501-1148

Oil Conservation Division (2 copies)
State of New Mexico
2040 South Pacheco
Santa Fe, NM 87505

**RE: SAN JUAN 31-6 UNIT
#14-08-001-464
RIO ARRIBA COUNTY, NEW MEXICO
FIRST AMENDED 1997 PLAN OF DEVELOPMENT
G. F. 5469**

Gentlemen:

By letter dated March 7, 1997, Phillips Petroleum Company ("Phillips"), as Unit Operator, filed the 1997 Initial Plan of Development ("POD").

It is now proposed that an additional well be drilled this year. Phillips has contacted all working interest owners as required by the unit operating agreement.

The proposed well is as follows:

<u>Well Name</u>	<u>Location</u>	<u>Formation</u>
San Juan 31-6 Unit #205R	NE/4 Section 4-T30N-R6W	Fruitland

This well is owned by the Fruitland Participating Area.

Phillips Petroleum Company, as Unit Operator, will drill any wells that may be required to prevent drainage and any other wells deemed necessary or requested by the Unit Working Interest Owners under the terms and provisions of the Unit Operating Agreement.

SAN JUAN 31-6 UNIT
#14-08-001-464
RIO ARRIBA COUNTY, NEW MEXICO
FIRST AMENDED 1997 PLAN OF DEVELOPMENT
JUNE 9, 1997
PAGE 2

Per Section 10 of the Unit Agreement, please confirm your approval of the POD by signing in the appropriate space below and returning an executed copy to my attention.

Respectfully,



Patrick H. Noah
Senior Land Specialist
San Juan Basin
(505) 599-3410

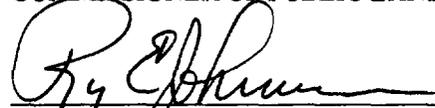
**SAN JUAN 31-6 UNIT #14-08-001-464
FIRST AMENDED 1997 INITIAL PLAN OF DEVELOPMENT**

BUREAU OF LAND MANAGEMENT

DATE

NEW MEXICO
COMMISSIONER OF PUBLIC LANDS

DATE



NEW MEXICO
OIL CONSERVATION DIVISION

DATE

6/24/97

cc: San Juan 31-6 Owners
J. L. Mathis (r)G. F. 5469
C. D. Richard (r)local supervisors

**SAN JUAN 31-6 UNIT
FRUITLAND OWNERS**

AMOCO PRODUCTION COMPANY

BURLINGTON RESOURCES OIL & GAS COMPANY

CBP SAN JUAN LIMITED PARTNERSHIP

CONOCO INC.

FOUR STAR OIL & GAS COMPANY

GLOBAL NATURAL RESOURCES (DOMESTIC)

PHILLIPS - SAN JUAN LIMITED PARTNERSHIP

WILLIAMS PRODUCTION COMPANY

WISER OIL COMPANY



461

COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5795

MINERAL RESOURCES
(505)-827-5744

ROYALTY
(505)-827-5772

State of New Mexico
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.
310 Old Santa Fe Trail, P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Phone (505)-827-5760, Fax (505)-827-5766

PUBLIC AFFAIRS
(505)-827-5765

ADMINISTRATIVE MGMT.
(505)-827-5700

LEGAL
(505)-827-5715

PLANNING
(505)-827-5752

March 17, 1997

Phillips Petroleum Company
5525 HWY 64 NBU 3004
Farmington, New Mexico 88701

Attn: Mr. Patrick H. Noah

Re: San Juan 31-6 Unit
Corrected Exhibit XVI
Fruitland Participating Area
15th Expansion
Rio Arriba County, New Mexico

Dear Mr. Noah:

We received your letter of February 27, 1997, together with a corrected copy of the 15th Expansion of the Fruitland Participating Area, Rio Arriba County, New Mexico.

Your corrected copy of Exhibit XVI is hereby accepted as submitted.

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

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: *Pete Martinez*

PETE MARTINEZ

Oil, Gas and Minerals Division

(505) 827-5791

RP/PM/cpm

cc: Reader File

OCD

467



COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5795

MINERAL RESOURCES
(505)-827-5744

ROYALTY
(505)-827-5772

PUBLIC AFFAIRS
(505)-827-5765

ADMINISTRATIVE MGMT.
(505)-827-5700

LEGAL
(505)-827-5713

PLANNING
(505)-827-5752

State of New Mexico
Commissioner of Public Lands

Ray Powell, M.S., D.V.M.
310 Old Santa Fe Trail, P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Phone (505)-827-5760, Fax (505)-827-5766

March 12, 1997

Phillips Petroleum Company
5525 HWY 64 NBU 3004
Farmington, New Mexico 87401

Attn: Mr. Patrick H. Noah

Re: 1997 Plan of Development
San Juan 31-6 Unit
Rio Arriba County, New Mexico

Dear Mr. Noah:

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,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

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

RP/JB/cpm
cc: Reader File

OCD

BLM



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

March 7, 1997

Bureau of Land Management (3 copies)
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
P. O. Box 1148
Santa Fe, NM 87501-1148

Oil Conservation Division (2 copies)
State of New Mexico
2040 South Pacheco
Santa Fe, NM 87505

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
RIO ARRIBA COUNTY, NEW MEXICO
1997 PLAN OF DEVELOPMENT
G. F. 5469

Gentlemen:

By letter dated March 12, 1996 Phillips Petroleum Company ("Phillips"), as Unit Operator, filed the 1996 Initial Plan of Development ("POD"). The POD indicated that no wells were proposed for possible drilling in 1996.

The Participating Areas which have been established in the San Juan 32-8 Unit are as follows:

<u>Formation</u>	<u>Revision</u>	<u>Effective</u>
Fruitland coal	Fifteenth	June 1, 1995
Mesaverde	Sixteenth	January 1, 1986
Dakota	Eleventh	November 1, 1984

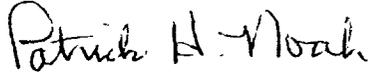
Pursuant to Section 10 of the San Juan 31-6 Unit Agreement, Phillips, as Unit Operator, hereby submits no wells for the 1997 POD. The San Juan 31-6 Unit working interest owners have been contacted with respect to this POD and are being provided with a copy of this letter.

Phillips Petroleum Company, as Unit Operator, will drill any wells that may be required to prevent drainage and any other wells deemed necessary or requested by the Unit Working Interest Owners under the terms and provisions of the Unit Operating Agreement.

San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
1997 Plan of Development
March 7, 1997
Page 2

Per Section 10 of the Unit Agreement, please confirm your approval of this POD by signing in the appropriate space below and returning an executed copy to my attention.

Respectfully,



Patrick H. Noah
Senior Land Specialist
San Juan Basin
(505) 599-3410

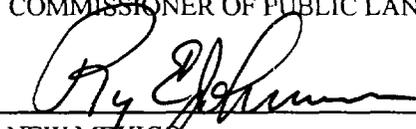
SAN JUAN 31-6 UNIT #14-08-001-464
1997 INITIAL PLAN OF DEVELOPMENT

BUREAU OF LAND MANAGEMENT

DATE

NEW MEXICO
COMMISSIONER OF PUBLIC LANDS

DATE



NEW MEXICO
OIL CONSERVATION DIVISION

DATE

3/11/97

cc: San Juan 31-6 Owners
J. L. Mathis (r)G. F. 5469
C. D. Richard (r)local supervisors

**SAN JUAN 31-6 UNIT
WORKING INTEREST OWNERS**

AMOCO PRODUCTION COMPANY

CBP SAN JUAN PARTNERSHIP

CONOCO INC.

GLOBAL NATURAL RESOURCES OF NEVADA

BURLINGTON RESOURCES OIL & GAS COMPANY

PHILLIPS PETROLEUM COMPANY

PHILLIPS-SAN JUAN PARTNERS, L. P.

FOUR STAR OIL & GAS

WILLIAMS PRODUCTION COMPANY

THE WISER OIL COMPANY

**PHILLIPS PETROLEUM COMPANY**FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

February 27, 1997

United States Department of Interior
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401State of New Mexico
Commissioner of Public Lands
ATTN: MR. FLOYD O. PRANDO
P. O. Box 1148
Santa Fe, NM 87504-1148State of New Mexico
Oil Conservation Division
ATTN: MR. WILLIAM J. LEMAY
State Land Office Building
P. O. Box 2088
Santa Fe, NM 87504-2088**RE: SAN JUAN 31-6 UNIT
#14-08-001-464
CORRECTED EXHIBIT XVI
FRUITLAND PARTICIPATING AREA
15TH EXPANSION-EFFECTIVE 06/01/95
RIO ARRIBA COUNTY, NEW MEXICO
G. F. 5469; LCN 650326**

Gentlemen:

Per my letter dated December 13, 1996 an application was made for the Fifteenth Expansion of the Fruitland Participating Area. This application was subsequently approved.

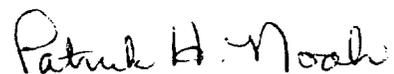
It has now come to our attention that the ownership of Tract 13A is incorrectly described. The Exhibit XVI submitted described all of this tract to be owned by Amoco Production Company. Williams Production Company owns a portion of this tract, described as S/2 SE/4 Section 2-T30N-R6W. This eighty acre tract is part of the drillblock behind the San Juan 31-6 Unit #210 Well.

Enclosed is a corrected Exhibit XVI for your records. Please note that the above-described eighty acre tract behind the #210 well is now separately described as Tract 13D.

SAN JUAN 31-6 UNIT
CORRECTED EXHIBIT XVI
FEBRUARY 27, 1997
PAGE 2

A copy of this exhibit is being sent to the San Juan 31-6 Unit Owners.

Very truly yours,

A handwritten signature in black ink that reads "Patrick H. Noah". The signature is written in a cursive style with a large initial "P".

Patrick H. Noah
Senior Land Specialist
San Juan Basin
(505) 599-3410

cc: San Juan 31-6 Unit Fruitland PA Owners
J. L. Mathis (r) G. F. 5469

**SAN JUAN 31-6 UNIT
FRUITLAND FORMATION PARTICIPATING AREA**

AMOCO PRODUCTION COMPANY

BURLINGTON RESOURCES O&G COMPANY

CBP SAN JUAN LIMITED PARTNERSHIP

CONOCO INC.

FOUR STAR O&G COMPANY

GLOBAL NATURAL RESOURCES (DOMESTIC)

PHILLIPS-SAN JUAN LTD PARTNERS

WILLIAMS PRODUCTION COMPANY

WISER OIL COMPANY

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SF-078995	T31N R6W	1920.00		TRACT: 001			19.734043
SEC. 28	ALL		ORRI:		5.000000	5.000000	
SEC. 29	ALL		ROYALTY:		12.500000	12.500000	
SEC. 31	ALL		WORKING INTEREST:		67.650000	67.650000	
			PHILLIPS-SAN JUAN PARTNERS, L.P.		14.850000	14.850000	
			WILLIAMS PRODUCTION COMPANY				
			TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #224
 SAN JUAN 31-6 UNIT #225R
 SAN JUAN 31-6 UNIT #228
 SAN JUAN 31-6 UNIT #229
 SAN JUAN 31-6 UNIT #233
 SAN JUAN 31-6 UNIT #234R

REMARKS: SAN JUAN 31-6 UNIT #216
 SAN JUAN 31-6 UNIT #217
 SAN JUAN 31-6 UNIT #218
 SAN JUAN 31-6 UNIT #219
 SAN JUAN 31-6 UNIT #220
 SAN JUAN 31-6 UNIT #230

SF-078999	T31N R6W	1920.00	TRACT: 002	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SEC. 27	E/2		ORRI:	5.000000	5.000000	
SEC. 33	E/2		ROYALTY:	12.500000	12.500000	
SEC. 34	ALL		WORKING INTEREST:	67.650000	67.650000	
SEC. 35	ALL		PHILLIPS-SAN JUAN PARTNERS, L.P.	14.850000	14.850000	
			WILLIAMS PRODUCTION COMPANY			
			TOTAL	100.000000	100.000000	

19.734043

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	T31N R6W	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SF-078999	SEC. 33	W/2	320.00	ORRI: ROYALTY: WORKING INTEREST: PHILLIPS-SAN JUAN PARTNERS, L.P. WILLIAMS PRODUCTION COMPANY	TRACT: 002A	5.000000 12.500000 67.650000 14.850000	5.000000 12.500000 67.650000 14.850000	3.289007
REMARKS: SAN JUAN 31-6 UNIT #221						TOTAL	100.000000	100.000000
SF-079000	T30N	R7W	319.10	ORRI: ROYALTY: WORKING INTEREST: BURLINGTON RESOURCES OIL & GAS CO.	TRACT: 003	3.500000 12.500000 84.000000	3.500000 12.500000 84.000000	3.279757
REMARKS: SAN JUAN 31-6 UNIT #209						TOTAL	100.000000	100.000000
SF-079000-A	T30N	R7W	319.70	ORRI: ROYALTY: WORKING INTEREST: AMOCO PRODUCTION COMPANY CONOCO INC.	TRACT: 004	20.500000 12.500000 33.500000 33.500000	20.500000 12.500000 33.500000 33.500000	3.285924
REMARKS: SAN JUAN 31-6 UNIT #232						TOTAL	100.000000	100.000000

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	T30N R6W	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-012735	SEC. 6	LOTS 8, 9, 10, 11, S/2 N/2, S/2	639.40		TRACT: 005	5.000000 12.500000	5.000000 12.500000	6.571847
		ORRI:						
		ROYALTY:						
		WORKING INTEREST:						
		BURLINGTON RESOURCES OIL & GAS CO.				70.466301	70.466301	
		CBP SAN JUAN LIMITED PARTNERSHIP				12.033699	12.033699	
		TOTAL				100.000000	100.000000	
		REMARKS:						
		SAN JUAN 31-6 UNIT #207						
		SAN JUAN 31-6 UNIT #208						
SF-079012	SEC. 4	LOTS 5, 6, 7, 8, S/2 N/2, S/2	639.84		TRACT: 006	5.000000 12.500000	5.000000 12.500000	6.576370
		ORRI:						
		ROYALTY:						
		WORKING INTEREST:						
		BURLINGTON RESOURCES OIL & GAS CO.				70.466301	70.466301	
		CBP SAN JUAN LIMITED PARTNERSHIP				12.033699	12.033699	
		TOTAL				100.000000	100.000000	
		REMARKS:						
		SAN JUAN 31-6 UNIT #205						
		SAN JUAN 31-6 UNIT #206						
SF-079401	SEC. 1	LOTS 7, 8, S/2 NW/4	159.69		TRACT: 007	4.500000 12.500000	4.500000 12.500000	1.641317
		ORRI:						
		ROYALTY:						
		WORKING INTEREST:						
		PHILLIPS-SAN JUAN PARTNERS, L.P.				68.060000	68.060000	
		WILLIAMS PRODUCTION COMPANY				14.940000	14.940000	
		TOTAL				100.000000	100.000000	
		REMARKS:						
		SAN JUAN 31-6 UNIT #202						

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-012299	T30N R6W SEC. 1 LOTS 5, 6, 9, 10, 11, SW/4, SW/4 NE/4, W/2 SE/4	386.61		TRACT: 008			3.973634
	ORRI:				3.000000	3.000000	
	ROYALTY:				12.500000	12.500000	
	WORKING INTEREST:				51.545000	51.545000	
	BURLINGTON RESOURCES OIL & GAS CO.				32.955000	32.955000	
	GLOBAL NATURAL RESOURCES (DOMESTIC)						
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #201 SAN JUAN 31-6 UNIT #202							
NM-012292	T30N R6W SEC. 3 LOTS 5, 6, 7, 8, S/2, S/2 N/2	640.48		TRACT: 009			6.582948
	ORRI:				5.000000	5.000000	
	ROYALTY:				12.500000	12.500000	
	WORKING INTEREST:				70.466301	70.466301	
	BURLINGTON RESOURCES OIL & GAS CO.				12.033699	12.033699	
	CBP SAN JUAN LIMITED PARTNERSHIP						
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #203 SAN JUAN 31-6 UNIT #204							
NM-03404	T30N R6W SEC. 5 LOTS 5, 6, 7, 8, S/2 N/2, S/2	639.16		TRACT: 010			6.569381
	ORRI:				5.000000	5.000000	
	ROYALTY:				12.500000	12.500000	
	WORKING INTEREST:				67.650000	67.650000	
	PHILLIPS-SAN JUAN PARTNERS, L.P.				14.850000	14.850000	
	WILLIAMS PRODUCTION COMPANY						
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #212 SAN JUAN 31-6 UNIT #213							

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	T31N R6W	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-289-3	T31N R6W	NW/4	160.00		TRACT: 011			1.644503
	SEC. 32			ORRI:		0.000000	0.000000	
				ROYALTY:		12.500000	12.500000	
				WORKING INTEREST:		87.500000	87.500000	
				WISER OIL COMPANY				
				TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #223

E-289-52	T31N R6W	SW/4 NE/4	40.00		TRACT: 011A			0.411126
	SEC. 32			ORRI:		0.000000	0.000000	
				ROYALTY:		12.500000	12.500000	
				WORKING INTEREST:		71.750000	71.750000	
				PHILLIPS-SAN JUAN PARTNERS, L.P.		15.750000	15.750000	
				WILLIAMS PRODUCTION COMPANY				
				TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #222

E-289-50	T31N R6W	N/2 NE/4	80.00		TRACT: 011B			0.822252
	SEC. 32			ORRI:		5.000000	5.000000	
				ROYALTY:		12.500000	12.500000	
				WORKING INTEREST:		67.650000	67.650000	
				PHILLIPS-SAN JUAN PARTNERS, L.P.		14.850000	14.850000	
				WILLIAMS PRODUCTION COMPANY				
				TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #222

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-346-29	T31N R6W SE/4 NE/4, SE/4	200.00		TRACT: 012			2.055629
	ORRI:				5.000000	5.000000	
	ROYALTY:				12.500000	12.500000	
	WORKING INTEREST:				67.650000	67.650000	
	PHILLIPS-SAN JUAN PARTNERS, L.P.				14.850000	14.850000	
	WILLIAMS PRODUCTION COMPANY						
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #222

E-346-28	T31N R6W SW/4	160.00		TRACT: 012A			1.644503
	ORRI:				2.500000	2.500000	
	ROYALTY:				12.500000	12.500000	
	WORKING INTEREST:				69.700000	69.700000	
	PHILLIPS-SAN JUAN PARTNERS, L.P.				15.300000	15.300000	
	WILLIAMS PRODUCTION COMPANY						
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #223

E-347-40	T30N R6W N/2 SE/4	160.00		TRACT: 013			1.644504
	ORRI:				4.750000	4.750000	
	ROYALTY:				12.500000	12.500000	
	WORKING INTEREST:				67.855000	67.855000	
	FOUR STAR OIL & GAS COMPANY				14.895000	14.895000	
	WILLIAMS PRODUCTION COMPANY						
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #210
 SAN JUAN 31-6 UNIT #215

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-347-41	T31N R6W S/2 NW/4	80.00		TRACT: 013A			0.822252
	SEC. 36						
			ORRI:		5.000000	5.000000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:				
			AMOCO PRODUCTION COMPANY		82.500000	82.500000	
			TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #215

E-347-46	T30N R6W SW/4	320.00		TRACT: 013B			3.289007
	SEC. 2						
			ORRI:		2.500000	2.500000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:				
			PHILLIPS-SAN JUAN PARTNERS, L.P.		69.700000	69.700000	
			WILLIAMS PRODUCTION COMPANY		15.300000	15.300000	
			TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #211
 SAN JUAN 31-6 UNIT #215

E-347-47	T30N R6W	545.40		TRACT: 013C			5.605701
	SEC. 2						
			ORRI:		5.000000	5.000000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:				
			PHILLIPS-SAN JUAN PARTNERS, L.P.		67.650000	67.650000	
			WILLIAMS PRODUCTION COMPANY		14.850000	14.850000	
			TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #210
 SAN JUAN 31-6 UNIT #211
 SAN JUAN 31-6 UNIT #214

DATE:02/27/97

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-347-41	T30N R6W SEC. 2 S/2 SE/4	80.00		TRACT: 13D			0.822252
			ORRI:		5.000000	5.000000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:				
			WILLIAMS PRODUCTION COMPANY		82.500000	82.500000	
			TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 #210

TOTAL 9729.38

100.000000

DATE:02/27/97

PHILLIPS PETROLEUM COMPANY
SCHEDULE XV
THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN 31-6 UNIT AREA
RECAPITULATION

DESCRIPTION OF COMMITTED LANDS IN PARTICIPATING AREA:

DESCRIPTION OF NON-COMMITTED LANDS IN PARTICIPATING AREA:

RIO ARRIABA COUNTY, NEW MEXICO
TOWNSHIP 30 NORTH, RANGE 6 WEST
SECTION 1 : ALL
SECTION 2 : ALL
SECTION 3 : ALL
SECTION 4 : ALL
SECTION 5 : ALL
SECTION 6 : ALL

TOWNSHIP 30 NORTH, RANGE 7 WEST
SECTION 1 : ALL

TOWNSHIP 31 NORTH, RANGE 6 WEST
SECTION 27 : E/2
SECTION 28 : ALL
SECTION 29 : ALL
SECTION 31 : ALL
SECTION 32 : ALL
SECTION 33 : ALL
SECTION 34 : ALL
SECTION 35 : ALL
SECTION 36 : ALL

TOTAL ACRES COMMITTED: 9729.38

TOTAL ACRES NON-COMMITTED: 0.00

TOTAL NUMBER OF ACRES IN PARTICIPATING AREA:

9729.38

FILE



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY 64 NEBU 3004

February 12, 1997

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway, Suite A
Farmington, NM 87401

State of New Mexico
Commissioner of Public Lands
ATTN: FLOYD O. PRANDO
P. O. Box 1148
Santa Fe, NM 87504-1148

State of New Mexico
Oil Conservation Division
ATTN: MR. WILLIAM J. LeMAY
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

RE: SAN JUAN 31-6 UNIT
#14-08-001-464, OGRID NO. 099208, 017654
CORRECTED EXHIBITS FOR FRUITLAND PARTICIPATING AREA
FIFTEENTH EXPANSION - EFFECTIVE JUNE 1, 1995
G. F. 5469, LCN 650326

Gentlemen:

By letter dated December 3, 1996 Schedule XVI for the Fifteenth Expanded Participating Area was submitted and subsequently approved.

Please note that the submitted exhibit was erroneously titled "Schedule XV" and referred to the "Fourteenth Expansion". Enclosed is a corrected Schedule XVI for your records. Also enclosed is a map of the expanded PA and an ownership summary. A copy of this material is also being forwarded to unit working interest owners.

Very truly yours,

A handwritten signature in cursive script that reads "Patrick H. Noah".

Patrick H. Noah
Senior Land Specialist
San Juan Basin
(505) 599-3410

cc: San Juan 31-6 Unit Fruitland PA Owners

**SAN JUAN 31-6 UNIT
FRUITLAND FORMATION PARTICIPATING AREA**

AMOCO PRODUCTION COMPANY

BURLINGTON RESOURCES O&G COMPANY

CBP SAN JUAN LIMITED PARTNERSHIP

CONOCO INC.

FOUR STAR O&G COMPANY

GLOBAL NATURAL RESOURCES (DOMESTIC)

PHILLIPS-SAN JUAN LTD PARTNERS

WILLIAMS PRODUCTION COMPANY

WISER OIL COMPANY

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SF-078995		1920.00		TRACT: 001			19.734043
SEC. 28	ALL		ORRI:		5.000000	5.000000	
SEC. 29	ALL		ROYALTY:		12.500000	12.500000	
SEC. 31	ALL		WORKING INTEREST:		67.650000	67.650000	
			PHILLIPS-SAN JUAN PARTNERS, L.P.		14.850000	14.850000	
			WILLIAMS PRODUCTION COMPANY				
			TOTAL		100.000000	100.000000	
							19.734043
SF-078999		1920.00		TRACT: 002			19.734043
SEC. 27	E/2		ORRI:		5.000000	5.000000	
SEC. 33	E/2		ROYALTY:		12.500000	12.500000	
SEC. 34	ALL		WORKING INTEREST:		67.650000	67.650000	
SEC. 35	ALL		PHILLIPS-SAN JUAN PARTNERS, L.P.		14.850000	14.850000	
			WILLIAMS PRODUCTION COMPANY				
			TOTAL		100.000000	100.000000	
							19.734043

REMARKS: SAN JUAN 31-6 UNIT #216

SAN JUAN 31-6 UNIT #217

SAN JUAN 31-6 UNIT #218

SAN JUAN 31-6 UNIT #219

SAN JUAN 31-6 UNIT #220

SAN JUAN 31-6 UNIT #230

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SF-078999	T31N R6W W/2 SEC. 33	320.00	ORRI: ROYALTY: WORKING INTEREST: PHILLIPS-SAN JUAN PARTNERS, L.P. WILLIAMS PRODUCTION COMPANY	TRACT: 002A	5.000000 12.500000 67.650000 14.850000	5.000000 12.500000 67.650000 14.850000	3.289007
REMARKS: SAN JUAN 31-6 UNIT #221					TOTAL	100.000000	100.000000
SF-079000	T30N R7W SEC. 1 LOTS 7, 8, S/2 NW/4, SW/4 (W/2)	319.10	ORRI: ROYALTY: WORKING INTEREST: BURLINGTON RESOURCES OIL & GAS CO.	TRACT: 003	3.500000 12.500000 84.000000	3.500000 12.500000 84.000000	3.279757
REMARKS: SAN JUAN 31-6 UNIT #209					TOTAL	100.000000	100.000000
SF-079000-A	T30N R7W SEC. 1 LOTS 5, 6, S/2 NE/4, SE/4 (E/2)	319.70	ORRI: ROYALTY: WORKING INTEREST: AMOCO PRODUCTION COMPANY CONOCO INC.	TRACT: 004	20.500000 12.500000 33.500000 33.500000	20.500000 12.500000 33.500000 33.500000	3.285924
REMARKS: SAN JUAN 31-6 UNIT #232					TOTAL	100.000000	100.000000

DATE:02/12/97

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-012735	T30N R6W LOTS 8, 9, 10, 11, S/2 N/2, S/2	639.40		TRACT: 005			6.571847
	SEC. 6		ORRI:		5.000000	5.000000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:		70.466301	70.466301	
			BURLINGTON RESOURCES OIL & GAS CO.		12.033699	12.033699	
			CBP SAN JUAN LIMITED PARTNERSHIP				
			TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #207
 SAN JUAN 31-6 UNIT #208

SF-079012	T30N R6W LOTS 5, 6, 7, 8, S/2 N/2, S/2	639.84		TRACT: 006			6.576370
	SEC. 4		ORRI:		5.000000	5.000000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:		70.466301	70.466301	
			BURLINGTON RESOURCES OIL & GAS CO.		12.033699	12.033699	
			CBP SAN JUAN LIMITED PARTNERSHIP				
			TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #205
 SAN JUAN 31-6 UNIT #206

SF-079401	T30N R6W LOTS 7, 8, S/2 NW/4	159.69		TRACT: 007			1.641317
	SEC. 1		ORRI:		4.500000	4.500000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:		68.060000	68.060000	
			PHILLIPS-SAN JUAN PARTNERS, L.P.		14.940000	14.940000	
			WILLIAMS PRODUCTION COMPANY				
			TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #202

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-012299	T30N R6W SEC. 1 LOTS 5, 6, 9, 10, 11, SW/4, SW/4 NE/4, W/2 SE/4	386.61	ORRI: ROYALTY: WORKING INTEREST: BURLINGTON RESOURCES OIL & GAS CO. GLOBAL NATURAL RESOURCES (DOMESTIC)	TRACT: 008	3.000000 12.500000	3.000000 12.500000	3.973634
REMARKS: SAN JUAN 31-6 UNIT #201 SAN JUAN 31-6 UNIT #202					TOTAL	100.000000	100.000000
NM-012292	T30N R6W SEC. 3 LOTS 5, 6, 7, 8, S/2, S/2 N/2	640.48	ORRI: ROYALTY: WORKING INTEREST: BURLINGTON RESOURCES OIL & GAS CO. CBP SAN JUAN LIMITED PARTNERSHIP	TRACT: 009	5.000000 12.500000	5.000000 12.500000	6.582948
REMARKS: SAN JUAN 31-6 UNIT #203 SAN JUAN 31-6 UNIT #204					TOTAL	100.000000	100.000000
NM-03404	T30N R6W SEC. 5 LOTS 5, 6, 7, 8, S/2 N/2, S/2	639.16	ORRI: ROYALTY: WORKING INTEREST: PHILLIPS-SAN JUAN PARTNERS, L.P. WILLIAMS PRODUCTION COMPANY	TRACT: 010	5.000000 12.500000	5.000000 12.500000	6.569381
REMARKS: SAN JUAN 31-6 UNIT #212 SAN JUAN 31-6 UNIT #213					TOTAL	100.000000	100.000000

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-289-3	T31N R6W NW/4	160.00		TRACT: 011			1.644503
	SEC. 32		ORRI:		0.000000	0.000000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:				
			WISER OIL COMPANY		87.500000	87.500000	
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #223

E-289-52	T31N R6W SW/4 NE/4	40.00		TRACT: 011A			0.411126
	SEC. 32		ORRI:		0.000000	0.000000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:				
			PHILLIPS-SAN JUAN PARTNERS, L.P.		71.750000	71.750000	
			WILLIAMS PRODUCTION COMPANY		15.750000	15.750000	
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #222

E-289-50	T31N R6W N/2 NE/4	80.00		TRACT: 011B			0.822252
	SEC. 32		ORRI:		5.000000	5.000000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:				
			PHILLIPS-SAN JUAN PARTNERS, L.P.		67.650000	67.650000	
			WILLIAMS PRODUCTION COMPANY		14.850000	14.850000	
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #222

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-346-29	T31N R6W SE/4 NE/4, SE/4	200.00		TRACT: 012			2.055629
	SEC. 32				5.000000	5.000000	
					12.500000	12.500000	
			ORRI:				
			ROYALTY:		67.650000	67.650000	
			WORKING INTEREST:		14.850000	14.850000	
			PHILLIPS-SAN JUAN PARTNERS, L.P.				
			WILLIAMS PRODUCTION COMPANY				
			TOTAL		100.000000	100.000000	
							1.644504
E-346-28	T31N R6W SW/4	160.00		TRACT: 012A			1.644503
	SEC. 32				2.500000	2.500000	
					12.500000	12.500000	
			ORRI:				
			ROYALTY:		69.700000	69.700000	
			WORKING INTEREST:		15.300000	15.300000	
			PHILLIPS-SAN JUAN PARTNERS, L.P.				
			WILLIAMS PRODUCTION COMPANY				
			TOTAL		100.000000	100.000000	
E-347-40	T30N R6W N/2 SE/4	160.00		TRACT: 013			1.644504
	SEC. 2				4.750000	4.750000	
	T31N R6W N/2 NW/4				12.500000	12.500000	
	SEC. 36				67.855000	67.855000	
			WORKING INTEREST:		14.895000	14.895000	
			FOUR STAR OIL & GAS COMPANY				
			WILLIAMS PRODUCTION COMPANY				
			TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #210
 SAN JUAN 31-6 UNIT #215

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XVI
 THE 015 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-347-41	T30N R6W	160.00		TRACT: 013A			1.644504
	SEC. 2 S/2 SE/4		ORRI:		5.000000	5.000000	
	T31N R6W		ROYALTY:		12.500000	12.500000	
	SEC. 36 S/2 NW/4		WORKING INTEREST:		82.500000	82.500000	
			AMOCO PRODUCTION COMPANY				
			TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #210
 SAN JUAN 31-6 UNIT #215

E-347-46	T30N R6W	320.00		TRACT: 013B			3.289007
	SEC. 2 SW/4		ORRI:		2.500000	2.500000	
	T31N R6W		ROYALTY:		12.500000	12.500000	
	SEC. 36 SW/4		WORKING INTEREST:		69.700000	69.700000	
			PHILLIPS-SAN JUAN PARTNERS, L.P.		15.300000	15.300000	
			WILLIAMS PRODUCTION COMPANY				
			TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #211
 SAN JUAN 31-6 UNIT #215

E-347-47	T30N R6W	545.40		TRACT: 013C			5.605701
	SEC. 2 LOTS 5, 6, 7, 8, S/2 N/2		ORRI:		5.000000	5.000000	
	T31N R6W		ROYALTY:		12.500000	12.500000	
	SEC. 36 LOTS 1, 2, 3, 4, W/2 E/2		WORKING INTEREST:		67.650000	67.650000	
			PHILLIPS-SAN JUAN PARTNERS, L.P.		14.850000	14.850000	
			WILLIAMS PRODUCTION COMPANY				
			TOTAL		100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #210
 SAN JUAN 31-6 UNIT #211
 SAN JUAN 31-6 UNIT #214

TOTAL 9729.38

100.000000

DATE:02/12/97

PHILLIPS PETROLEUM COMPANY
SCHEDULE XV
THE 014 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN 31-6 UNIT AREA
RECAPITULATION

DESCRIPTION OF COMMITTED LANDS IN PARTICIPATING AREA:

DESCRIPTION OF NON-COMMITTED LANDS IN PARTICIPATING ARE

RIO ARRIBA COUNTY, NEW MEXICO
TOWNSHIP 30 NORTH, RANGE 6 WEST
SECTION 1 : ALL
SECTION 2 : ALL
SECTION 3 : ALL
SECTION 4 : ALL
SECTION 5 : ALL
SECTION 6 : ALL

TOWNSHIP 30 NORTH, RANGE 7 WEST
SECTION 1 : ALL

TOWNSHIP 31 NORTH, RANGE 6 WEST
SECTION 27 : E/2
SECTION 28 : ALL
SECTION 29 : ALL
SECTION 31 : ALL
SECTION 32 : ALL
SECTION 33 : ALL
SECTION 34 : ALL
SECTION 35 : ALL
SECTION 36 : ALL

TOTAL ACRES COMMITTED: 9729.38

TOTAL ACRES NON-COMMITTED: 0.00

TOTAL NUMBER OF ACRES IN PARTICIPATING AREA:

9729.38

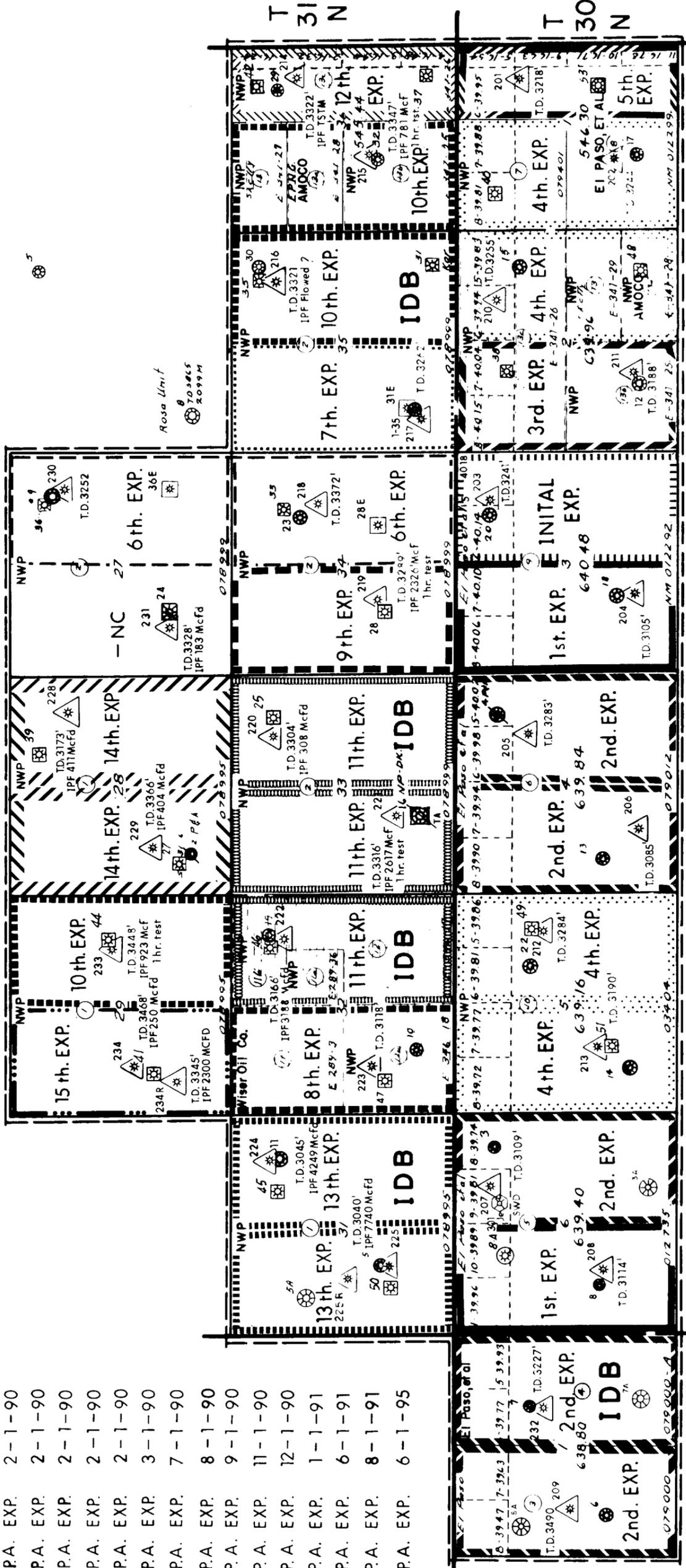
SAN JUAN 31-6 UNIT**WORKING INTEREST SUMMARY****FIFTEENTH EXPANDED FRUITLAND PARTICIPATING AREA**

WORKING INTEREST OWNER NAME	WORKING INTEREST PCT.		WELLS ADDED	EFFECTIVE DATE
	BPO	APO		
Phillips-San Juan Partners, L.P.	49.57724%	53.13273%	234R	06/01/95
Williams Production Company	16.93454%	12.78155%		
Burlington Resources Oil & Gas Company	22.55679%	22.55679%		
CBP San Juan Limited Partnership	2.87805%	2.87805%		
Amoco Production Company	1.64296%	2.46521%		
Conoco Inc.	1.64296%	1.64296%		
Four Star Oil & Gas Company	1.57324%	1.34849%		
Global Natural Resources (Domestic)	1.54972%	1.54972%		
Wiser Oil Company	1.64450%	1.64450%		

**NOTE: REFLECTS BPO AND APO OWNERSHIP DUE TO CARRIED INTERESTS
FOR NO. 214, 215, 216 & 228 WELLS.**

FRUITLAND PARTICIPATING AREA EXPANSIONS

INITIAL	P.A. EXP.	2-1-90
1st.	P.A. EXP.	2-1-90
2nd.	P.A. EXP.	2-1-90
3rd.	P.A. EXP.	2-1-90
4th.	P.A. EXP.	2-1-90
5th.	P.A. EXP.	2-1-90
6th.	P.A. EXP.	3-1-90
7th.	P.A. EXP.	7-1-90
8th.	P.A. EXP.	8-1-90
9th.	P.A. EXP.	9-1-90
10th.	P.A. EXP.	11-1-90
11th.	P.A. EXP.	12-1-90
12th.	P.A. EXP.	1-1-91
13th.	P.A. EXP.	6-1-91
14th.	P.A. EXP.	8-1-91
15th.	P.A. EXP.	6-1-95



R-6-W TD5811
R-7-W TD6123, TD5850, TD5741, TD5178, TD5725, TD5779, TD5700, TD5740, TD5742, TD5744, TD5746, TD5748, TD5750, TD5752, TD5754, TD5756, TD5758, TD5760, TD5762, TD5764, TD5766, TD5768, TD5770, TD5772, TD5774, TD5776, TD5778, TD5780, TD5782, TD5784, TD5786, TD5788, TD5790, TD5792, TD5794, TD5796, TD5798, TD5800, TD5802, TD5804, TD5806, TD5808, TD5810, TD5812, TD5814, TD5816, TD5818, TD5820, TD5822, TD5824, TD5826, TD5828, TD5830, TD5832, TD5834, TD5836, TD5838, TD5840, TD5842, TD5844, TD5846, TD5848, TD5850, TD5852, TD5854, TD5856, TD5858, TD5860, TD5862, TD5864, TD5866, TD5868, TD5870, TD5872, TD5874, TD5876, TD5878, TD5880, TD5882, TD5884, TD5886, TD5888, TD5890, TD5892, TD5894, TD5896, TD5898, TD5900

EXHIBIT "A"
SAN JUAN 31-6 UNIT
 Rio Arriba County, New Mexico

Scale: 2" = 1 mile



COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5793

MINERAL RESOURCES
(505)-827-5744

ROYALTY
(505)-827-5772

State of New Mexico
Commissioner of Public Lands

Ray Powell, M.S., D.V.M.
310 Old Santa Fe Trail, P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Phone (505)-827-5760, Fax (505)-827-5766

PUBLIC AFFAIRS
(505)-827-5765

ADMINISTRATIVE MGMT.
(505)-827-5700

LEGAL
(505)-827-5715

PLANNING
(505)-827-5752

January 28, 1997

Phillips Petroleum Company
5525 Highway 64 NBU 3004
Farmington, New Mexico 87401

Attn: Mr. Patrick H. Noah

Re: San Juan 31-6 Unit
Fruitland Participating Area
Fifteenth Expansion
320.00 Additional Acres
Rio Arriba County, New Mexico

Dear Mr. Noah:

This office is in receipt of your letter of December 13, 1996, requesting approval of the Fifteenth Expansion of the Fruitland Participating Area for the San Juan 31-6 Unit.

The Bureau of Land Management has advised this office of their approval to this expansion by their letter of January 13, 1997.

Please be advised that the Commissioner of Public Lands concurs with the Bureau of Land Management and has this date approved the expansion of the above-mentioned participating area effective June 1, 1995.

The Fifteenth Expansion containing 320.00 acres is predicated upon the successful completion of the Well No.234R and is described as the W/2 of Section 29-31N-06W.

Phillips Petroleum Company
January 28, 1997
Page 2

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

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 

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

RP/JB/cpm

Enclosure

cc: Reader File

OCD--Roy Johnson

TRD--Valdean Severson

BLM--Duane Spencer



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

December 13, 1996

United States Department of Interior
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

State of New Mexico
Commissioner of Public Lands
ATTN: MR. FLOYD O. PRANDO
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

State of New Mexico
Oil Conservation Division
ATTN: MR. WILLIAM J. LEMAY
State Land Office Building
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
APPLICATION FOR EXPANSION
FRUITLAND PARTICIPATING AREA
15TH EXPANSION - EFFECTIVE 06-01-95
RIO ARRIBA COUNTY, NEW MEXICO
G.F. 5469; LCN 650326

Gentlemen:

Pursuant to Section 11(a) of the San Juan 31-6 Unit Agreement, #14-08-001-464, approved February 11, 1953, Phillips Petroleum Company, as Unit Operator, determined on the date indicated below that the well listed below is capable of producing unitized substances in paying quantities from the

San Juan 31-6 Unit
#14-08-001-464
Application for Expansion
15th Expansion - Effective 06-01-95
December 13, 1996
Page 2

Fruitland Formation. Therefore, application for the Fifteenth expansion of the Participating Area established for the Fruitland Formation is submitted for your review as follows:

FIFTEENTH EXPANDED PARTICIPATING AREA - EFFECTIVE JUNE 1, 1995

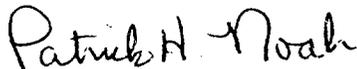
<u>DRILLING BLOCK</u>	<u>NEW ACRES</u>	<u>WELL NUMBER</u>
W/2 Section 29-T31N-R6W	320.00	234R

The San Juan 31-6 Unit #234R was completed May 19, 1995. The Fruitland Coal member of the Fruitland Formation was tested on May 17, 1995, with cumulative production of 213,056 MCF through October 31, 1996. The spacing unit for this well is described as W/2 Section 29-T31N-R6W, containing 320 acres.

Enclosed herewith is Schedule XVI for the Fifteenth Expanded Participating Area for the Fruitland Formation of the San Juan 31-6 Unit Area. This schedule describes the participating area and indicates the percentages of unitized substances allocated to the unit tracts according to the Fruitland ownership of such tracts.

Unless this application is disapproved or contested in whole or in part, the Fifteenth Expanded Participating Area is effective June 1, 1995. Copies of this application with enclosures are being sent to the Unit working interest owners as listed on the attached sheet. This application completes operator filings under our August 2, 1996 letter and is consistent with those findings set forth in that certain letter dated April 11, 1996 from the Bureau of Land Management to the undersigned.

Very truly yours,



Patrick H. Noah
Senior Land Specialist
San Juan Basin
(505) 599-3410

San Juan 31-6 Unit
#14-08-001-464
Application for Expansion
15th Expansion - Effective 06-01-95
December 13, 1996
Page 3

The signatory approvals below are for the Fifteenth expanded participating area of the Fruitland Formation of the San Juan 31-6 Unit #14-01-008-464.

APPROVED _____

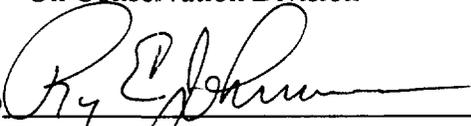
Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Division

DATE _____

APPROVED _____

Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor and the
Oil Conservation Division

DATE _____

APPROVED  _____

Oil Conservation Division
Subject to like approval by the
Area Oil and Gas Supervisor and the
Commissioner of Public Lands

DATE 12/16/96

cc: C.D. Richard (r) Supervisors
San Juan 31-6 Unit Owners
J.L. Mathis (r) G.F. 5469

**SAN JUAN 31-6 UNIT
WORKING INTEREST OWNERS**

AMOCO PRODUCTION COMPANY

BURLINGTON RESOURCES OIL & GAS COMPANY

CBP SAN JUAN LIMITED PARTNERSHIP

CONOCO INC.

FOUR STAR OIL & GAS COMPANY

GLOBAL NATURAL RESOURCES OF NEVADA

PHILLIPS-SAN JUAN PARTNERS, L.P.

WILLIAMS PRODUCTION COMPANY

THE WISER OIL COMPANY

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XV
 THE 014 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

DATE 12/13/96

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SF-078995	T31N R6W	1920.00		TRACT: 001			19.734043
	SEC. 28 ALL		ORRI:		5.000000	5.000000	
	SEC. 29 ALL		ROYALTY:		12.500000	12.500000	
	SEC. 31 ALL		WORKING INTEREST:				
			PHILLIPS-SAN JUAN PARTNERS, L.P.		67.650000	67.650000	
			WILLIAMS PRODUCTION COMPANY		14.850000	14.850000	
	REMARKS:		TOTAL		100.000000	100.000000	
	SAN JUAN 31-6 UNIT #224						
	SAN JUAN 31-6 UNIT #225R						
	SAN JUAN 31-6 UNIT #228						
	SAN JUAN 31-6 UNIT #229						
	SAN JUAN 31-6 UNIT #233						
	SAN JUAN 31-6 UNIT #234R						
SF-078999	T31N R6W	1920.00		TRACT: 002			19.734043
	SEC. 27 E/2		ORRI:		5.000000	5.000000	
	SEC. 33 E/2		ROYALTY:		12.500000	12.500000	
	SEC. 34 ALL		WORKING INTEREST:				
	SEC. 35 ALL		PHILLIPS-SAN JUAN PARTNERS, L.P.		67.650000	67.650000	
			WILLIAMS PRODUCTION COMPANY		14.850000	14.850000	
	REMARKS:		TOTAL		100.000000	100.000000	
	SAN JUAN 31-6 UNIT #216						
	SAN JUAN 31-6 UNIT #217						
	SAN JUAN 31-6 UNIT #218						
	SAN JUAN 31-6 UNIT #219						
	SAN JUAN 31-6 UNIT #220						
	SAN JUAN 31-6 UNIT #230						
SF-078999	T31N R6W	320.00		TRACT: 002A			3.289007
	SEC. 33 W/2		ORRI:		5.000000	5.000000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:				
			PHILLIPS-SAN JUAN PARTNERS, L.P.		67.650000	67.650000	
			WILLIAMS PRODUCTION COMPANY		14.850000	14.850000	
	REMARKS:		TOTAL		100.000000	100.000000	
	SAN JUAN 31-6 UNIT #221						

PHILLIPS PETROLEUM COMPANY
SCHEDULE XV

THE 014 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN 31-6 UNIT AREA

DATE 12/13/96

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SF-079000	T30N R7W SEC. 1 LOTS 7, 8, S/2 NW/4, SW/4 (W/2)	319.10	ORRI: ROYALTY: WORKING INTEREST: EL PASO PRODUCTION COMPANY	TRACT: 003	3.500000 12.500000 84.000000	3.500000 12.500000 84.000000	3.279757
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #209							
SF-079000-A	T30N R7W SEC. 1 LOTS 5, 6, S/2 NE/4, SE/4 (E/2)	319.70	ORRI: ROYALTY: WORKING INTEREST: AMOCO PRODUCTION COMPANY CONOCO INC.	TRACT: 004	20.500000 12.500000 33.500000 33.500000	20.500000 12.500000 33.500000 33.500000	3.285924
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #232							
NM-012735	T30N R6W SEC. 6 LOTS 8, 9, 10, 11, S/2 N/2, S/2	639.40	ORRI: ROYALTY: WORKING INTEREST: EL PASO PRODUCTION COMPANY CINCO GENERAL PARTNERSHIP WILLIAM G. WEBB & JANE WEBB MERIDIAN OIL PRODUCTION INC.	TRACT: 005	5.000000 12.500000 55.000688 12.033699 1.715957 13.749656	5.000000 12.500000 55.000688 12.033699 1.715957 13.749656	6.571847
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #207 SAN JUAN 31-6 UNIT #208							

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XV
 THE 014 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

DATE 12/13/96

SERIAL NUMBER	T30N R6W	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE ACTUAL PARTICIPATION
SF-079012	SEC. 4	LOTS 5, 6, 7, 8, S/2 N/2, S/2	639.84		TRACT: 006		6.576370
		ORRI:				5.000000	
		ROYALTY:				12.500000	
		WORKING INTEREST:					
		EL PASO PRODUCTION COMPANY				55.000688	
		CINCO GENERAL PARTNERSHIP				12.033699	
		WILLIAM G. WEBB & JANE WEBB				1.715957	
		MERIDIAN OIL PRODUCTION INC.				13.749656	
		TOTAL				100.000000	
		REMARKS: SAN JUAN 31-6 UNIT #205 SAN JUAN 31-6 UNIT #206					
SF-079401	T30N R6W	SEC. 1 LOTS 7, 8, S/2 NW/4	159.69		TRACT: 007		1.641317
		ORRI:				4.500000	
		ROYALTY:				12.500000	
		WORKING INTEREST:					
		PHILLIPS-SAN JUAN PARTNERS, L.P.				68.060000	
		WILLIAMS PRODUCTION COMPANY				14.940000	
		TOTAL				100.000000	
		REMARKS: SAN JUAN 31-6 UNIT #202					
NM-012299	T30N R6W	SEC. 1 LOTS 5, 6, 9, 10, 11, SW/4, SW/4 NE/4, W/2 SE/4	386.61		TRACT: 008		3.973634
		ORRI:				3.000000	
		ROYALTY:				12.500000	
		WORKING INTEREST:					
		EL PASO PRODUCTION COMPANY				42.250000	
		MERIDIAN OIL PRODUCTION COMPANY				9.295000	
		GLOBAL NATURAL RESOURCES (DOMESTIC)				32.955000	
		TOTAL				100.000000	
		REMARKS: SAN JUAN 31-6 UNIT #201 SAN JUAN 31-6 UNIT #202					

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XV
 THE 014 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

DATE 12/13/96

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-012292	T30N R6W SEC. 3 LOTS 5, 6, 7, 8, S/2, S/2 N/2	640.48		TRACT: 009	5.000000	5.000000	6.582948
	ORRI:				12.500000	12.500000	
	ROYALTY:				55.000688	55.000688	
	WORKING INTEREST:				12.033699	12.033699	
	EL PASO PRODUCTION COMPANY				1.715957	1.715957	
	CINCO GENERAL PARTNERSHIP				13.749656	13.749656	
	WILLIAM G. WEBB & JANE WEBB						
	MERIDIAN OIL PRODUCTION INC.						
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #203
 SAN JUAN 31-6 UNIT #204

NM-03404	T30N R6W SEC. 5 LOTS 5, 6, 7, 8, S/2 N/2, S/2	639.16		TRACT: 010	5.000000	5.000000	6.569381
	ORRI:				12.500000	12.500000	
	ROYALTY:				67.650000	67.650000	
	WORKING INTEREST:				14.850000	14.850000	
	PHILLIPS-SAN JUAN PARTNERS, L.P.						
	WILLIAMS PRODUCTION COMPANY						
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #212
 SAN JUAN 31-6 UNIT #213

E-289-3	T31N R6W SEC. 32 NW/4	160.00		TRACT: 011	0.000000	0.000000	1.644503
	ORRI:				12.500000	12.500000	
	ROYALTY:				87.500000	87.500000	
	WORKING INTEREST:						
	WISER OIL COMPANY						
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #223

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XV
 THE 014 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

DATE 12/13/96

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE ACTUAL PARTICIPATION
E-289-52	T31N R6W SEC. 32 SW/4 NE/4	40.00	ORRI: ROYALTY: WORKING INTEREST: PHILLIPS-SAN JUAN PARTNERS, L.P. WILLIAMS PRODUCTION COMPANY	TRACT: 011A	0.000000 12.500000 71.750000 15.750000	0.411126
	TOTAL				100.000000	100.000000
REMARKS: SAN JUAN 31-6 UNIT #222						
E-289-50	T31N R6W SEC. 32 N/2 NE/4	80.00	ORRI: ROYALTY: WORKING INTEREST: PHILLIPS-SAN JUAN PARTNERS, L.P. WILLIAMS PRODUCTION COMPANY	TRACT: 011B	5.000000 12.500000 67.650000 14.850000	0.822252
	TOTAL				100.000000	100.000000
REMARKS: SAN JUAN 31-6 UNIT #222						
E-346-29	T31N R6W SEC. 32 SE/4 NE/4, SE/4	200.00	ORRI: ROYALTY: WORKING INTEREST: PHILLIPS-SAN JUAN PARTNERS, L.P. WILLIAMS PRODUCTION COMPANY	TRACT: 012	5.000000 12.500000 67.650000 14.850000	2.055629
	TOTAL				100.000000	100.000000
REMARKS: SAN JUAN 31-6 UNIT #222						

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XV
 THE 014 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

DATE 12/13/96

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE ACTUAL PARTICIPATION
E-346-28	T31N R6W SEC. 32 SW1/4	160.00	ORRI: ROYALTY: WORKING INTEREST: PHILLIPS-SAN JUAN PARTNERS, L.P. WILLIAMS PRODUCTION COMPANY	TRACT: 012A	2.500000 12.500000 69.700000 15.300000 100.000000	2.500000 12.500000 69.700000 15.300000 100.000000
REMARKS: SAN JUAN 31-6 UNIT #223						
E-347-40	T30N R6W SEC. 2 N/2 SE/4 T31N R6W SEC. 36 N/2 NW/4	160.00	ORRI: ROYALTY: WORKING INTEREST: TEXACO WILLIAMS PRODUCTION COMPANY	TRACT: 013	4.750000 12.500000 67.855000 14.895000 100.000000	4.750000 12.500000 67.855000 14.895000 100.000000
REMARKS: SAN JUAN 31-6 UNIT #210 SAN JUAN 31-6 UNIT #215						
E-347-41	T30N R6W SEC. 2 S/2 SE/4 T31N R6W SEC. 36 S/2 NW/4	160.00	ORRI: ROYALTY: WORKING INTEREST: AMOCO PRODUCTION COMPANY	TRACT: 013A	5.000000 12.500000 82.500000 100.000000	5.000000 12.500000 82.500000 100.000000
REMARKS: SAN JUAN 31-6 UNIT #210 SAN JUAN 31-6 UNIT #215						

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XV
 THE 014 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

DATE 12/13/96

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-347-46	T30N R6W SEC. 2 SW/4 T31N R6W SEC. 36 SW/4	320.00	ORRI: ROYALTY: WORKING INTEREST: PHILLIPS-SAN JUAN PARTNERS, L.P. WILLIAMS PRODUCTION COMPANY	TRACT: 013B	2.500000 12.500000 69.700000 15.300000	2.500000 12.500000 69.700000 15.300000	3.289007
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #211 SAN JUAN 31-6 UNIT #215							
E-347-47	T30N R6W SEC. 2 LOTS 5, 6, 7, 8, S/2 N/2 T31N R6W SEC. 36 LOTS 1, 2, 3, 4, W/2 E/2	545.40	ORRI: ROYALTY: WORKING INTEREST: PHILLIPS-SAN JUAN PARTNERS, L.P. WILLIAMS PRODUCTION COMPANY	TRACT: 013C	5.000000 12.500000 67.650000 14.850000	5.000000 12.500000 67.650000 14.850000	5.605701
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #210 SAN JUAN 31-6 UNIT #211 SAN JUAN 31-6 UNIT #214							
TOTAL					9729.38		100.000000

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XV
 THE 014 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA
 RECAPITULATION

DATE 06/16/95

DESCRIPTION OF COMMITTED LANDS IN PARTICIPATING AREA:

RIO ARRIBA COUNTY, NEW MEXICO
 TOWNSHIP 30 NORTH, RANGE 6 WEST
 SECTION 1 : ALL
 SECTION 2 : ALL
 SECTION 3 : ALL
 SECTION 4 : ALL
 SECTION 5 : ALL
 SECTION 6 : ALL

TOWNSHIP 30 NORTH, RANGE 7 WEST
 SECTION 1 : ALL

TOWNSHIP 31 NORTH, RANGE 6 WEST
 SECTION 27 : E/2
 SECTION 28 : ALL
 SECTION 29 : ALL
 SECTION 31 : ALL
 SECTION 32 : ALL
 SECTION 33 : ALL
 SECTION 34 : ALL
 SECTION 35 : ALL
 SECTION 36 : ALL

TOTAL ACRES COMMITTED: 9729.38

TOTAL ACRES NON-COMMITTED: 0.00

TOTAL NUMBER OF ACRES IN PARTICIPATING AREA: 9729.38



State of New Mexico
Commissioner of Public Lands

RAY POWELL, M.S., D.V.M.
COMMISSIONER

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760
FAX (505) 827-5766

June 27, 1996

Phillips Petroleum Company
5525 Highway 64 NBU 3004
Farmington, New Mexico 87401

Attn: Mr. Patrick H. Noah

Re: San Juan 31-6 Unit
Commercial Determination
Fruitland Formation
Rio Arriba County, New Mexico

Dear Mr. Noah:

We received your letter of April 2, 1996, together with data that supports your commercial determination regarding the San Juan 31-6 Unit Well No. 234R.

By their letter of April 11, 1996, the Bureau of Land Management advised this office that they have concurred with your determination that the above-mentioned well is capable of producing in paying quantities from the Fruitland Formation.

The Commissioner of Public Lands concurs with Phillips Petroleum Company and the Bureau of Land Management's determination that the above-mentioned well is commercial in the Fruitland Formation, and entitled to participate in the Fruitland Participating Area.

Please submit an application for the appropriate expansion of the Fruitland Participating Area to this office for approval.

Phillips Petroleum Company
June 27, 1996
Page 2

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

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY:  for
LARRY KEHOE, Director 
Oil, Gas and Minerals Division
(505) 827-5744

RP/LK/cpm

cc: Reader File
OCD
TRD
BLM



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

PHILLIPS PETROLEUM COMPANY
OIL CONSERVATION DIVISION
1000 AP-200 APR 8 52

April 2, 1996

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

4-19-96
D-Unit letter
Tax Rg

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P.O. Box 1148
Santa Fe, NM 87504-1148

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87504-2088

Re: San Juan 31-6 Unit, well #234R
#14-08-001-464
Commerciality Determination
Fruitland Formation
Rio Arriba County, NM
G.F.-5469

Gentlemen:

Pursuant to the provisions of Section 11(a) of the San Juan 31-6 Unit Agreement, #14-08-011-464, Phillips Petroleum Company ("Phillips") has determined that the San Juan 31-6 Unit #234R well is capable of producing unitized substances in paying quantities from the Fruitland Formation. Phillips requests confirmation of this paying well determination. A summary of production and economic data is enclosed.

Upon receipt of approval from the Bureau of Land Management and concurring responses from the commissioner of Public Land and New Mexico Oil Conservation Division, the formal Participating Area schedules will be prepared and submitted.

Copies of this submittal and enclosures are being sent to all owners on the attached listing. Feel free to contact me if you have any questions.

Very truly yours,

Patrick H. Noah
Senior Land Specialist
San Juan Basin
(505) 599-3410

cc: J.L. Mathis (r)G.F.-5469

**SAN JUAN 31-6 UNIT
WORKING INTEREST OWNERS**

FOUR STAR OIL & GAS COMPANY

GLOBAL NATURAL RESOURCES

WILLIAMS PRODUCTION COMPANY

WISER OIL COMPANY

AMOCO PRODUCTION COMPANY

SAN JUAN LIMITED PARTNERSHIP

CONOCO INC.

MERIDIAN OIL, INC.

PHILLIPS-SAN JUAN LTD PARTNERS

TEXACO EXPLORATION & PRODUCTION INC.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #234R
 Fruitland Coal
 W/2 Section 29-T31N-R6W
 Rio Arriba County, New Mexico

Date of First Delivery: 6/23/95

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	318,144		
Production Taxes & Royalty:	21.805650%	BLM	12.50
		Severance	3.750000
		School	4.000000
		Ad Valorem	1.155650
		Conservation	0.180000
		Prod Equip	0.220000

Average Product Pricing

1995 1.25/MCF

Estimated Gross Annual Production and Operating Expenses

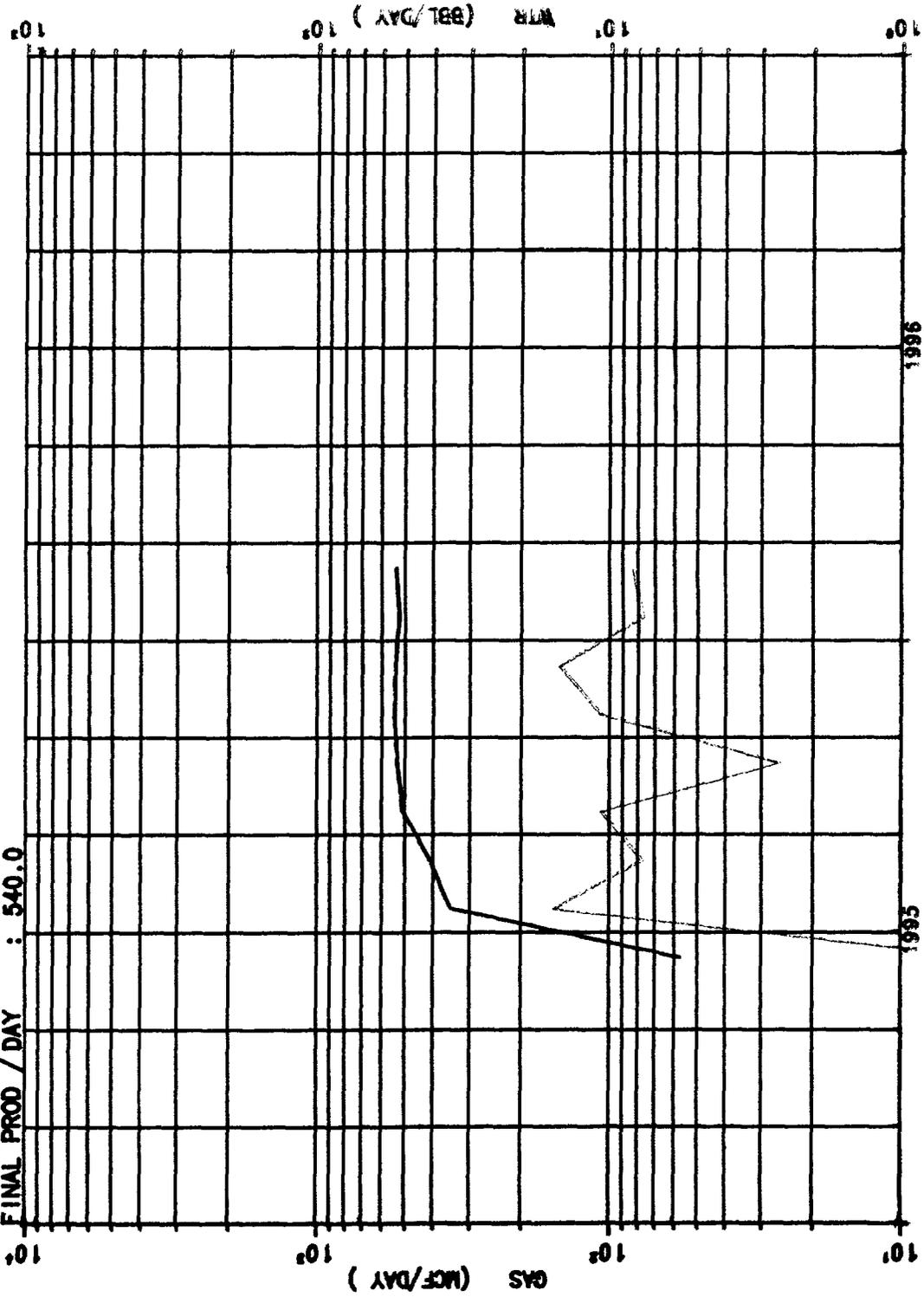
<u>Year</u>	<u>Gas (MMCF)</u>	<u>*Operating Expenses (\$)</u>
1995	88.639 (Actual)	7,015 (Actual)
1996	198	22,960
1997	184	22,960
1998	161	22,960
1999	147	22,960
2000	140	22,960
2001	132	22,960
2002	124	22,960
2003	116	22,960
2004	107	22,960
2005	99	22,960
2006	91	22,960
2007	82	22,960
2008	74	22,960
2009	67	22,960

* Operating Expenses were not escalated for inflation.

6/95-2/96

INITIAL PROD / DAY : 57.9
REMAINING LIFE : 0.75
CUM PRODUCTION : 122390.
FINAL PROD / DAY : 540.0

Current Cume
122390. MCF GAS
2372. BBL WTR



LEASE- 650396 : SAN JUAN 31-6 UNIT #234R
RESVIR- 028 : BASIN FRUITLAND COAL NO
WELL - 00234R CUM MCF =122930.

F061401
ZONE-650396028000234RF061401
API-30039254010000 THRU 96/02

MEP81-01

PARPI - WELLZONE PRODUCTION BROWSE

Date: 4/01/96

DAILY AVERAGE BY MONTH

User: SCHELTO

Wellzone F0614 01 Yr: 1995 Mth: 05 Property: 650396 SAN JUAN 31-6 UNIT #234R

Screen: 1 (1-Prod, 2-Inj, 3-Both) Well No: 000234R

Type: D (T-Total, D-Daily Avg) Field: 042233 BASIN

Period: M (M-Mnthly, Y-Yrly, C-Cum) Resvr: 20001 FRUITLAND COAL

```

-----
ADJ          ----- PRODUCED -----          DAYS ----- - WELL -
FLG DATE      OIL (BBL)      GAS (MCF)      WATER (BBL)      PROD      OP ST CL TY
1995-05          0.00          0          0          0.00      0 50 03 2
1995-06          0.00         211          0          8.00      8 11 03 2
1995-07          0.00         344         15         31.00     31 11 03 2
1995-08          0.00         403          7         31.00     31 11 03 2
1995-09          0.00         500         10         30.00     30 11 03 2
1995-10          0.00         523          2         31.00     31 11 03 2
1995-11          0.00         536         10         30.00     30 11 03 2
1995-12          0.00         529         14         31.00     31 11 03 2
1996-01          0.00         514          7         31.00     31 11 03 2
1996-02          0.00         526          8         29.00     29 11 03 2

```

NO MORE DATA AVAILABLE

PA1=ICE PA2=Exit PF1=Help PF3=End PF11=GRAPH
Transfer-> PF7=Backward PF8=Forward PF10=GRAND MENU PF12=LOG GRAPH

WELL VOLUME AND PRESSURE HISTORY

<u>METER_NAME</u> <u>COMMENTS</u>	<u>METER_NUMBER</u>	<u>VOL_DATE</u>	<u>READING</u>	<u>MCF_DAY</u>	<u>BWD</u>	<u>TUBING_PRESS</u>	<u>CASING_PRESS</u> <u>SURFACE_PRE</u>	<u>LINE_PRESS</u> <u>CHOKESIZE</u>
S.J. 31-6 #234R FC	A65039350	06/23/95	0	0	0			
S.J. 31-6 #234R FC	A65039350	07/05/95	2,572	206	0	275		268
F/D 6/23/95 - MANUAL READING WBZ ERROR							390	
S.J. 31-6 #234R FC	A65039350	07/19/95	6,663	292	22	235		229
S.J. 31-6 #234R FC	A65039350	07/25/95	9,082	392	14	160	390 9999	34 154
S.J. 31-6 #234R FC	A65039350	08/01/95	11,973	417	16	285	390 9999	34 280
S.J. 31-6 #234R FC	A65039350	08/08/95	14,895	419	8	170	400 9999	34 163
S.J. 31-6 #234R FC	A65039350	08/15/95	17,863	423	13	150	320 9999	
S.J. 31-6 #234R FC	A65039350	09/05/95	26,178	392	8	150	225	138 46
S.J. 31-6 #234R FC	A65039350	09/12/95	609	479	13	245	200	194 46
S.J. 31-6 #234R FC	A65039350	09/20/95	3,630	381	10	180	360	245
S.J. 31-6 #234R FC	A65039350	09/26/95	6,600	494	8	165	300	173
S.J. 31-6 #234R FC	A65039350	10/03/95	10,402	534	13	285	320 9999	163 64
S.J. 31-6 #234R FC	A65039350	10/24/95	21,409	524	0		340	282 64
S.J. 31-6 #234R FC	A65039350	11/07/95	28,245	468	0	180		203 150
S.J. 31-6 #234R FC	A65039350	11/14/95	31,900	561	13	160	220	149
S.J. 31-6 #234R FC	A65039350	11/23/95	37,422	621	10	155	220	148
S.J. 31-6 #234R FC	A65039350	12/05/95	43,012	459	0	220	250	219
S.J. 31-6 #234R FC	A65039350	12/22/95	52,022	533	14	165	270	141
S.J. 31-6 #234R FC	A65039350	01/16/96	65,689	545	17	250	270	249
S.J. 31-6 #234R FC	A65039350	01/24/96	70,029	550	13	375	370	410
S.J. 31-6 #234R FC	A65039350	02/09/96	78,281	511	13	150	440	134
S.J. 31-6 #234R FC	A65039350	02/16/96	82,006	531	18	155	290	142
S.J. 31-6 #234R FC	A65039350	03/06/96	91,471	494	16	160	300	146
S.J. 31-6 #234R FC	A65039350	03/19/96	98,635	556	14	145	310	141
							200	

CASE : CD 31-6 234R ** ECONOMICS CASE SUMMARY **

DESCRIPTION: COMMERCIALITY DETERMINATION

WORKING INT : 100.000%

CASE REVENUE INT : 78.194% OIL REV INT : 78.194%

GAS REV INT : 78.194%

CASE LIFE -FIRST MO-YR : 4-1995

PROD MO-YR : 6-1995

LAST YEAR : 2009

MEASURES OF MERIT

NET CASH FLOW SUMMARY (M\$)

AARR (%)	: 35.4	CAPITAL OUTLAY	:	318.1
BREAKEVEN POINT (YRS.)	: 2.7	TOTAL REVENUE	:	1769.8
PAYOUT (YRS.)	: 2.6	TOTAL EXPENSES	:	328.5
NTER	: 3.2	IBRT	:	1441.3
ECONOMIC LIFE (YRS.)	: 14.6	CURRENT INCOME TAX	:	438.0
RESERVES SUMMARY		SALVAGE	:	
OIL-GROSS MBBLS	:	CASH RETURNED	:	1003.3
NET MBBLS	:	CASH FLOW	:	685.1
NET REVENUE (M\$)	:	NET PRESENT VALUE (M\$)	:	P.I.
BBL/DAY TO PAYOUT:		@ 13.0 %:	247.9	1.78
GAS_GROSS MCF	: 1810.6	@ 6.0 %:	427.5	2.34
NET MCF	: 1415.8	@ 8.0 %:	366.4	2.15
NET REVENUE (M\$)	: 1769.8	@ 10.0 %:	313.8	1.99
MCF/DAY TO PAYOUT:	499.1			

PRESS "ENTER" TO CONTINUE...

GOWEE_CASE_SUM

SWD AND GATHERING SYSTEM COSTS

The SWD facility and gathering system costs were allocated equally back to each well in the unit. The allocated costs were then charged against the well by including them in the operating cost in the fifteen year forecast.

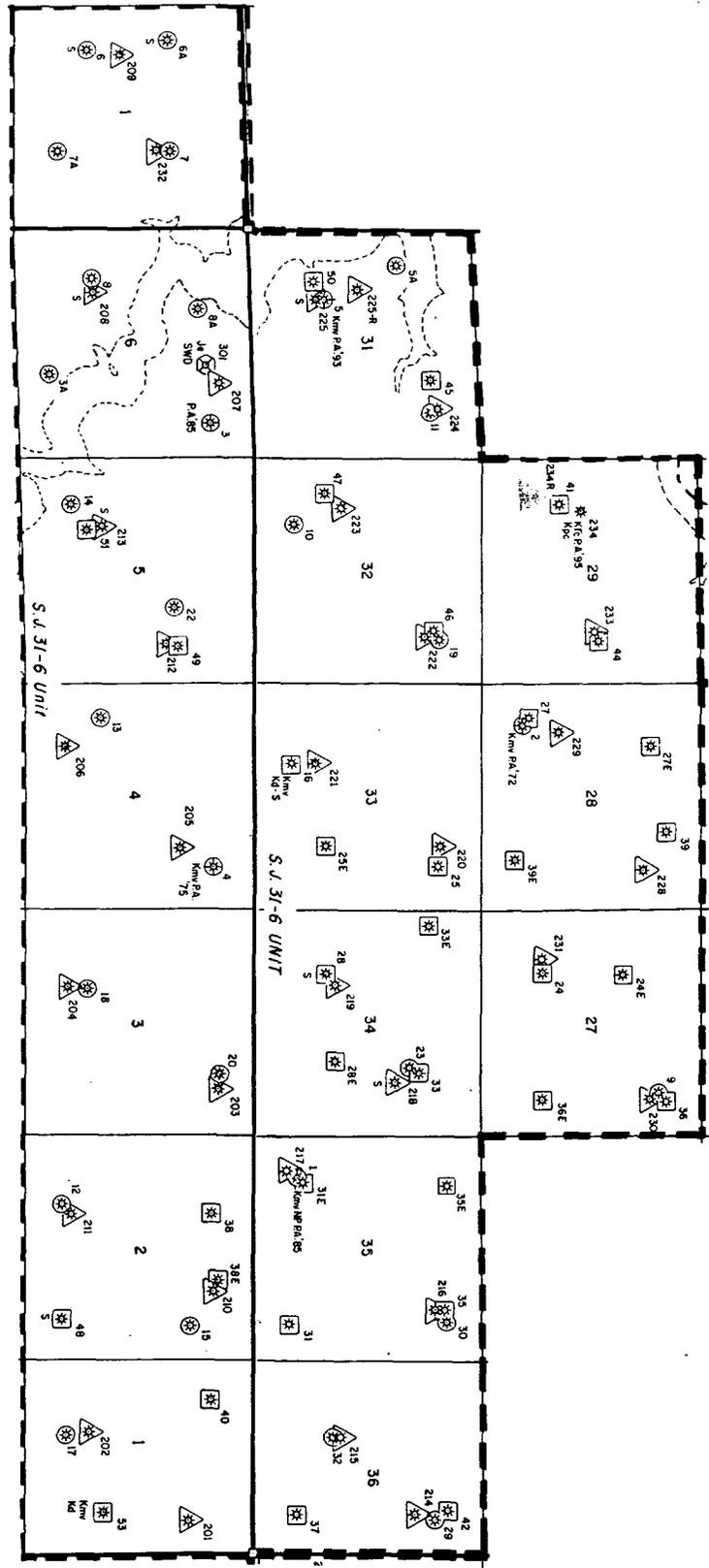
T
31
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R-7-W

R-6-W

R-6-W

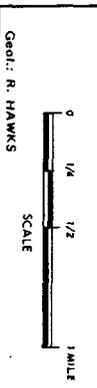


PRODUCING INTERVAL

- K_{1m} * FARMINGTON
 - K₂ * KIRTLAND
 - △ FRUITLAND
 - ☆ PICTURED CLIFFS
 - ⊙ CHACRA
 - ⊙ LA VENTANA
 - ⊙ MESAVENDE
 - ⊙ GALLUP
 - ⊙ DAKOTA
 - ⊙ ALL PRODUCTION BELOW CRETACEOUS
-
- K_{1m} FARMINGTON
 - K₂ KIRTLAND
 - K_F FRUITLAND
 - K_{PC} PICTURED CLIFFS
 - K_C CHACRA
 - K_{LV} LA VENTANA
 - K_{MV} MESAVENDE
 - K_G GALLUP
 - K_D DAKOTA
 - K_{JA} ENTRADA
 - K_{PP} PARADOX
 - K_{POC} BANKER CREEK
 - K_{MI} LEADVILLE
-
- K_{CP} CLIFFHOUSE
 - K_{ME} MENEFEE
 - K_{PL} POINT LOOKOUT
 - K_{KG} GREENHORN
 - K_{TI} TOCITO



PHILLIPS PETROLEUM COMPANY
 FARMINGTON AREA
S. U. 31-6 UNIT
 Rio Arriba County, New Mexico



Geol. R. HAWKS

Jan. 15-1988

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31
N

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30
N



State of New Mexico
Commissioner of Public Lands

RAY POWELL, M.S., D.V.M.
COMMISSIONER

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760
FAX (505) 827-5766

March 19, 1996

Phillips Petroleum Company
5525 Highway 64 NBU 3004
Farmington, New Mexico 87401

Attn: Mr. Patrick H. Noah

Re: 1996 Plan of Development
San Juan 31-6 Unit
Rio Arriba County, New Mexico

Dear Mr. Noah:

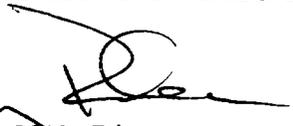
The Commissioner of Public Lands has this date approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

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,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
LARRY KEHOE, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/LK/cpm

cc: Reader File

Commissioner's File

OCD

TRD

BLM



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

March 12, 1996

Bureau of Land Management (3 copies)
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands (2 copies)
State of New Mexico
P.O. Box 1148
Santa Fe, NM 87501-1148

Oil Conservation Division (2 copies)
State of New Mexico
2040 South Pacheco
Santa Fe, NM 87505

Re: San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
1996 Plan of Development
G.F.-5469

Gentlemen:

By letter dated March 3, 1995 Phillips Petroleum Company ("Phillips"), as Unit Operator, filed the 1995 Initial Plan of Development ("POD"). The POD indicated that the following wells were proposed for possible drilling in 1995:

<u>Well Number</u>	<u>Location</u>	<u>Formation</u>
San Juan 31-6 #16E	NW/4 Section 33-31N-6W	Dakota
San Juan 31-6 #37E	SW/4 Section 36-31N-6W	Dakota
San Juan 31-6 #44E	SE/4 Section 29-31N-6W	Dakota
San Juan 31-6 #213R	W/2 Section 5-31N-6W	Fruitland Coal
San Juan 31-6 #234R	W/2 Section 29-31N-6W	Fruitland Coal
San Juan 31-6 #234	W/2 Section 29-31N-6W	Deepen to Pictured Cliffs

The #234 well and #234R well were drilled in 1995. All remaining wells were not drilled and will not be carried over to the 1996 POD.

The Participating Areas which have been established in the San Juan 31-6 Unit are as follows:

<u>Formation</u>	<u>Revision</u>	<u>Effective</u>
Fruitland Coal	Fourteenth	August 1, 1991
Mesaverde	Sixteenth	January 1, 1986
Dakota	Eleventh	November 1, 1984

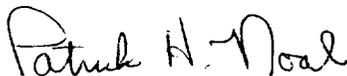
Pursuant to Section 10 of the San Juan 31-6 Unit Agreement, Phillips, as Unit Operator, hereby submits no wells for the 1996 POD. The San Juan 31-6 Unit working interest owners have been contacted with respect to this POD and are being provided with a copy of this letter.

San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
1996 Plan of Development
G.F.-5469
March 12, 1996
Page 2

Phillips Petroleum Company, as Unit Operator, will drill any wells that may be required to prevent drainage and any other wells deemed necessary or requested by the Unit Working Interest Owners under the terms and provisions of the Unit Operating Agreement.

Per Section 10 of the Unit Agreement, please confirm your approval of this POD by signing in the appropriate space below and returning an executed copy to my attention.

Respectfully,



Patrick H. Noah
Senior Land Specialist
San Juan Basin
(505) 599-3410

SAN JUAN 31-6 UNIT #14-08-001-464
1996 INITIAL PLAN OF DEVELOPMENT

BUREAU OF LAND MANAGEMENT

DATE

NEW MEXICO
COMMISSIONER OF PUBLIC LANDS

DATE



NEW MEXICO
OIL CONSERVATION DIVISION

3/15/96
DATE

cc: San Juan 31-6 Owners
J.L. Mathis (r)G.F.-5469
C.D. Richard (r)local supervisors

#467



THE COMMISSIONER OF PUBLIC LANDS
SANTA FE, N.M.

MAR 28 1995 PM 8 52

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

RAY POWELL, M.S., D.V.M.
COMMISSIONER

(505) 827-5760
FAX (505) 827-5766

March 28, 1995

Phillips Petroleum Company
5525 Highway 64 NBU 3004
Farmington, New Mexico 87401

Attention: Mr. Patrick H. Noah

Re: San Juan 31-6 Unit
Fruitland Participating Area
Ninth through Fourteenth Expansions
4,385.44 Additional Acres
Rio Arriba County, New Mexico

Dear Mr. Noah:

This office is in receipt of your letter of December 28, 1994, and January 30, 1995, requesting approval of the Ninth through Fourteenth Expansions of the Fruitland Participating Area for the San Juan 31-6 Unit.

The Bureau of Land Management has advised this office of their approval to these expansions by their letter of March 20, 1995.

Please be advised that the Commissioner of Public Lands concurs with the Bureau of Land Management and has this date approved the expansion of the above-mentioned participating areas effective as follows:

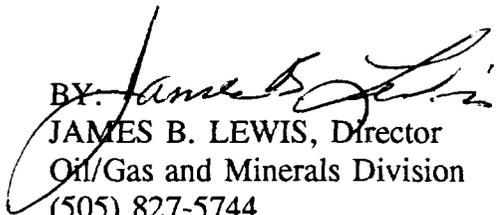
- The Ninth Expansion containing 320 acres is effective September 1, 1990.
- The Tenth Expansion containing 960 acres is effective November 1, 1990.
- The Eleventh Expansion containing 960 acres is effective December 1, 1990.
- The Twelfth Expansion containing 225.44 acres is effective January 1, 1991.
- The Thirteenth Expansion containing 640 acres is effective June 1, 1991.
- The Fourteenth Expansion containing 640 acres is effective August 1, 1991.

Phillips Petroleum Company
Page 2
March 28, 1995

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

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
JAMES B. LEWIS, Director
Oil/Gas and Minerals Division
(505) 827-5744

RP/JBL/cpm

Enclosure

cc: Reader File

OCD-Santa Fe--Attention: Roy Johnson

TRD-Santa Fe--Attention: Valdean Severson

BLM-Farmington--Attention: Duane Spencer

REGISTRATION DIVISION
RECEIVED

55 MAR 21 PM 8 52

San Juan 31-6 (FR PA)
3180 (07327)

MAR 20 1995

Mr. Pat Noah
Phillips Petroleum Company
5525 Highway 64, NBU 3004
Farmington, NM 87401

Dear Mr. Noah:

We have reviewed your application for revision of the Fruitland Participating Area in the San Juan 31-6 Unit. The following table summarizes the wells included in each revision.

Participating Area	Effective Date	Well	Ded.	Sec.	Twn.	Rng.
NINTH REV.	September 1, 1990	219	W½	34	31N	6W
TENTH REV.	November 1, 1990	233	E½	29	31N	6W
		215	W½	36	31N	6W
		216	E½	35	31N	6W
ELEVENTH REV,	December 1, 1990	221	W½	33	31N	6W
		220	E½	33	31N	6W
		222	E½	32	31N	6W
TWELFTH REV.	January 1, 1991	214	E½	36	31N	6W
THIRTEENTH REV.	June 1, 1991	225R	W½	31	31N	6W
		224	E½	31	31N	6W
FOURTEENTH REV.	August 1, 1991	228	E½	28	31N	6W
		229	W½	28	31N	6W

Your application for the Ninth through Fourteenth Revisions of the San Juan 31-6 Unit Fruitland Participating area is hereby approved. The effective dates of each revision are included in the table above. We are including a copy of the approved exhibit B's.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order(s) described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions concerning this matter, please call Duane Spencer at (505) 599-6350.

Sincerely,

/s/ Duane Spencer

Duane W. Spencer
Chief, Branch of Reservoir Management

6 Enclosures:

- 1 - 9th Revision Exhibit B
- 2 - 10th Revision Exhibit B
- 3 - 11th Revision Exhibit B
- 4 - 12th Revision Exhibit B
- 5 - 13th Revision Exhibit B
- 6 - 14th Revision Exhibit B

bcc:

MMS, RMP, MS-3240, Denver, CO w/enclosures

NMOCD, Santa Fe, NM w/o enclosures

Commissioner of Public Lands, Santa Fe, NM w/o enclosures

#467



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

March 3, 1995

United States Department of Interior
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. Lemay
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Re: San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
1995 Plan of Development
GF-5469

Gentlemen:

By letter dated March 21, 1994, Phillips Petroleum Company (Phillips) as Unit Operator, filed the 1994 Initial Plan of Development for the San Juan 31-6 Unit. Two (2) Fruitland Coal Wells and three (3) Dakota Wells were proposed in the plan of development. The following list describes these wells and their disposition.

<u>Well Number</u>	<u>Disposition</u>	<u>Formation</u>
San Juan 31-6 #16E	Carried Over to 1995 POD	Dakota
San Juan 31-6 #37E	Carried Over to 1995 POD	Dakota
San Juan 31-6 #44E	Carried Over to 1995 POD	Dakota
San Juan 31-6 #213R	Carried Over to 1995 POD	Fruitland Coal
San Juan 31-6 #234R	Carried Over to 1995 POD	Fruitland Coal

As part of 1994 operations Phillips continued work to close earthen pits serving all Unit-owned production equipment, replacing such pits with double-bottom steel tanks with leak detection.

San Juan 31-6 Unit
 #14-08-001-464
 1995 Plan of Development
 March 3, 1995
 Page 2

As of this date, the total number of wells drilled and operated by Phillips Petroleum Company on acreage committed to the San Juan 31-6 Unit is as follows:

Fruitland Coal, commercial, in PA	18
Fruitland Coal, commercial, pending PA inclusion	6
Fruitland Coal, undetermined	8
Fruitland Coal, pressure observation well	1
Entrada, Water Disposal Facility	1
Mesaverde, temporarily abandoned	1
Mesaverde, commercial	25
Mesaverde, plugged and abandoned	3
Mesaverde/Dakota (Mesaverde commercial, Dakota non-commercial)	1
Mesaverde/Dakota (Mesaverde commercial, Dakota temporarily abandoned)	1
Dakota, commercial	31
Dakota, non-commercial	<u>1</u>
TOTAL	96

The Participating Areas which have been established in the San Juan 31-6 Unit are as follows:

<u>FORMATION</u>	<u>REVISION</u>	<u>EFFECTIVE</u>
Fruitland (Coal)	Eighth	August 1, 1990
Mesaverde	Sixteenth	January 1, 1986
Dakota	Eleventh	November 1, 1984

Pursuant to Section 10 of the San Juan 31-6 Unit Agreement, Phillips Petroleum Company, as Unit Operator, has solicited and received majority approval from the San Juan 31-6 Unit Working Interest Owners to include the following wells in the 1995 Plan of Development:

<u>Well Number</u>	<u>Location</u>	<u>Formation</u>
San Juan 31-6 #16E	NW/4 Section 33-31N-6W	Dakota
San Juan 31-6 #37E	SW/4 Section 36-31N-6W	Dakota
San Juan 31-6 #44E	SE/4 Section 29-31N-6W	Dakota
San Juan 31-6 #213R	W/2 Section 5-31N-6W	Fruitland Coal
San Juan 31-6 #234R	W/2 Section 29-31N-6W	Fruitland Coal
San Juan 31-6 #234	W/2 Section 29-31N-6W	Deepen to Pictured Cliffs

The drillblock for each Fruitland Coal and Pictured Cliff well is the acreage described above. The Dakota wells are infill for the current Dakota participating area.

Phillips Petroleum Company, as Unit Operator, will drill any wells that may be required to prevent drainage and any other wells deemed necessary or requested by the Unit Working Interest Owners under the terms and provisions of the Unit Operating Agreement.

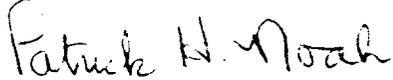
Please signify your approval as required under Section 10 of the Unit Agreement by signing in the space provided for on the attached sheet and returning an approved copy to the undersigned.

San Juan 31-6 Unit
#14-08-001-464
1995 Plan of Development
March 3, 1995
Page 3

Copies of this 1995 Plan of Development are being sent to the Working Interest Owners as shown on the attached sheet.

Respectfully,

PHILLIPS PETROLEUM COMPANY


Patrick H. Noah
Senior Land Specialist
San Juan Basin
(505) 599-3410

APPROVED _____ DATE _____
Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Division

APPROVED _____ DATE _____
Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor and the
Oil Conservation Division

APPROVED  _____ DATE 3-20-95
Oil Conservation Division
Subject to like approval by the
Area Oil and Gas Supervisor and the
Commissioner of Public Land

The foregoing approvals are for the 1995 Plan of Development for the San Juan 31-6 Unit #14-08-001-464.

cc: SJ 31-6 Unit WIO's
J. W. Taylor (r) Local Supervisors
L. E. Hasely
J. L. Mathis (r) GF-5397

**SAN JUAN 31-6 UNIT
WORKING INTEREST OWNERS**

Amoco Production Company

Cinco General Partnership

Conoco Inc.

Global Natural Resources of Nevada

Meridian Oil Production Inc.

Phillips Petroleum Company

Phillips-San Juan Partners, L.P.

Texaco Exploration & Production Inc.

William G. Webb and Jane Webb

Williams Production Company

The Wiser Oil Company



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

January 30, 1995

United States Department of Interior
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. Lemay
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
APPLICATION FOR EXPANSION
FRUITLAND PARTICIPATING AREA
9TH EXPANSION - EFFECTIVE 09-01-90
10TH EXPANSION - EFFECTIVE 11-01-90
11TH EXPANSION - EFFECTIVE 12-01-90
12TH EXPANSION - EFFECTIVE 01-01-91
13TH EXPANSION - EFFECTIVE 06-01-91
14TH EXPANSION - EFFECTIVE 08-01-91
RIO ARRIBA COUNTY, NEW MEXICO
GF-5469; LCN 650326

Gentlemen:

Further to the application for the San Juan 31-6 Unit Ninth through Fourteenth Expansion of the Fruitland Formation, enclosed please find maps depicting the corresponding participating area and expansions for said unit.

Very truly yours,

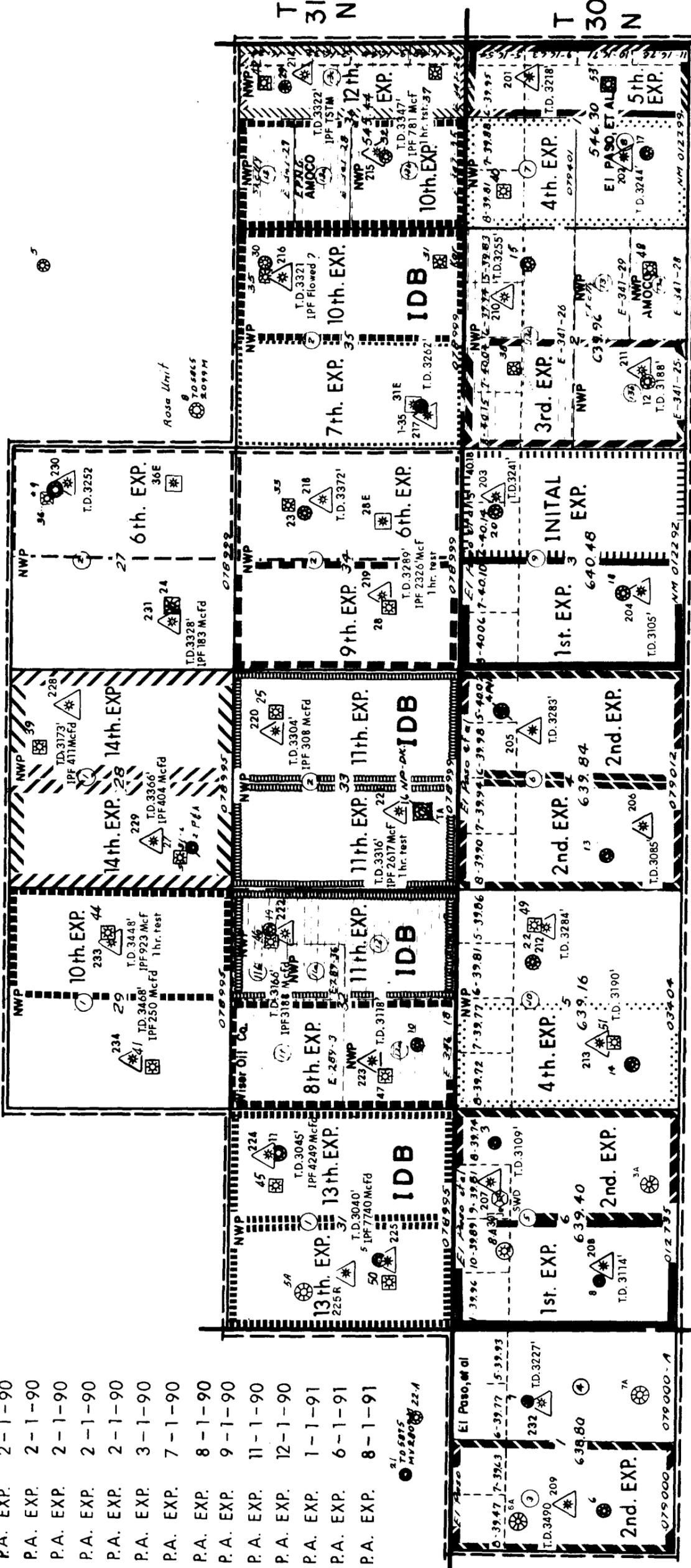
PHILLIPS PETROLEUM COMPANY

Kathryn D. Burleson
Sr. Land Aide
Farmington Area

FRUITLAND PARTICIPATING AREA EXPANSIONS

INITIAL	P.A. EXP.	2-1-90
1st.	P.A. EXP.	2-1-90
2nd.	P.A. EXP.	2-1-90
3rd.	P.A. EXP.	2-1-90
4th.	P.A. EXP.	2-1-90
5th.	P.A. EXP.	2-1-90
6th.	P.A. EXP.	3-1-90
7th.	P.A. EXP.	7-1-90
8th.	P.A. EXP.	8-1-90
9th.	P.A. EXP.	9-1-90
10th.	P.A. EXP.	11-1-90
11th.	P.A. EXP.	12-1-90
12th.	P.A. EXP.	1-1-91
13th.	P.A. EXP.	6-1-91
14th.	P.A. EXP.	8-1-91

21
T.D.5725
M.V.2945



R-7-W

R-6-W

EXHIBIT "A" SAN JUAN 31-6 UNIT

Rio Arriba County, New Mexico

Scale: 2" = 1 mile

- FEDERAL LANDS
- STATE LANDS
- FEE & PATENTED LANDS



PHILLIPS PETROLEUM COMPANY

FARMINGTON NEW MEXICO 87401
5525 HWY. 64 NBU 3004

CONSERVATION DIVISION
RECORDED
15 JAN 1995 10 18 52

January 20, 1995

United States Department of Interior
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. Lemay
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Re: **San Juan 31-6 Unit**
Fruitland Participating Area Expansions
Ninth through Fourteenth Expansion
Rio Arriba County, New Mexico
GF-5469; LCN 650326

Gentlemen:

Under date of December 28, 1994, Phillips Petroleum Company submitted the captioned San Juan 31-6 Unit Expansions for your approval. Schedules X, XI, XII, XIII, XIV, XV were enclosed describing the Participating Area and indicating the percentages of unitized substances allocated to the unit tracts according to the Fruitland ownership of such tracts.

Enclosed are corrected pages of Schedules XI, XII, XIII, XIV and XV. These pages correct Tract 13A wherein Williams Production Company was erroneously credited with Amoco Production Company's interest. There is also a corrected Page 4 of Schedule XII correcting the Percent Actual Participation of Tract 9.

Please insert these corrected pages in the Schedules provided December 28, and discard the incorrect pages. We apologize for any inconvenience this may have caused.

Very truly yours,

PHILLIPS PETROLEUM COMPANY

Kathryn D. Burleson
Sr. Land Aide
Farmington Area

cc: J. W. Taylor (r) Supervisors
San Juan 31-6 Unit Owners

**SAN JUAN 31-6 UNIT
WORKING INTEREST OWNERS**

Amoco Production Company

Cinco General Partnership

Conoco Inc.

Global Natural Resources of Nevada

Meridian Oil Production Inc.

Phillips Petroleum Company

Phillips-San Juan Partners, L.P.

Texaco Exploration & Production Inc.

William G. Webb and Jane Webb

Williams Production Company

The Wiser Oil Company

DATE 12/29/94

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XI
 THE 010 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31 - 6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-347-40		160.00		TRACT: 013			2.304167
	T30N R6W				4.750000	4.750000	
	SEC. 2 N/2 SE/4				12.500000	12.500000	
	T31N R6W				67.855000	67.855000	
	SEC. 36 N/2 NW/4				14.895000	14.895000	
			ORRI: ROYALTY: WORKING INTEREST: TEXACO WILLIAMS PRODUCTION COMPANY				
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31 - 6 UNIT # 210
 SAN JUAN 31 - 8 UNIT # 215

E-347-41		160.00		TRACT: 013A			2.304167
	T30N R6W				5.000000	5.000000	
	SEC. 2 S/2 SE/4				12.500000	12.500000	
	T31N R6W				82.500000	82.500000	
	SEC. 36 S/2 NW/4						
			ORRI: ROYALTY: WORKING INTEREST: AMOCO PRODUCTION COMPANY				
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31 - 6 UNIT # 210
 SAN JUAN 31 - 6 UNIT # 215

E-347-46		320.00		TRACT: 013B			4.608335
	T30N R6W				2.500000	2.500000	
	SEC. 2 SW/4				12.500000	12.500000	
	T31N R6W				69.700000	69.700000	
	SEC. 36 SW/4				15.300000	15.300000	
			ORRI: ROYALTY: WORKING INTEREST: PHILLIPS - SAN JUAN PARTNERS, L.P. WILLIAMS PRODUCTION COMPANY				
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31 - 6 UNIT # 211
 SAN JUAN 31 - 6 UNIT # 215

DATE 12/29/94

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XII
 THE 011 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31 - 6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-012292	T30N R6W SEC. 3 LOTS 5, 6, 7, 8, S/2, S/2 N/2	640.48	ORRI: ROYALTY: WORKING INTEREST: EL PASO PRODUCTION COMPANY CINCO GENERAL PARTNERSHIP WILLIAM G. WEBB & JANE WEBB MERIDIAN OIL PRODUCTION INC.	TRACT: 009	5.000000 12.500000	5.000000 12.500000	8.103300
			TOTAL		100.000000	100.000000	8.086600
REMARKS: SAN JUAN 31 - 6 UNIT # 203 SAN JUAN 31 - 6 UNIT # 204							
NM-03404	T30N R6W SEC. 5 LOTS 5, 6, 7, 8, S/2 N/2, S/2	639.16	ORRI: ROYALTY: WORKING INTEREST: PHILLIPS - SAN JUAN PARTNERS, L.P. WILLIAMS PRODUCTION COMPANY	TRACT: 010	5.000000 12.500000	5.000000 12.500000	8.086600
			TOTAL		100.000000	100.000000	8.086600
REMARKS: SAN JUAN 31 - 6 UNIT # 212 SAN JUAN 31 - 6 UNIT # 213							
E-289-3	T31N R6W SEC. 32 NW/4	160.00	ORRI: ROYALTY: WORKING INTEREST: WISER OIL COMPANY	TRACT: 011	0.000000 12.500000	0.000000 12.500000	2.024307
			TOTAL		100.000000	100.000000	2.024307
REMARKS: SAN JUAN 31 - 6 UNIT # 223							

DATE 12/29/94

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XII
 THE 011 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-346-28	T31N R6W SEC. 32 SW/4	160.00		TRACT: 012A			2.024307
	ORRI:				2.500000	2.500000	
	ROYALTY:				12.500000	12.500000	
	WORKING INTEREST:				69.700000	69.700000	
	PHILLIPS-SAN JUAN PARTNERS, L.P.				15.300000	15.300000	
	WILLIAMS PRODUCTION COMPANY						
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #223

E-347-40	T30N R6W SEC. 2 N/2 SE/4	160.00		TRACT: 013			2.024307
	T31N R6W				4.750000	4.750000	
	SEC. 36 N/2 NW/4				12.500000	12.500000	
	ORRI:				67.855000	67.855000	
	ROYALTY:				14.895000	14.895000	
	WORKING INTEREST:						
	TEXACO						
	WILLIAMS PRODUCTION COMPANY						
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #210
 SAN JUAN 31-6 UNIT #215

E-347-41	T30N R6W SEC. 2 S/2 SE/4	160.00		TRACT: 013A			2.024307
	T31N R6W				5.000000	5.000000	
	SEC. 36 S/2 NW/4				12.500000	12.500000	
	ORRI:				82.500000	82.500000	
	ROYALTY:						
	WORKING INTEREST:						
	AMOCO PRODUCTION COMPANY						
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #210
 SAN JUAN 31-6 UNIT #215

DATE 12/29/94

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XIII
 THE 012 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-346-28	T31N R6W SW/4	160.00		TRACT: 012A			
	SEC. 32				2.500000	2.500000	
					12.500000	12.500000	
			ORRI:				
			ROYALTY:				
			WORKING INTEREST:				
			PHILLIPS - SAN JUAN PARTNERS, L.P.		69.700000	69.700000	
			WILLIAMS PRODUCTION COMPANY		15.300000	15.300000	
	TOTAL				100.000000	100.000000	1.968170

REMARKS: SAN JUAN 31-6 UNIT #223

E-347-40	T30N R6W	160.00		TRACT: 013			
	SEC. 2				4.750000	4.750000	
	T31N R6W				12.500000	12.500000	
	SEC. 36				67.855000	67.855000	
					14.895000	14.895000	
			ORRI:				
			ROYALTY:				
			WORKING INTEREST:				
			TEXACO				
			WILLIAMS PRODUCTION COMPANY				
	TOTAL				100.000000	100.000000	1.968170

REMARKS: SAN JUAN 31-6 UNIT #210
 SAN JUAN 31-6 UNIT #215

E-347-41	T30N R6W	160.00		TRACT: 013A			
	SEC. 2				5.000000	5.000000	
	T31N R6W				12.500000	12.500000	
	SEC. 36				82.500000	82.500000	
			ORRI:				
			ROYALTY:				
			WORKING INTEREST:				
			AMOCO PRODUCTION COMPANY				
	TOTAL				100.000000	100.000000	1.968170

REMARKS: SAN JUAN 31-6 UNIT #210
 SAN JUAN 31-6 UNIT #215

DATE 12/29/94

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XIV
 THE 013 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-346-28	T31N R6W SW/4	160.00	ORRI: ROYALTY: WORKING INTEREST: PHILLIPS-SAN JUAN PARTNERS, L.P. WILLIAMS PRODUCTION COMPANY	TRACT: 012A	2.500000 12.500000 69.700000 15.300000	2.500000 12.500000 69.700000 15.300000	1.824530
TOTAL					100.000000	100.000000	1.824530

REMARKS: SAN JUAN 31-6 UNIT #223

E-347-40	T30N R6W N/2 SE/4	160.00	ORRI: ROYALTY: WORKING INTEREST: TEXACO WILLIAMS PRODUCTION COMPANY	TRACT: 013	4.750000 12.500000 67.855000 14.895000	4.750000 12.500000 67.855000 14.895000	1.824530
TOTAL					100.000000	100.000000	1.824530

REMARKS: SAN JUAN 31-6 UNIT #210
 SAN JUAN 31-6 UNIT #215

E-347-41	T30N R6W S/2 SE/4	160.00	ORRI: ROYALTY: WORKING INTEREST: AMOCO PRODUCTION COMPANY	TRACT: 013A	5.000000 12.500000 82.500000	5.000000 12.500000 82.500000	1.824530
TOTAL					100.000000	100.000000	1.824530

REMARKS: SAN JUAN 31-6 UNIT #210
 SAN JUAN 31-6 UNIT #215

DATE 12/29/84

PHILLIPS PETROLEUM COMPANY
 SCHEDULE XV
 THE 014 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-346-28	T31N R6W SW/4	160.00		TRACT: 012A			1.700431
	ORRI:				2.500000	2.500000	
	ROYALTY:				12.500000	12.500000	
	WORKING INTEREST:				69.700000	69.700000	
	PHILLIPS - SAN JUAN PARTNERS, L.P.				15.300000	15.300000	
	WILLIAMS PRODUCTION COMPANY						
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #223

E-347-40	T30N R6W N/2 SE/4	160.00		TRACT: 013			1.700431
	SEC. 2				4.750000	4.750000	
	T31N R6W				12.500000	12.500000	
	SEC. 36				67.855000	67.855000	
	N/2 NW/4				14.895000	14.895000	
	WILLIAMS PRODUCTION COMPANY						
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #210
 SAN JUAN 31-6 UNIT #215

E-347-41	T30N R6W S/2 SE/4	160.00		TRACT: 013A			1.700431
	SEC. 2				5.000000	5.000000	
	T31N R6W				12.500000	12.500000	
	SEC. 36				82.500000	82.500000	
	S/2 NW/4						
	AMOCO PRODUCTION COMPANY						
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31-6 UNIT #210
 SAN JUAN 31-6 UNIT #215



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY 64 NBU 3004

December 28, 1994

United States Department of Interior
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. Lemay
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

RE: SAN JUAN 31-6 UNIT
#14-08-001-464
APPLICATION FOR EXPANSION
FRUITLAND PARTICIPATING AREA
9TH EXPANSION - EFFECTIVE 09-01-90
10TH EXPANSION - EFFECTIVE 11-01-90
11TH EXPANSION - EFFECTIVE 12-01-90
12TH EXPANSION - EFFECTIVE 01-01-91
13TH EXPANSION - EFFECTIVE 06-01-91
14TH EXPANSION - EFFECTIVE 08-01-91
RIO ARRIBA COUNTY, NEW MEXICO
GF-5469; LCN 650326

Gentlemen:

Pursuant to Section 11(a) of the San Juan 31-6 Unit Agreement, #14-08-001-464, approved February 11, 1953, Phillips Petroleum Company, as Unit Operator, determined on the dates indicated below that the wells listed below are capable of producing unitized substances in paying quantities from the Fruitland Formation. Therefore, application for the Ninth, Tenth, Eleventh, Twelfth, Thirteenth and Fourteenth expansions of the Participating Area established for the Fruitland Formation are submitted for your review as follows:

San Juan 31-6 Unit
#14-08-001-464
Ninth - Fourteenth Expansions
December 28, 1994
Page 2

NINTH EXPANDED PARTICIPATING AREA - EFFECTIVE SEPTEMBER 1, 1990

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well Number</u>
W/2 Section 34-31N-6W	320.00	219

The San Juan 31-6 Unit #219 was completed August 24, 1990. The Fruitland Coal member of the Fruitland Formation was tested on August 23, 1990, with cumulative production of 2,133,014 MCF through November 30, 1994. The spacing unit for this well is described as the W/2 of Section 34-31N-6W, containing 320 acres.

TENTH EXPANDED PARTICIPATING AREA - EFFECTIVE NOVEMBER 1, 1990

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well Number</u>
E/2 Section 29-31N-6W	320.00	233
W/2 Section 36-31N-6W	320.00	215
E/2 Section 35-31N-6W*	320.00	216

* Intervening Drilling Block

The San Juan 31-6 Unit #233 well was completed October 26, 1990. The Fruitland Coal member of the Fruitland Formation was tested on October 26, 1990, with cumulative production of 133,419 MCF through November 30, 1994. The spacing unit for this well is described as E/2 Section 29-31N-6W, containing 320 acres.

The San Juan 31-6 Unit #215 well was completed October 13, 1990. The Fruitland Coal member of the Fruitland Formation was tested on October 12, 1990, with cumulative production of 886,486 MCF through November 30, 1994. The spacing unit for this well is described as W/2 Section 36-31N-6W, containing 320 acres.

INTERVENING DRILLING BLOCK
NOTICE OF COMPLETION OF ADDITIONAL WELL

The San Juan 31-6 Unit #216 well was completed December 31, 1990. The Fruitland Coal member of the Fruitland Formation was tested on December 31, 1990, with cumulative production of 686,484 MCF through November 30, 1994. The spacing unit for this well is described as E/2 Section 35-31N-6W, containing 320 acres.

ELEVENTH EXPANDED PARTICIPATING AREA - EFFECTIVE DECEMBER 1, 1990

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well Number</u>
W/2 Section 33-31N-6W	320.00	221
E/2 Section 33-31N-6W*	320.00	220
E/2 Section 32-31N-6W*	320.00	222

* Intervening Drilling Block

The San Juan 31-6 Unit #221 well was completed November 7, 1990. The Fruitland Coal member of the Fruitland Formation was tested on November 6, 1990, with cumulative production of 1,669,040 MCF through November 30, 1994. The spacing unit for this well is described as W/2 Section 33-31N-6W, containing 320 acres.

INTERVENING DRILL BLOCKS
NOTICE OF COMPLETION OF ADDITIONAL WELLS

The San Juan 31-6 Unit #220 well was completed July 22, 1991. The Fruitland Coal member of the Fruitland Formation was tested July 21, 1991, with cumulative production of 163,010 MCF through August 31, 1994. The spacing unit for this well is described as E/2 Section 33-31N-6W, containing 320 acres.

San Juan 31-6 Unit
 #14-08-001-464
 Ninth - Fourteenth Expansions
 December 28, 1994
 Page 3

The San Juan 31-6 Unit #222 well was completed August 23, 1991. The Fruitland Coal member of the Fruitland Formation was tested on August 22, 1991, with cumulative production of 1,010,405 MCF through November 30, 1994. The spacing unit for this well is described as E/2 Section 32-31N-6W, containing 320 acres.

TWELFTH EXPANDED PARTICIPATING AREA - EFFECTIVE JANUARY 1, 1991

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well Number</u>
Lots 1,2,3,4; W/2 E/2 Section 36-31N-6W	225.44	214

The San Juan 31-6 Unit #214 well was completed December 5, 1990. The Fruitland Coal member of the Fruitland Formation was tested December 5, 1990, with cumulative production of 289,225 MCF through November 30, 1994. The spacing unit for this well is described as Lots 1, 2, 3, 4 and W/2 E/2 Section 36-31N-6W, containing 225.44 acres.

THIRTEENTH EXPANDED PARTICIPATING AREA - EFFECTIVE JUNE 1, 1991

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well Number</u>
W/2 Section 31-31N-6W	320.00	225R
E/2 Section 31-31N-6W*	320.00	224

* Intervening Drilling Block

The San Juan 31-6 Unit #225R was completed May 20, 1991. The Fruitland Coal member of the Fruitland Formation was tested on May 18, 1991, with cumulative production of 3,247,510 MCF through November 30, 1994. The spacing unit for this well is described as W/2 Section 31-31N-6W, containing 320 acres. The 225R well was drilled to replace the #225 well, which has been converted to a pressure observation well.

INTERVENING DRILLING BLOCK
NOTICE OF COMPLETION OF ADDITIONAL WELL

The San Juan 31-6 Unit #224 well was completed June 7, 1991. The Fruitland Coal member of the Fruitland Formation was tested on June 5, 1991, with cumulative production of 1,442,972 MCF through November 30, 1994. The spacing unit for this well is described as E/2 Section 31-31N-6W, containing 320 acres.

FOURTEENTH EXPANDED PARTICIPATING AREA - EFFECTIVE AUGUST 1, 1991

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well Number</u>
E/2 Section 28-31N-6W	320.00	228
W/2 Section 28-31N-6W*	320.00	229

* Intervening Drilling Block

The San Juan 31-6 Unit #228 well was completed July 10, 1991. The Fruitland Coal member of the Fruitland Formation was tested on July 8, 1991, with cumulative production of 108,884 MCF through November 30, 1994. The spacing unit for this well is described as E/2 Section 28-31N-6W, containing 320 acres.

INTERVENING DRILLING BLOCK
NOTICE OF COMPLETION OF ADDITIONAL WELL

The San Juan 31-6 Unit #229 well was completed August 10, 1991. The Fruitland Coal member of the Fruitland Formation was tested on August 8, 1991, with cumulative production of 10,967 MCF through May 31, 1994. The spacing unit for this well is described as W/2 Section 28-31N-6W, containing 320 acres.

San Juan 31-6 Unit
#14-08-001-464
Ninth - Fourteenth Expansions
December 28, 1994
Page 4

NOTICE OF NON-COMMERCIAL WELLS

The wells listed below have been determined to be unable to produce in paying quantities and will be operated on a drill block basis:

<u>Drilling Block</u>	<u>Net Acres</u>	<u>Well Number</u>
W/2 Section 27-31N-6W	320.00	231
W/2 Section 29-31N-6W	320.00	234

The San Juan 31-6 Unit #231 well was completed July 29, 1991. The Fruitland Coal member of the Fruitland Formation was tested on August 1, 1991, with cumulative production of 41,092 MCF through May 31, 1994. The spacing unit for this well is described as W/2 Section 27-31N-6W, containing 320 acres.

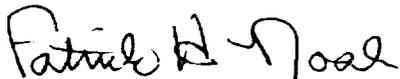
The San Juan 31-6 Unit #234 well was completed June 20, 1991. The Fruitland Coal member of the Fruitland Formation was tested on June 19, 1992, with cumulative production of 3,763 MCF through January 31, 1994. The spacing unit for this well is described as W/2 Section 29-31N-6W, containing 320 acres.

Enclosed herewith are Schedules X, XI, XII, XIII, XIV and XV for the Ninth through Fourteenth Expanded Participating Areas for the Fruitland Formation of the San Juan 31-6 Unit Area. These schedules describe the participating areas and indicate the percentages of unitized substances allocated to the unit tracts according to the Fruitland ownership of such tracts.

Unless this application is disapproved or contested in whole or in part, the Ninth, Tenth, Eleventh, Twelfth, Thirteenth and Fourteenth Expanded Participating Areas are effective September 1, 1990, November 1, 1990, December 1, 1990, January 1, 1991, June 1, 1991 and August 1, 1991 respectively. Copies of this application with enclosures are being sent to the Unit working interest owners as listed on the attached sheet. This application completes operator filings under our August 24, 1994 letter and is consistent with those findings set forth in that certain letter dated December 20, 1994 from the Bureau of Land Management to the undersigned.

Very truly yours,

PHILLIPS PETROLEUM COMPANY



Patrick H. Noah
Senior Land Specialist
San Juan Basin
(505) 599-3410

San Juan 31-6 Unit
#14-08-001-464
Ninth - Fourteenth Expansions
December 28, 1994
Page 5

The signatory approvals below are for the Ninth, Tenth, Eleventh, Twelfth, Thirteenth and Fourteenth expanded participating area of the Fruitland Formation of the San Juan 31-6 Unit #14-01-008-464.

APPROVED _____

Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Division

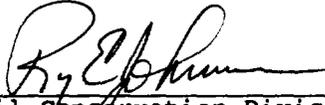
DATE _____

APPROVED _____

Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor and the
Oil Conservation Division

DATE _____

APPROVED _____


Oil Conservation Division
Subject to like approval by the
Area Oil and Gas Supervisor and the
Commissioner of Public Lands

DATE 1-5-95

cc: J. W. Taylor (r) Supervisors
San Juan 31-6 Unit Owners

**SAN JUAN 31-6 UNIT
WORKING INTEREST OWNERS**

Amoco Production Company

Cinco General Partnership

Conoco Inc.

Global Natural Resources of Nevada

Meridian Oil Production Inc.

Phillips Petroleum Company

Phillips-San Juan Partners, L.P.

Texaco Exploration & Production Inc.

William G. Webb and Jane Webb

Williams Production Company

The Wiser Oil Company



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

IN REPLY REFER TO:

San Juan 31-6 Unit
3183.5 (07327)

Mr. Pat Noah
Phillips Petroleum Company
5525 Highway 64, NBU 3004
Farmington, NM 87401

Dear Mr. Noah:

We have reviewed your application for Paying Well Determination for the following five (5) Fruitland Coal wells located in the San Juan 31-6 Unit, San Juan County, New Mexico:

WELL NUMBER	LOCATION	DRILL BLOCK
31-6 #214	Section 36G, T. 31 N., R. 6 W.	Section 36, E/2
31-6 #228	Section 28H, T. 31 N., R. 6 W.	Section 28, E/2
31-6 #233	Section 29H, T. 31 N., R. 6 W.	Section 29, E/2
31-6 #231	Section 27L, T. 31 N., R. 6 W.	Section 27, W/2
31-6 #234	Section 29L, T. 31 N., R. 6 W.	Section 29, W/2

Production data was updated through July 1994 for our evaluation. We concur with your findings. Wells #214, #228, and #233 are capable of producing unitized substances in paying quantities. Wells #231 and #234 are non-commercial and must be excluded from the Participating Area (PA).

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order(s) described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals form instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions concerning this correspondence, please contact Ray Hager at (505) 599-6366.

Sincerely,

/s/ Duane Spencer

Duane Spencer
Chief, Branch of Reservoir Management

cc:
Commissioner of Public Lands, Santa Fe, NM
New Mexico Oil Conservation Division, Santa Fe, NM
Global Natural Resources Corp., Houston, TX



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

October 21, 1994

Global Natural Resources Corporation
5300 Memorial, Suite 800
Houston, Texas 77007-8295

Attn: Mr. Kendal Kuiper

Re: San Juan 31-6 Unit
Fruitland Coalseam Wells
Nos. 214, 228 and 233
Rio Arriba County, New Mexico
GF-5469

Gentlemen:

We acknowledge receipt of your October 3, 1994 letter in which you state the opinion that it is premature to request a commercial determination for the referenced wells. We disagree. It is our obligation as unit operator to move as rapidly as is prudent to determine commercial status for all wells drilled. We decline your request that we withdraw our request for commercial determination of these wells.

Your letter further states, "We believe that well commerciality determinations should be obtained through formal Participating Area Applications, and not by other methods. The method utilized by Phillips Petroleum Company, as Unit Operator, has previously been endorsed and accepted by the Bureau of Land Management. As you are aware, the well evaluation criteria for commercial determinations does not change, regardless of whether the request for commercial determination is filed separately or as part of the expansion approval process. Our intent in filing for commercial determinations prior to expansions of participating areas is to smooth the PA approval process by resolving all commercial determination questions up front.

With respect to your inquiry as to the San Juan 31-6 Unit #53 Dakota Well, please accept our apology for failing to respond to your June 28 letter. A response had been prepared but inadvertently was not sent.

At the present time we do not have sufficient information which would cause us to file for reconsideration of the non-paying well determination for this well. As your June 28 letter indicated, a request for reconsideration should follow the BLM guidelines outlined in Jay Kieke's August 4, 1992 letter to you. These guidelines require an Operator to demonstrate ..."significant changes in

Global Natural Resources Corporation
San Juan 31-6 Unit
Fruitland Coalseam Wells
October 21, 1994
Page 2

conditions such as a sharp increase in product price or significant increase in monthly production" as a basis for any reconsideration. We have no information with respect to either a sharp increase in price or a significant increase in monthly production. If you have any such specific information available, please forward it to us for further consideration.

Very truly yours,

PHILLIPS PETROLEUM COMPANY



Patrick H. Noah
Area Landman
San Juan Basin
(505) 599-3410

cc: Bureau of Land Management
New Mexico Oil Conservation Division
Commissioner of Public Lands

GLOBAL NATURAL RESOURCES CORPORATION

101 8 52

October 3, 1994

Phillips Petroleum Company
5525 HWY 64 NBU 3004
Farmington, New Mexico 87401
ATTN: Mr. Pat Noah

CERTIFIED MAIL NUMBER P 385 217 126

RE: San Juan 31-6 Fruitland Coal Unit
Rio Arriba County, NM

Gentlemen:

Global Natural Resources Corporation of Nevada, (Global) a working interest owner in the referenced unit has reviewed Phillip's letter dated August 22, 1994 concerning the commerciality determination of several wells.

In Global's opinion it is premature to request a commerciality determination for wells number 214, 228 and 233. While Phillips shows these three wells as "Paying Wells", Global feels that based on their rates of production they are not paying wells, and should not be included in the unit.

Global requests that Phillips withdraw its request for commerciality determination for wells number 214, 228 and 233. We believe that well commerciality determinations should be obtained through formal Participating Area applications, and not by other methods.

In addition, Global has not received a response to our letter dated June 28, 1994 (copy attached) concerning the San Juan 31-6 Unit #53 Dakota Well. Do you plan to resubmit the #53 Dakota Well for commerciality determination? Global feel strongly that the well is commercial. Please inform us of your plans for the well.

Please call me if you have any questions or comments.

Very truly yours,

**GLOBAL NATURAL RESOURCES
CORPORATION OF NEVADA**



Kendal Kuiper
Land Manager

cc: Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

GLOBAL NATURAL RESOURCES CORPORATION

GREG S. CUSACK, P.E.
VICE PRESIDENT - OPERATIONS

June 28, 1994

Mr. Kirk L. Czirr
Phillips Petroleum Company
5525 Highway 64 NBU 3004
Farmington, NM 87401

Re: San Juan 31-6 #53 Dakota well

Dear Mr. Czirr:

Thank you for the informative San Juan 31-6 Unit Meeting on March 17, 1994 and the production reports being furnished by Donna Wallace on new wells. As discussed with Lowell Tarbett briefly after the meeting, we request that non-unit well #53 DK be reviewed again for commerciality and inclusion in the Dakota Participating Unit. In this regard, please refer to the letter on our behalf from Gallegos Law Firm to A.J. Kieke dated December 30, 1991 and Phillips Petroleum Company's reply dated August 4, 1992.

As described in the first document, the BLM did not independently review Northwest's initial determination of non-commerciality for this well, but simply "accepted it for the record" when it was erroneously determined that the well had been drilled on non-Federal land. Consequently, a valid determination has never been made. Nevertheless, based on the second document, re-evaluation is justified by changing market conditions such as going from a curtailed to an uncurtailed production mode.

It is clear that the #53 DK was curtailed during early production history and that this data was used to the detriment of commerciality in the initial evaluation. This unstable market condition and subsequent significant increase in monthly production is justification to reconsider the #53 DK for inclusion in the Participating Area.

We believe that the #53 DK is an economically commercial well based on BLM guidelines and is comparable to the #48 DK and the #51 DK, both of which are included in the Participating Area. Accordingly, Global respectfully requests that Phillips Petroleum Company, as unit operator, resubmit a determination of commerciality for the #53 DK in accordance with the San Juan Unit Agreement dated November 28, 1952. This redetermination should follow the guidelines as stated in Phillips letter of August 4, 1992.

Mr. Kirk L. Czirr
Phillips Petroleum Company
June 28, 1994
Page 2

We look forward to your response and do not hesitate to call me at (713)880-5464 if you wish to discuss this matter further.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Cusack". The signature is fluid and cursive, with a large initial "G" and a long, sweeping tail.

Greg Cusack
Vice President - Operations

GC/tg

cc: Kelly Barnes
Kendal Kuiper
Darrell Molnar



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

RECEIVED
AUG 23 1994
10 50

August 22, 1994

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

State of New Mexico
Commissioner Of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

Re: San Juan 31-6 Unit
#14-08-001-464
Commerciality Determination
Fruitland Formation
Rio Arriba County, NM
GF-5469

Gentlemen:

By previous submissions dated September 12, 1990 and August 23, 1993 Phillips submitted paying well determinations and/or PA expansion application for various wells. Pursuant to the provisions of Section 11(a) of the San Juan 31-6 Unit Agreement, #14-08-001-464, approved February 11, 1953, Phillips Petroleum Company ("Phillips"), as Operator, determined whether or not the wells listed below are capable of producing unitized substances in paying quantities from the Fruitland coal member of the Fruitland formation.

This alternative approach has been acknowledged by the Branch of Reservoir Management at the Farmington District Office of the Bureau of Land Management as acceptable to facilitate individual well commerciality determinations that are ordinarily filed in order of "date of test" during completion operations.

Upon receipt of response from the BLM and concurring responses from the Commissioner of Public Lands and New Mexico Oil Conservation Division, the formal Participating Area application with accompanying Lease Schedules with unit tract descriptions and working interest ownerships for each well will be prepared for each expansion of the Participating Area based on those wells confirmed for inclusion therewith.

San Juan 31-6 Unit
 #14-08-001-464
 Commerciality Determination
 August 22, 1994
 Page 2

(1)	(2)	(3)	(4)	(5)	(6)*
<u>Test Date</u>	<u>Well Number</u>	<u>T30N-R6W Drill Block</u>	<u>Acres</u>	<u>Date Submitted for Paying Well Determination</u>	<u>Disposition</u>
07-08-89	203	Lots 5, 6, S/2 NE/4, SE/4 Sec. 3	320.32	09-12-90	Initial PA
07-21-89	204	Lots 7, 8, S/2 NW/4, SW/4 Sec. 3	320.16	09-12-90	1st Expansion
07-12-89	208	Lots 10,11,S/2 NW/4, SW/4 Sec. 6	319.85	09-12-90	1st Expansion
08-04-89	205	Lots 5,6,S/2 NE/4, SE/4 Section 4	320.00	09-12-90	2nd Expansion
08-06-89	206	Lots 7,8,S/2 NW/4, SW/4 Section 4	319.84	09-12-90	2nd Expansion
08-16-89	207	Lots 8,9,S/2 NE/4, SE/4 Section 6	319.55	09-12-90	2nd Expansion
08-14-89	209	Lots 7,8,S/2 NW/4, SW/4 Section 1	319.10	09-12-90	2nd Expansion
11-21-89	211	Lots 7,8,S/2 NW/4, SW/4 Section 2	320.19	09-12-90	3rd Expansion
12-01-89	225	W/2 Sec. 31-31N-6W	NA	NA	Press Obs Well
12-22-89	202	Lots 7,8,S/2 NW/4, SW/4 Section 1	319.77	09-12-90	4th Expansion
12-09-89	213	Lots 7,8,S/2 NW/4, SW/4 Section 5	319.49	09-12-90	4th Expansion
01-03-90	201	Lots 5,6,9,10,11, SW/4 NE/4, W/2 SE/4 Section 1	226.61	09-12-90	5th Expansion
02-14-90	230	E/2 Sec. 27-31N-6W	320.00	08-23-93	6th Expansion
06-09-90	217	W/2 Sec. 35-31N-6W	320.00	08-23-93	7th Expansion
07-08-90	210-IDB	Lots 5,6,S/2 NE/4, SE/4 Section 2	319.77	09-12-90	4th Expansion
07-11-90	223	W/2 Sec. 32-31N-6W	320.00	08-23-93	8th Expansion
08-23-90	219	W/2 Sec. 24-31N-6W	320.00	08-23-93	Paying Well-A
08-01-90	231	W/2 Sec. 27-31N-6W	320.00	08-22-94	Non-PA
09-04-90	212-IDB	Lots 5,6,S/2 NE/4, SE/4 Section 5	319.67	09-12-90	4th Expansion
10-26-90	233	E/2 Sec. 29-31N-6W	320.00	08-22-94	Paying Well
10-12-90	215	W/2 Sec. 36-31N-6W	320.00	08-23-93	Paying Well-A

San Juan 31-6 Unit
 #14-08-001-464
 Commerciality Determination
 August 22, 1994
 Page 3

(1) <u>Test Date</u>	(2) <u>Well Number</u>	(3) <u>T30N-R6W Drill Block</u>	(4) <u>Acres</u>	(5) <u>Date Submitted for Paying Well Determination</u>	(6)* <u>Disposition</u>
11-16-90	218-IDB	E/2 Sec. 34-31N-6W	320.00	NS	6th Expansion
11-06-90	221	W/2 Sec. 33-31N-6W	320.00	08-23-93	Paying Well-A
12-05-90	214	Lots 1-4, W/2 E/2 Section 36-31N-6W	225.44	08-22-94	Paying Well
12-31-90	216	E/2 Sec. 35-31N-6W	320.00	NS	
04-28-91	232-IDB	Lots 5,6,S/2 NE/4, SE/4 Section 1	319.70	09-12-90	2nd Expansion
05-18-91	225R	W/2 Sec. 31-31N-6W	320.00	08-23-93	Paying Well
06-05-91	224	E/2 Sec. 31-31N-6W	320.00	08-23-93	Paying Well
07-08-91	228	E/2 Sec. 28-31N-6W	320.00	08-22-94	Paying Well
07-21-91	220	E/2 Sec. 33-31N-6W	320.00	NS	
08-08-91	229	W/2 Sec. 28-31N-6W	320.00	NS	
08-22-91	222	E/2 Sec. 31-31N-6W	320.00	08-23-93	Paying Well
06-19-92	234	W/2 Sec. 29-31N-6W	320.00	08-22-94	Non-PA

*Wells that are submitted herewith and determined to be capable of production in paying quantities are listed as "Paying Well". Wells that have previously been approved as wells capable of production in paying quantities are listed by the approved expansion, or as "Paying Well-A" if not yet included in an approved expansion. Wells not determined to be capable of production in paying quantities are listed as "Non-PA". The initials "NS" indicates wells that have not been submitted to date.

Copies of this submittal with enclosures are being sent to the working interest owners on the attached sheet.

Very truly yours,

PHILLIPS PETROLEUM COMPANY



A. J. Kieke, CPL
 Area Landman
 San Juan Basin
 (505) 599-3410

w/o attachments
 cc: J. W. Taylor
 K. L. Czirr (r) Sean Helton
 w/attachments
 SJ 31-6 Unit Owners

**SAN JUAN 31-6 UNIT
WORKING INTEREST OWNERS**

Amoco Production Company

Cinco General Partnership

Conoco Inc.

Global Natural Resources of Nevada

Meridian Oil Production Inc.

P&P Producing, Inc.

Texaco Exploration & Production Inc.

William G. Webb and Jane Webb

Williams Production Company

The Wiser Oil Company

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #231
 Fruitland Coal
 W/2 Section 27-T31N-R6W
 Rio Arriba County, New Mexico

Date of First Delivery: 01/10/92

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	355,182		
Production Taxes & Royalty:	20.442175%	BLM	12.50
		Severance	3.750000
		School	4.000000
		Conservation	0.180000
		Ad Valorem	0.012175

Average Product Pricing

1994 1.46/ MCF

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MMCF)</u>	<u>* Operating Expenses (\$)</u>
1992 (10 mo)	8 (Actual)	28,823 (Actual)
1993 (9.5 mo)	21 (Actual)	49,713 (Actual)
1994	20	
1995	20	
1996	20	
1997	20	
1998	20	
1999	20	
2000	20	
2001	20	
2002	20	
2003	20	
2004	20	
2005	20	
2006	20	

* Operating Expenses were not escalated for inflation.

SAN JUAN 31-6 UNIT #231

COMMERCIALITY DETERMINATION

The subject well was spudded on 10/21/90 in the west half of Section 27, T31N-R6W. After a total depth of 3140' was reached on 10/25/90, 7" casing was set at 3141' (TD). Western Company cemented the 7" casing with 650 sacks of cement while circulating 92 sacks of cement to surface.

After cementing the casing, the drilling rig was moved off location, and a completion rig was moved onto location for the dynamic openhole completion. After drilling the cement and Fruitland Coal Formation to 3328' (PBSD), the well was completed openhole by means of cavitation. Following cavitation, the well did not respond as desired. In fact on 07/29/91, the pitot test indicated only 245 MCF/D and 120 BWPD with 280 psi on the one hour build-up.

Since the coal appeared not to be cleated, a fracture stimulation was designed for the subject well. Initially, a 5-1/2" linear was set at 3327' with the top of the linear at 3063'. Secondly, the Fruitland Coal Formation was perforated with 4 SPF from 3176' to 3326' for a total of 304 shots. Then, the well was fracture stimulated on 07/30/91 by Western Company with 156,618 gals of gelled fluid with 2% KCl, and 20,920 lbs of 40/70 mesh sand and 201,200 lbs of 12/20 mesh sand ramped from 1 ppg of 40/70 mesh to 7 ppg of 12/20 mesh. The fracture treatment produced very limited results on the extremely tight Fruitland Coal Formation. In fact, the subject well only tested/pitoted 183 MCF/D which was less than the original pitot test. In addition, several attempts were made to increase the well's gas rate by use of swabbing units. However, the swabbing units produced very limited results; as the well did not come around. Currently, the well is shut-in due to low production.

Taking into account the subject well's past history and the fact that it is currently shut-in due to low production, the well will obviously not be deemed commercial in the 31-6 Unit Participating Area. As a result, the economic evaluation and operating expenses were not prepared for this commerciality determination report.

MEP81-01

PARPI - WELLZONE PRODUCTION BROWSE

Date: 7/28/94

YEARLY TOTALS

User: #AM3

Wellzone F8A66 01 Yr: 1992 Mth: 01 Property: 650242 SAN JUAN 31-6 UNIT #
 Screen: 1 (1-Prod, 2-Inj, 3-Both) Well No: 000231
 Type: T (T-Total, D-Daily Avg) Field: BASIN
 Period: Y (M-Monthly, Y-Yearly, C-Cumm) Reserv: 20001 FRUITLAND COAL

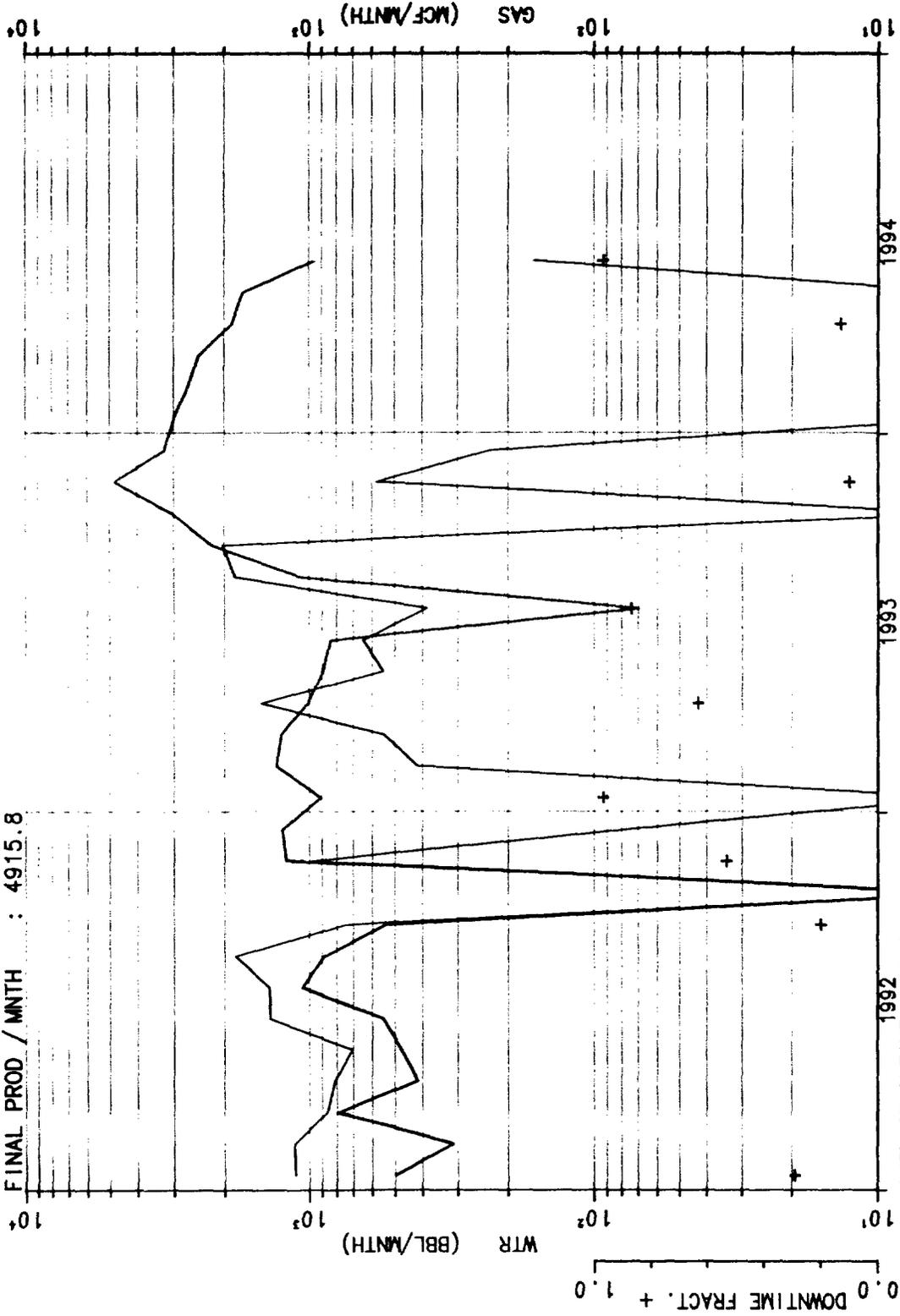
ADJ	PRODUCED			DAYS		WELL	
FLG DATE	OIL (BBL)	GAS (MCF)	WATER (BBL)	PROD	OP	ST	CL TY
1992	0.00	8,006	10,954	304.00	304		
1993	0.00	20,580	8,604	287.00	365		
1994	0.00	12,506	160	148.00	148		

NO MORE DATA AVAILABLE

PA1=ICE PA2=Exit PF1=Help PF3=End PF11=GRAPH
 Transfer-> PF7=Backward PF8=Forward PF10=GRAND MENU PF12=LOG GRAPH

1/92-6/94
 INITIAL PROD / MNTH : 1547.8
 REMAINING LIFE : 2.50
 CUM PRODUCTION : 19718.
 FINAL PROD / MNTH : 4915.8

Current Cums
 19718. BBL WTR
 41092. MCF GAS



AVERAGE ONTIME = 0.844

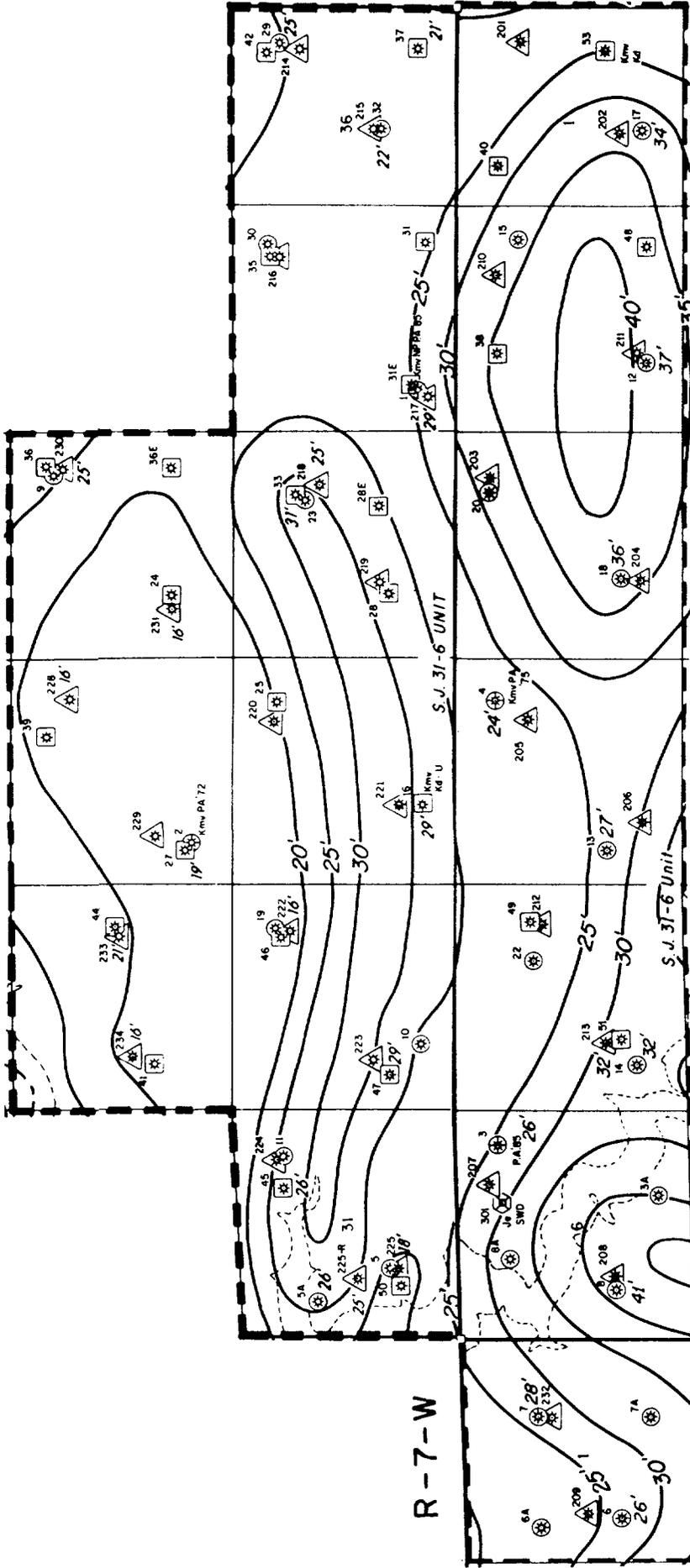
LEASE- 650242 : SAN JUAN 31-6 UNIT #231
 RESVR- 001 : BASIN FRUITLAND COAL
 WELL - 000231 PHS WELL PRODUCTION

F8A6601
 ZONE-650242001000231 F8A6601
 API-30039249450000

SWD AND GATHERING SYSTEM COST

The SWD facility and gathering system costs were allocated equally back to each well in the unit. The allocated costs were then charged against the well by including them in the operating cost in the fifteen year forecast.

R-6-W



T 31 N

T 30 N

R-7-W

PRODUCING INTERVAL

Km	FARMINGTON	Km
Ks	MINTLAND	Ks
△	FRUITLAND	Kt
*	PICTURED CLIFFS	Kpc
⊙	CHACRA	Kc
⊙	LA VERTANA	Klv
⊙	BERAVENDE	Kbv
⊙	GALLUP	Kgl
⊙	BAWSTA	Kd
⊙	ALL PRODUCTION BELOW CRETACEOUS	

⊙	CLIFFHOUSE
⊙	BENEFE
⊙	POINT LOOKOUT
⊙	TOCITO
⊙	GREENHORN
⊙	ENTRADA
⊙	PARADOR
⊙	BARKER CREEK



PHILLIPS PETROLEUM COMPANY
 FARMINGTON AREA

S. J. 31-6 UNIT
 Rio Arriba Co., N.M.

AGGREGATE NET COAL ISOLITH
 OF THE FRUITLAND COAL

C 1 : 5'

5-1-92

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #234
 Fruitland Coal
 W/2 Section 29-T31N-R6W
 Rio Arriba County, New Mexico

Date of First Delivery: 11/13/92

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	589,044		
Production Taxes & Royalty:	20.442175%	BLM	12.50
		Severance	3.750000
		School	4.000000
		Conservation	0.180000
		Ad Valorem	0.012175

Average Product Pricing

1994 1.46/ MCF

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MMCF)</u>	<u>* Operating Expenses (\$)</u>
1993 (6.5 mo)	3 (Actual)	59,988 (Actual)
1994	20	
1995	20	
1996	20	
1997	20	
1998	20	
1999	20	
2000	20	
2001	20	
2002	20	
2003	20	
2004	20	
2005	20	
2006	20	
2007	20	

* Operating Expenses were not escalated for inflation.

SAN JUAN 31-6 UNIT #234

COMMERCIALITY DETERMINATION

The subject well was spudded on 10/07/90 in the west half of Section 29, T31N-R6W. After a total depth of 3165' was reached on 10/10/90, 7" casing was set at TD (3164'). The casing was cemented with 650 sacks of cement with 145 sacks circulated to surface.

After cementing the casing, the drilling rig moved off location, and a completion rig moved onto the well for the dynamic openhole completion. After drilling the cement and Fruitland Coal formation to 3473', the well was completed openhole by means of cavitation. Following cavitation, the well did not respond as desired. In fact on 08/07/93, the pitot test indicated only 217 MCFD.

Since the coal appeared not to be cleated and extremely tight, two fracture stimulations were designed for the subject well. For the first fracture treatment, the Fruitland Coal formation was fracture stimulated on 08/12/93 with 906 bbls of 30 lb cross-linked gel, and 67,500 lbs of 16/30 sand with 12,500 lbs sand plug. Following the frac job, a 10,000 lb sand plug was pumped at 3340' in preparation for the final fracture treatment.

For the second fracture stimulation, the Fruitland Coal formation was fracture stimulated on 08/13/93 with 60 - 70% quality foam, 125,000 lbs of 16/30 sand, 1,066,000 SCF of nitrogen, and 491 bbls of 30# gel.

The fracture treatments produced very limited results on the extremely tight Fruitland Coal Formation. In fact on 08/17/93, the subject well only tested/pitoted 500 MCFD following the fracture treatments. Currently, the well is shut-in due to low production from the openhole Fruitland Coal interval (3165' - 3379').

Taking into account the subject well's past history and current shut-in status, the well will obviously not be deemed commercial in the 31-6 Unit Participating Area. As a result, the economic evaluation and operating expenses were not prepared for this commerciality determination report.

MEP81-01

PARPI - WELLZONE PRODUCTION BROWSE
YEARLY TOTALS

Date: 8/08/94

User: #AM3

Wellzone F8A16 01 Yr: 1993 Mth: 01 Property: 650194 SAN JUAN 31-6 UNIT #
 Screen: 1 (1-Prod, 2-Inj, 3-Both) Well No: 000234
 Type: T (T-Total, D-Daily Avg) Field: BASIN
 Period: Y (M-Monthly, Y-Yearly, C-Cumm) Reserv: 20001 FRUITLAND COAL

ADJ	PRODUCED			DAYS		WELL	
FLG DATE	OIL (BBL)	GAS (MCF)	WATER (BBL)	PROD	OP	ST	CL TY
1993	0.00	3,372	5,347	196.00	252		
1994	0.00	391	600	1.00	1		

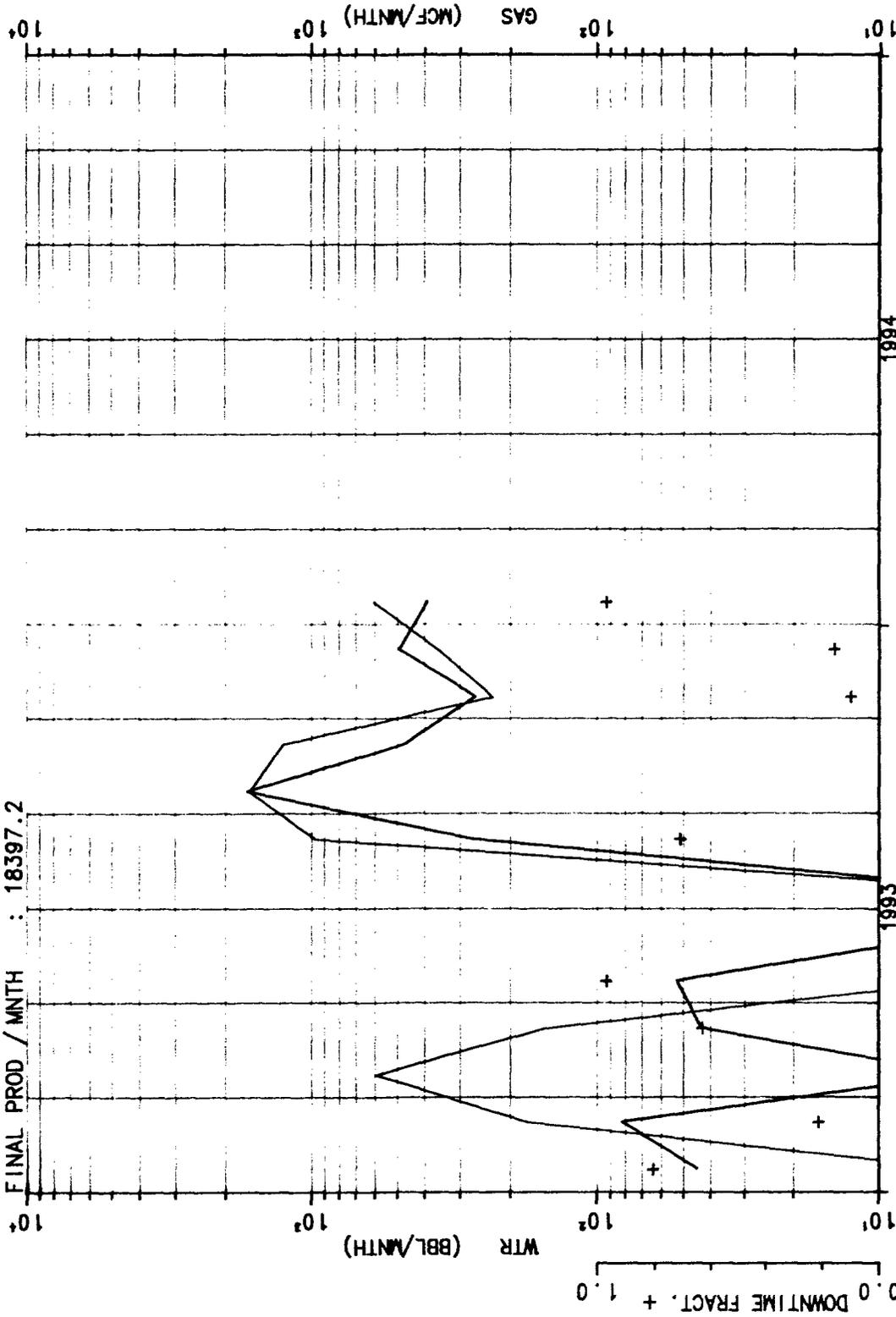
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PA1=ICE PA2=Exit PF1=Help PF3=End PF11=GRAPH
 Transfer-> PF7=Backward PF8=Forward PF10=GRAND MENU PF12=LOG GRAPH

1/93-1/94

INITIAL PROD / MNTH : 0.0
REMAINING LIFE : 1.08
CUM PRODUCTION : 5947.
FINAL PROD / MNTH : 18397.2

Current Cums
5947. BBL WTR
3763. MCF GAS



AVERAGE ONTIME = 0.654

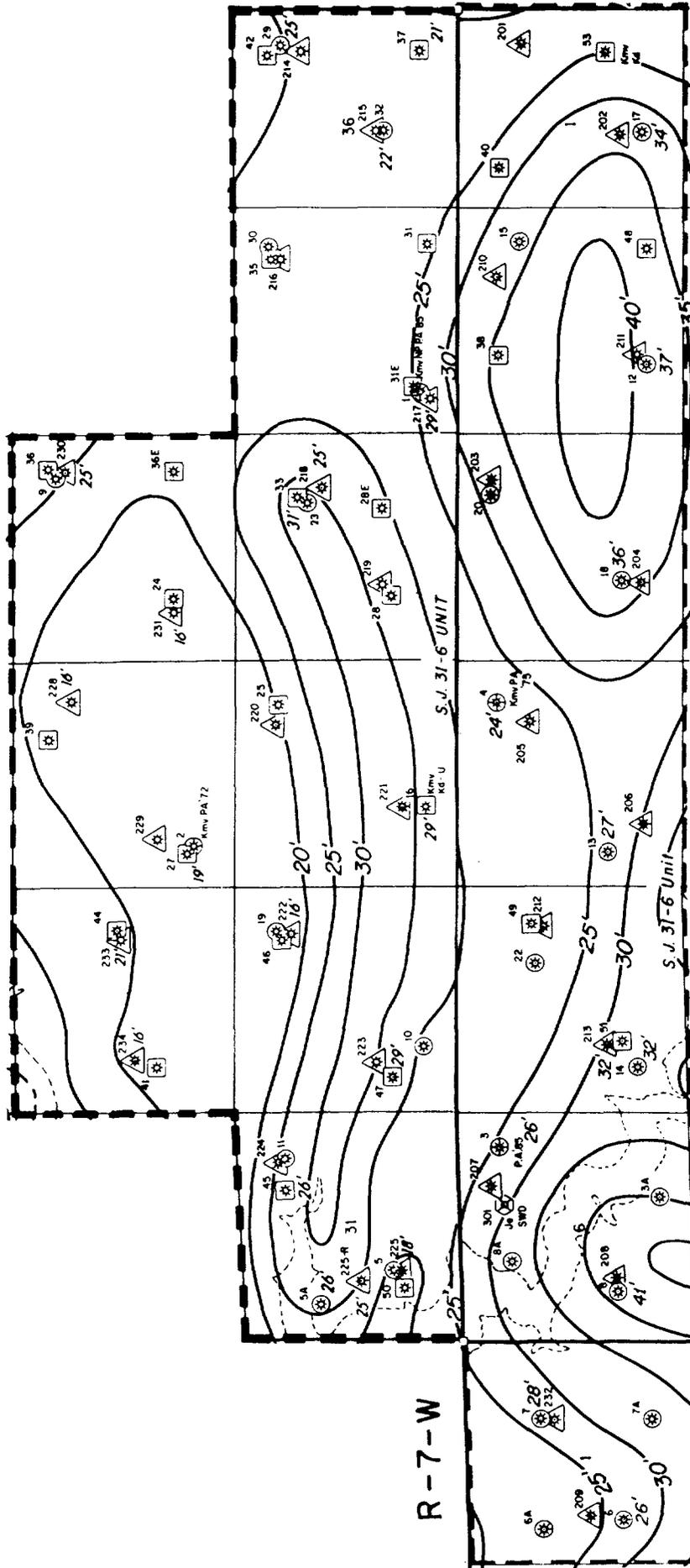
LEASE- 650194 : SAN JUAN 31-6 UNIT #234
RESVR- 001 : BASIN FRUITLAND COAL
WELL - 000234 PHS WELL PRODUCTION

F8A1601
ZONE-650194001000234 F8A1601
API-30039248850000

SWD AND GATHERING SYSTEM COST

The SWD facility and gathering system costs were allocated equally back to each well in the unit. The allocated costs were then charged against the well by including them in the operating cost in the fifteen year forecast.

R-6-W



PRODUCING INTERVAL

Km	FARMINGTON	K7m
KL	KURTLAND	K8
△	FRUITLAND	K7
*	PICTURED CLIFFS	K6
⊙	CHACRA	K5
⊙	LA VERTAMA	K4
⊙	BEBAVORDE	K3
⊙	GALLUP	K2
⊙	QANOTA	K1
⊙	ALL PRODUCTION BELOW METACALOUS	K0

⊙	ENTRADA
⊙	PARADO
⊙	BANNER CREEK
⊙	FARMVILLE

⊙	CLIFFHOUSE
⊙	MEHEE
⊙	POINT LOOKOUT

⊙	TOCITO
⊙	GRANDMORN



PHILLIPS PETROLEUM COMPANY
FARMINGTON AREA

S. J. 31-6 UNIT

Rio Arriba Co., N.M.

AGGREGATE NET COAL ISOLITH
OF THE FRUITLAND COAL

CL:5'

5-1-92

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #228
 Fruitland Coal
 E/2 Section 28-T31N-R6W
 Rio Arriba County, New Mexico

Date of First Delivery: _____ 11/13/92 _____

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	454,380		
Production Taxes & Royalty:	20.442175%	BLM	12.50
		Severance	3.750000
		School	4.000000
		Conservation	0.180000
		Ad Valorem	0.012175

Average Product Pricing

1994 1.46/ MCF

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MMCF)</u>	<u>* Operating Expenses (\$)</u>
1993 (8 mo)	19 (Actual)	13,592 (Actual)
1994	116	24,305
1995	121	24,305
1996	134	24,305
1997	103	24,305
1998	84	24,305
1999	70	24,305
2000	60	24,305
2001	53	24,305
2002	47	24,305
2003	42	24,305
2004	39	24,305
2005	35	24,305
2006	32	24,305
2007	29	24,305

* Operating Expenses were not escalated for inflation.

MEP81-01

PARPI - WELLZONE PRODUCTION BROWSE

Date: 8/04/94

YEARLY TOTALS

User: #AM3

Wellzone F8A64 01 Yr: 1992 Mth: 01 Property: 650240 SAN JUAN 31-6 UNIT #
 Screen: 1 (1-Prod, 2-Inj, 3-Both) Well No: 000228
 Type: T (T-Total, D-Daily Avg) Field: BASIN
 Period: Y (M-Monthly, Y-Yearly, C-Cumm) Reserv: 20001 FRUITLAND COAL

ADJ	PRODUCED			DAYS	WELL		
FLG DATE	OIL (BBL)	GAS (MCF)	WATER (BBL)	PROD	OP	ST	CL TY
1992	0.00	1	0	1.00	1		
1993	0.00	18,675	9,684	240.00	240		
1994	0.00	42,605	14,426	181.00	181		

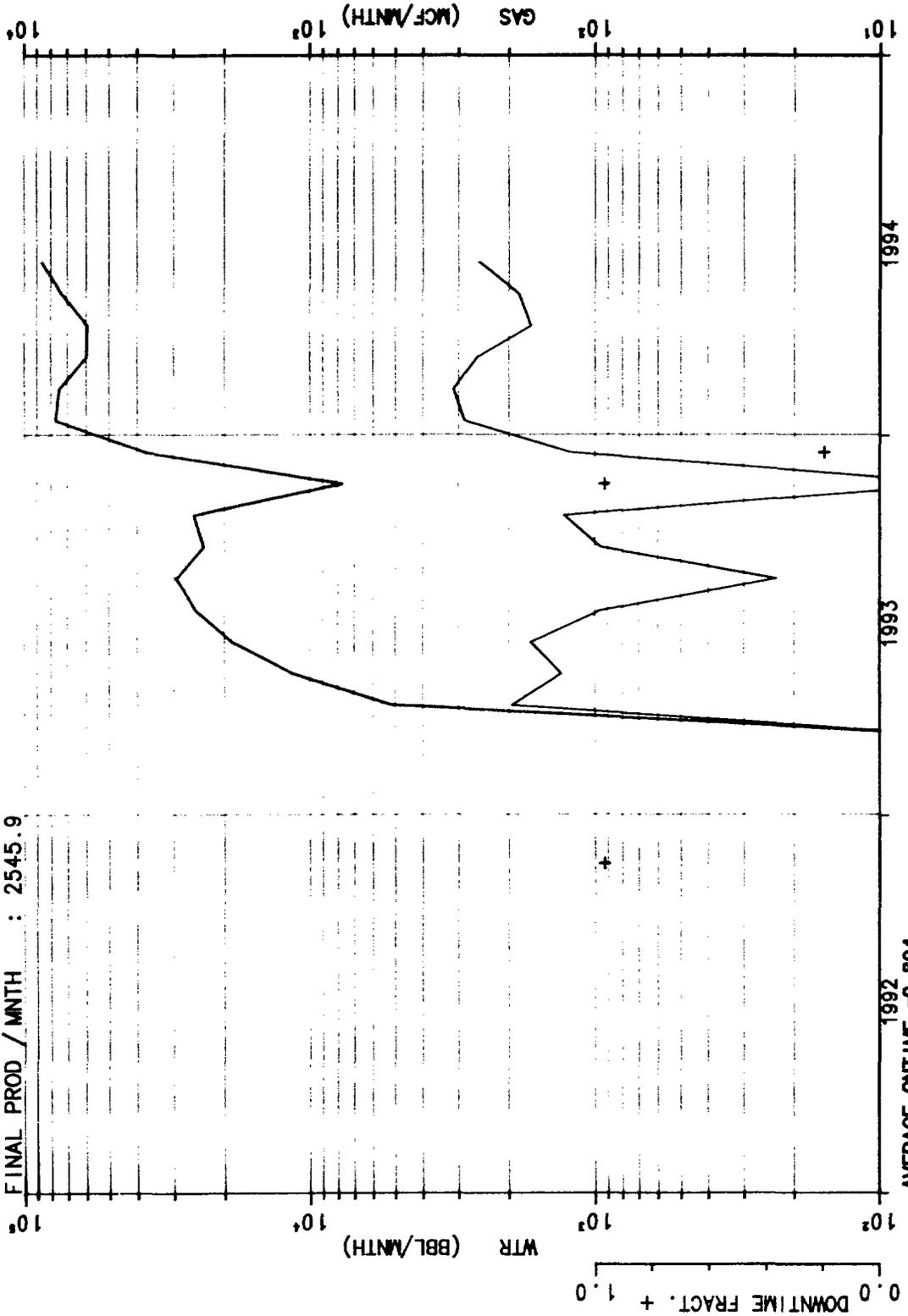
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 Transfer-> PF7=Backward PF8=Forward PF10=GRAND MENU PF12=LOG GRAPH

11/92-6/94

INITIAL PROD / MNTH : 0.0
REMAINING LIFE : 1.67
CUM PRODUCTION : 24110.
FINAL PROD / MNTH : 2545.9

Current Cums
24110. BBL WTR
61281. MCF GAS



AVERAGE ON TIME = 0.894

LEASE- 650395 : SAN JUAN 31-6 UNIT #228
RESVR- 001 : BASIN
WELL - 000228 PHS WELL PRODUCTION

F8A6401
ZONE-650395001000228 F8A6401
API-30039249860000

CASE : CD 31-6 #228 ** ECONOMICS CASE SUMMARY **
 DESCRIPTION: COMMERCIALITY DETERMINATIONS WORKING INT : 100.000%
 CASE REVENUE INT : 79.558% OIL REV INT : 79.558% GAS REV INT : 79.558%
 CASE LIFE -FIRST MO-YR : 11-1990 PROD MO-YR : 11-1992 LAST YEAR : 2007

MEASURES OF MERIT		NET CASH FLOW SUMMARY (M\$)		
AARR (%)	: 10.0	CAPITAL OUTLAY	:	454.4
BREAKEVEN POINT (YRS.)	: 7.1	TOTAL REVENUE	:	1143.0
PAYOUT (YRS.)	: 5.1	TOTAL EXPENSES	:	353.9
NTER	: 1.7	IBRT	:	789.1
ECONOMIC LIFE (YRS.)	: 15.2	CURRENT INCOME TAX	:	
RESERVES SUMMARY		SALVAGE	:	
OIL-GROSS MBBLS	:	CASH RETURNED	:	789.1
NET MBBLS	:	CASH FLOW	:	334.7
NET REVENUE (M\$)	:	NET PRESENT VALUE (M\$)	:	P. I.
BBL/DAY TO PAYOUT:		@ 13.0 %:	-52.8	.87
GAS_GROSS MMCF	: 984.0	@ 10.0 %:	.8	1.00
NET MMCF	: 782.8	@ 8.0 %:	45.1	1.11
NET REVENUE (M\$)	: 1143.0	@ 6.0 %:	98.2	1.23
MCF/DAY TO PAYOUT:	261.1			
PRESS "ENTER" TO CONTINUE...				GOWEE_CASE_SUM

PESSIMISTIC CASE

- CAPITAL INVESTMENT @ SPUD DATE (11/90)

CASE : CD 31-6 #228 ** ECONOMICS CASE SUMMARY **

DESCRIPTION: COMMERCIALITY DETERMINATIONS

WORKING INT : 100.000%

CASE REVENUE INT : 79.558% OIL REV INT : 79.558%

GAS REV INT : 79.558%

CASE LIFE -FIRST MO-YR : 11-1992

PROD MO-YR : 11-1992

LAST YEAR : 2007

MEASURES OF MERIT

AARR (%) : 13.1
BREAKEVEN POINT (YRS.) : 5.1
PAYOUT (YRS.) : 5.1
NTER : 1.7
ECONOMIC LIFE (YRS.) : 15.2

RESERVES SUMMARY

OIL-GROSS MBBLS :
NET MBBLS :
NET REVENUE (M\$) :
BBL/DAY TO PAYOUT:
GAS_GROSS MMCF : 984.0
NET MMCF : 782.8
NET REVENUE (M\$) : 1143.0
MCF/DAY TO PAYOUT: 261.1

NET CASH FLOW SUMMARY (M\$)

CAPITAL OUTLAY : 454.4
TOTAL REVENUE : 1143.0
TOTAL EXPENSES : 353.9
IBRT : 789.1
CURRENT INCOME TAX :
SALVAGE :
CASH RETURNED : 789.1
CASH FLOW : 334.7
NET PRESENT VALUE (M\$) P.I.
@ 13.0 %: 2.2 1.00
@ 10.0 %: 53.7 1.12
@ 8.0 %: 94.5 1.21
@ 6.0 %: 141.4 1.32

PRESS "ENTER" TO CONTINUE...

GOWEE_CASE_SUM

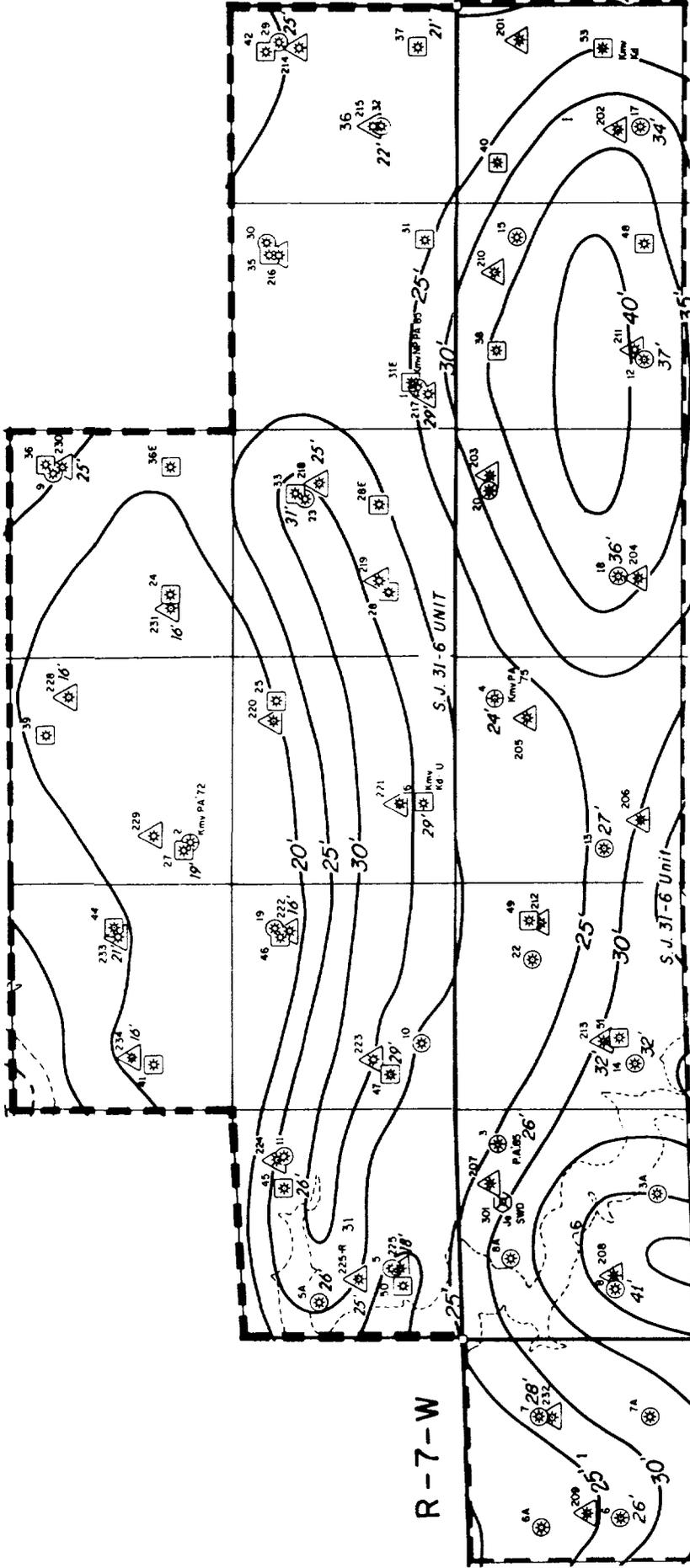
Optimistic Case

- CAPITAL INVESTMENT @ 1st DELIVERY (11/92)

SWD AND GATHERING SYSTEM COST

The SWD facility and gathering system costs were allocated equally back to each well in the unit. The allocated costs were then charged against the well by including them in the operating cost in the fifteen year forecast.

R-6-W



PRODUCING INTERVAL

* K ^m	FARMINGTON	K ^m
* K ^l	KIRTLAND	K ^l
* K ^r	FRUITLAND	K ^r
* K ^{pc}	PICTURED CLIFFS	K ^{pc}
* K ^c	CHACRA	K ^c
* K ^v	LA VENTANA	K ^v
* K ^{mv}	MESAVERDE	K ^{mv}
* K ^g	GALLUP	K ^g
* K ^d	DOROTA	K ^d
* K ^{en}	ENTRADA	K ^{en}
* K ^{pa}	PARADOX	K ^{pa}
* K ^{bc}	BANGER CREEK	K ^{bc}
* K st	STANHOPE	K st

* K ^{gh}	CLIFFHOUSE
* K ^{mf}	MENEFE
* K ^{pl}	POINT LOOKOUT
* K ^{to}	TOCITO
* K ^{gh}	GREENHORN



PHILLIPS PETROLEUM COMPANY
FARMINGTON AREA

S.J. 31-6 UNIT
Rio Arriba Co., N.M.
AGGREGATE NET COAL ISOLITH
OF THE FRUITLAND COAL

C 1 : 5'

5-1-92

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #214
 Fruitland Coal
 E/2 Section 36-T31N-R6W
 Rio Arriba County, New Mexico

Date of First Delivery: 01/22/91

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	<u>243,495</u>		
<u>Production Taxes & Royalty:</u>	<u>20.442175%</u>	BLM	12.50
		Severance	3.750000
		School	4.000000
		Conservation	0.180000
		Ad Valorem	0.012175

Average Product Pricing

1994 1.46/ MCF

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MMCF)</u>	<u>* Operating Expenses (\$)</u>
1991	77 (Actual)	67,074 (Actual)
1992 (10.4 mo)	32 (Actual)	65,665 (Actual)
1993	70 (Actual)	40,149 (Actual)
1994	161	52,663
1995	180	52,663
1996	211	52,663
1997	171	52,663
1998	145	52,663
1999	125	52,663
2000	110	52,663
2001	98	52,663
2002	87	52,663
2003	79	52,663
2004	73	52,663
2005	67	52,663

* Operating Expenses were not escalated for inflation.

MEP81-01

PARPI - WELLZONE PRODUCTION BROWSE

Date: 8/02/94

YEARLY TOTALS

User: #AM3

Wellzone F8A97 01 Yr: 1991 Mth: Property: 650301 SAN JUAN 31-6 UNIT #
 Screen: 1 (1-Prod, 2-Inj, 3-Both) Well No: 000214
 Type: T (T-Total, D-Daily Avg) Field: BASIN
 Period: Y (M-Monthly, Y-Yearly, C-Cumm) Reserv: 20001 FRUITLAND COAL

ADJ	PRODUCED			DAYS		WELL	
FLG DATE	OIL (BBL)	GAS (MCF)	WATER (BBL)	PROD	OP	ST	CL TY
1991	0.00	76,764	25,460	356.00	356		
1992	0.00	32,370	20,043	315.00	338		
1993	0.00	70,387	17,282	362.00	362		
1994	0.00	70,963	7,990	181.00	181		

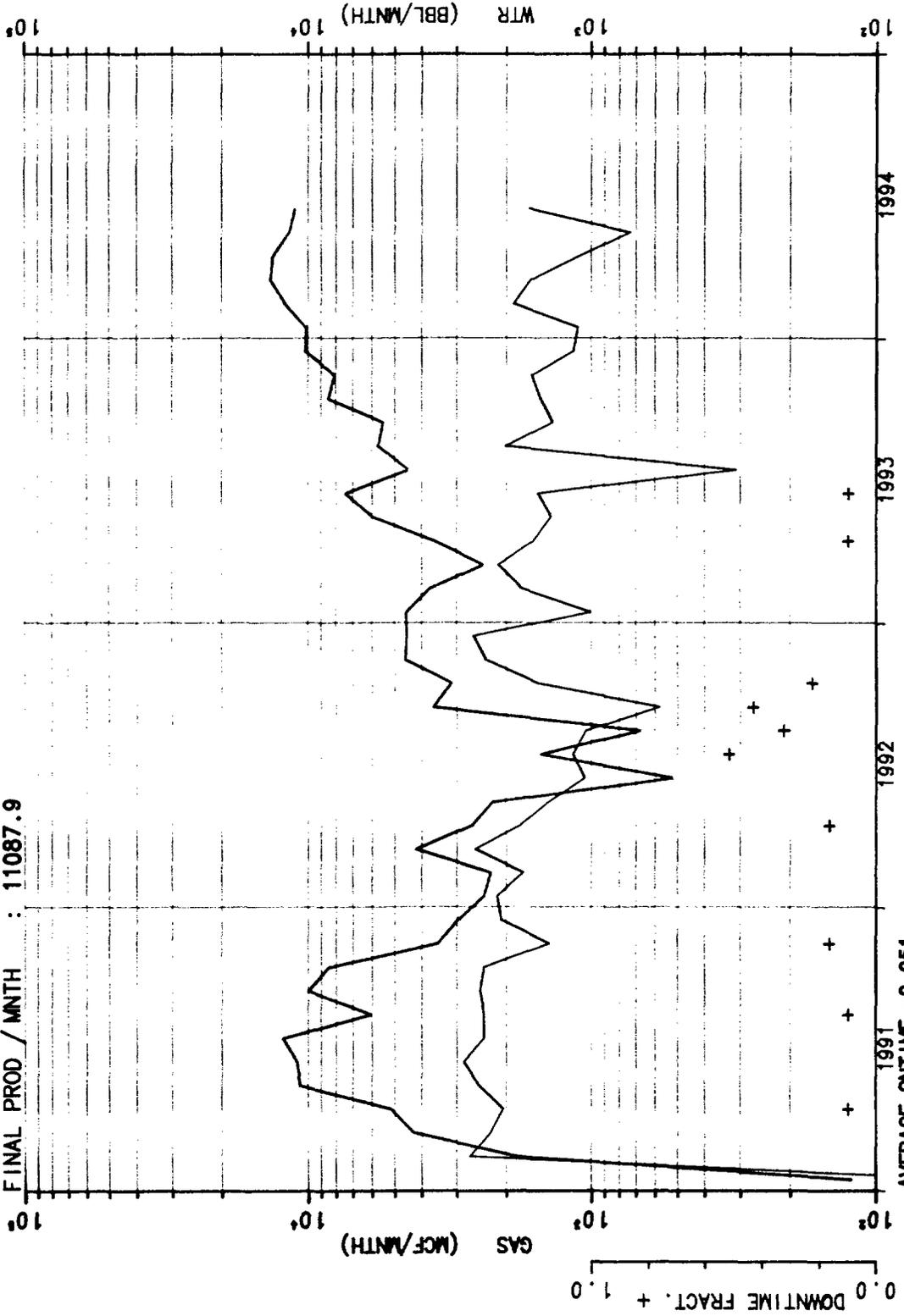
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1/91-6/94

INITIAL PROD / MNTH : 120.7
REMAINING LIFE : 3.50
CUM PRODUCTION : 250482.
FINAL PROD / MNTH : 11087.9

Current Cums
250482. MCF GAS
70775. BBL WTR



AVERAGE ONTIME = 0.951

LEASE- 650301 : SAN JUAN 31-6 UNIT #214
RESVR- 001 : BASIN FRUITLAND COAL
WELL - 000214 PHS WELL PRODUCTION

F8A9701
ZONE-650301001000214 F8A9701
API-30039249370000

CASE : CD 31-6 #214 ** ECONOMICS CASE SUMMARY **
 DESCRIPTION: COMMERCIALITY DETERMINATIONS WORKING INT : 100.000%
 CASE REVENUE INT : 79.558% OIL REV INT : 79.558% GAS REV INT : 79.558%
 CASE LIFE -FIRST MO-YR : 11-1990 PROD MO-YR : 1-1991 LAST YEAR : 2005

MEASURES OF MERIT		NET CASH FLOW SUMMARY (M\$)			
AARR (%)	: 28.1	CAPITAL OUTLAY	:	243.5	
BREAKEVEN POINT (YRS.)	: 4.6	TOTAL REVENUE	:	1958.4	
PAYOUT (YRS.)	: 4.5	TOTAL EXPENSES	:	804.8	
NTER	: 4.7	IBRT	:	1153.5	
ECONOMIC LIFE (YRS.)	: 15.0	CURRENT INCOME TAX	:		
RESERVES SUMMARY		SALVAGE	:		
OIL-GROSS MBBLS	:	CASH RETURNED	:	1153.5	
NET MBBLS	:	CASH FLOW	:	910.0	
NET REVENUE (M\$)	:	NET PRESENT VALUE (M\$)	:		P.I.
BBL/DAY TO PAYOUT:		@ 13.0 %:	266.0		2.09
GAS_GROSS MMCF	: 1686.0	@ 10.0 %:	360.4		2.48
NET MMCF	: 1341.3	@ 8.0 %:	436.6		2.79
NET REVENUE (M\$)	: 1958.4	@ 6.0 %:	526.3		3.16
MCF/DAY TO PAYOUT:	260.4				
PRESS "ENTER" TO CONTINUE...		GOWEE_CASE_SUM			

↓
 PESSIMISTIC CASE

- CAPITAL INVESTMENT @ Spud DATE (11/90)

CASE : CD 31-6 #214 ** ECONOMICS CASE SUMMARY **
 DESCRIPTION: COMMERCIALITY DETERMINATIONS WORKING INT : 100.000%
 CASE REVENUE INT : 79.558% OIL REV INT : 79.558% GAS REV INT : 79.558%
 CASE LIFE -FIRST MO-YR : 1-1991 PROD MO-YR : 1-1991 LAST YEAR : 2005

MEASURES OF MERIT

AARR (%) : 29.1
 BREAKEVEN POINT (YRS.) : 4.5
 PAYOUT (YRS.) : 4.5
 NTER : 4.7
 ECONOMIC LIFE (YRS.) : 15.0

RESERVES SUMMARY

OIL-GROSS MBBLS :
 NET MBBLS :
 NET REVENUE (M\$) :
 BBL/DAY TO PAYOUT:
 GAS_GROSS MCF : 1686.0
 NET MCF : 1341.3
 NET REVENUE (M\$) : 1958.4
 MCF/DAY TO PAYOUT: 260.4

NET CASH FLOW SUMMARY (M\$)

CAPITAL OUTLAY : 243.5
 TOTAL REVENUE : 1958.4
 TOTAL EXPENSES : 804.8
 IBRT : 1153.5
 CURRENT INCOME TAX :
 SALVAGE :
 CASH RETURNED : 1153.5
 CASH FLOW : 910.0
 NET PRESENT VALUE (M\$) P.I.
 @ 13.0 %: 276.5 2.14
 @ 10.0 %: 370.0 2.52
 @ 8.0 %: 445.4 2.83
 @ 6.0 %: 533.8 3.19

PRESS "ENTER" TO CONTINUE...

GOWEE_CASE_SUM

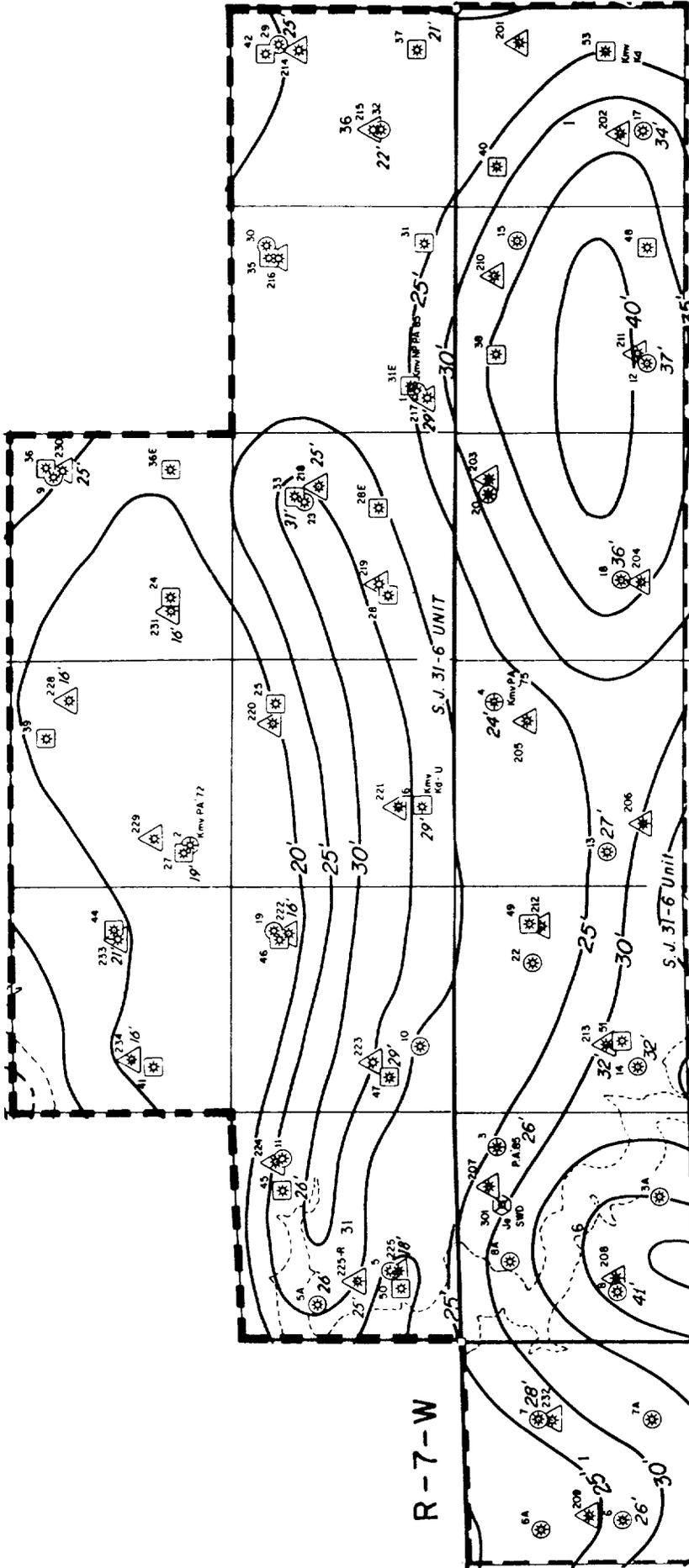
Optimistic Case

- CAPITAL INVESTMENT @ 1st DELIVERY (1/91)

SWD AND GATHERING SYSTEM COST

The SWD facility and gathering system costs were allocated equally back to each well in the unit. The allocated costs were then charged against the well by including them in the operating cost in the fifteen year forecast.

R-6-W



PRODUCING INTERVAL

K _{FM} *	FARMINGTON	K _{FM}
K _L *	KIRTLAND	K _L
△ *	FRUITLAND	K _F
* *	PICTURED CLIFFS	K _{PC}
⊙ *	CHACNA	K _C
⊙ *	LA VERTEJAMA	K _L
⊙ *	MERAVENDE	K _M
⊙ *	GALLUP	K _G
⊙ *	DAROTA	K _D
⊙ *	ALL PRODUCTION BELOW ONTARIO	K _{ON}

⊙ *	CLIFFHOUSE	K _{CH}
⊙ *	MENEFE	K _M
⊙ *	POINT LOOKOUT	K _{PL}
⊙ *	TOCITO	K _T
⊙ *	GREENHORN	K _G
⊙ *	ENTRADA	K _E
⊙ *	PARADISE	K _P
⊙ *	BARKER CREEK	K _{BC}
⊙ *	ESPERANZA	K _{ES}



PHILLIPS PETROLEUM COMPANY
FARMINGTON AREA

S. J. 31-6 UNIT
Rio Arriba Co., N.M.
AGGREGATE NET COAL ISOLITH
OF THE FRUITLAND COAL
C 1 : 5' 5-1-92

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #233
 Fruitland Coal
 E/2 Section 29-T31N-R6W
 Rio Arriba County, New Mexico

Date of First Delivery: _____ 07/10/91 _____

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	263,153		
Production Taxes & Royalty:	20.442175%	BLM	12.50
		Severance	3.750000
		School	4.000000
		Conservation	0.180000
		Ad Valorem	0.012175

Average Product Pricing

1994 1.46/ MCF

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MMCF)</u>	<u>* Operating Expenses (\$)</u>
1991 (4.3 mo)	2 (Actual)	18,161 (Actual)
1992 (6.25 mo)	9 (Actual)	18,891 (Actual)
1993 (10 mo)	35 (Actual)	22,189 (Actual)
1994	116	27,077
1995	121	27,077
1996	134	27,077
1997	103	27,077
1998	84	27,077
1999	70	27,077
2000	60	27,077
2001	53	27,077
2002	47	27,077
2003	42	27,077
2004	39	27,077
2005	35	27,077

* Operating Expenses were not escalated for inflation.

MEP81-01

PARPI - WELLZONE PRODUCTION BROWSE

Date: 7/29/94

YEARLY TOTALS

User: #AM3

Wellzone F8A15 01 Yr: 1991 Mth: 01 Property: 650193 SAN JUAN 31-6 UNIT #
 Screen: 1 (1-PROD, 2-Inj, 3-Both) Well No: 000233
 Type: T (T-Total, D-Daily Avg) Field: BASIN
 Period: Y (M-Monthly, Y-Yearly, C-Cumm) Reserv: 20001 FRUITLAND COAL

ADJ	PRODUCED			DAYS		WELL	
FLG DATE	OIL (BBL)	GAS (MCF)	WATER (BBL)	PROD	OP	ST	CL TY
1991	0.00	2,237	4,640	131.00	150		
1992	0.00	9,302	9,600	190.00	244		
1993	0.00	34,830	9,401	307.00	365		
1994	0.00	47,694	6,081	166.00	166		

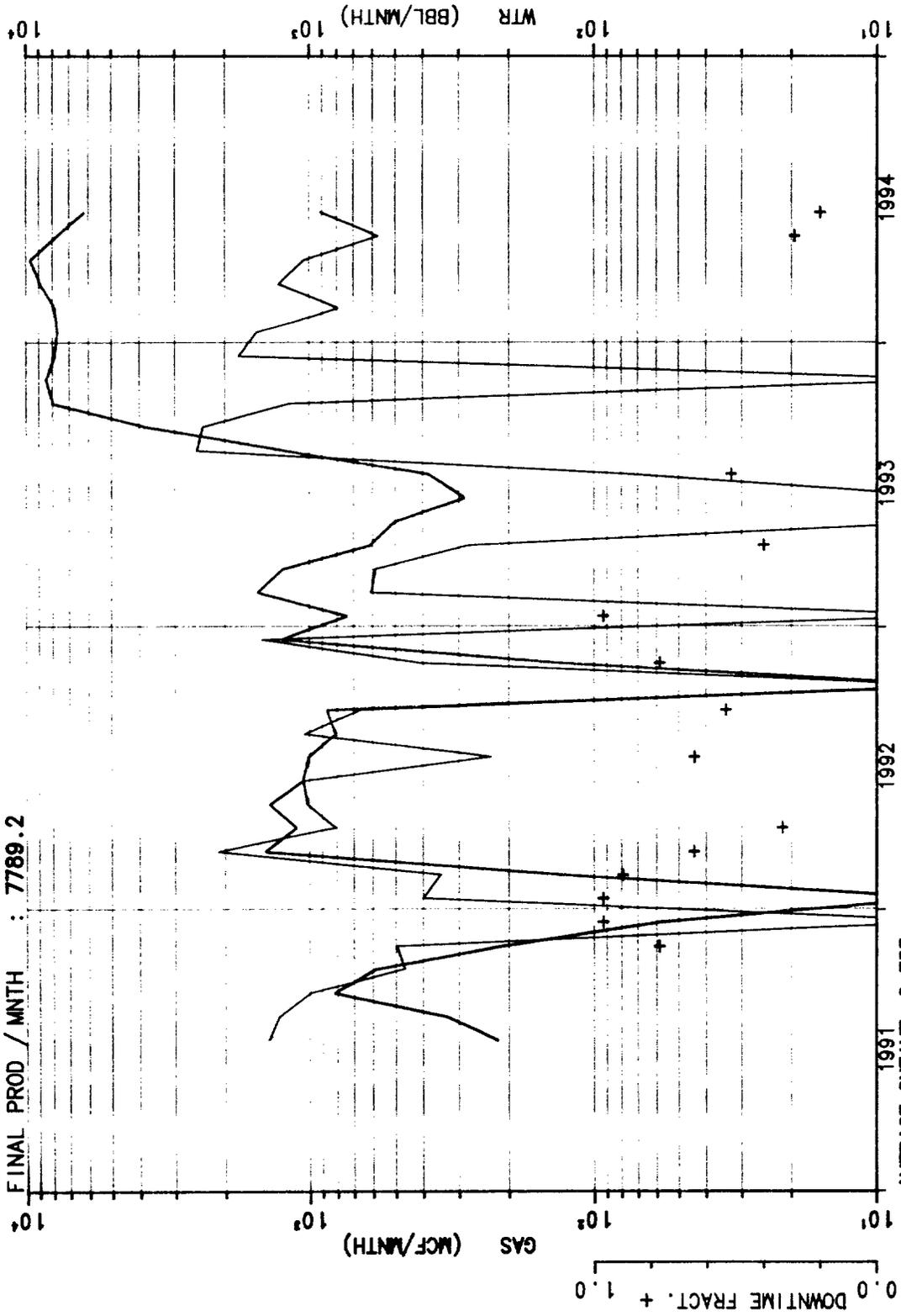
NO MORE DATA AVAILABLE

PA1=ICE PA2=Exit PF1=Help PF3=End PF11=GRAPH
 Transfer-> PF7=Backward PF8=Forward PF10=GRAND MENU PF12=LOG GRAPH

7/91-6/94

INITIAL PROD / MNTH : 223.7
REMAINING LIFE : 3.00
CUM PRODUCTION : 94063.
FINAL PROD / MNTH : 7789.2

Current Cums
94063. MCF GAS
29722. BBL WTR



AVERAGE ONTIME = 0.753

LEASE- 650193 : SAN JUAN 31-6 UNIT #233
RESVR- 001 : BASIN FRUITLAND COAL
WELL - 000233 PHS WELL PRODUCTION

F8A1501
ZONE-650193001000233 F8A1501
API-30039248840000

CASE : CD 31-6 #233 ** ECONOMICS CASE SUMMARY **
 DESCRIPTION: COMMERCIALITY DETERMINATIONS WORKING INT : 100.000%
 CASE REVENUE INT : 79.558% OIL REV INT : 79.558% GAS REV INT : 79.558%
 CASE LIFE -FIRST MO-YR : 10-1990 PROD MO-YR : 7-1991 LAST YEAR : 2005

MEASURES OF MERIT		NET CASH FLOW SUMMARY (M\$)	
AARR (%)	: 16.1	CAPITAL OUTLAY	: 263.1
BREAKEVEN POINT (YRS.)	: 5.6	TOTAL REVENUE	: 1103.5
PAYOUT (YRS.)	: 4.9	TOTAL EXPENSES	: 384.2
NTER	: 2.7	IBRT	: 719.3
ECONOMIC LIFE (YRS.)	: 14.5	CURRENT INCOME TAX	:
RESERVES SUMMARY		SALVAGE	:
OIL-GROSS MBBLS	:	CASH RETURNED	: 719.3
NET MBBLS	:	CASH FLOW	: 456.2
NET REVENUE (M\$)	:	NET PRESENT VALUE (M\$)	P.I.
BBL/DAY TO PAYOUT:		@ 13.0 %:	49.5 1.19
GAS_GROSS MMCF	: 950.0	@ 10.0 %:	109.7 1.42
NET MMCF	: 755.8	@ 8.0 %:	158.2 1.60
NET REVENUE (M\$)	: 1103.5	@ 6.0 %:	214.9 1.82
MCF/DAY TO PAYOUT:	187.2		
PRESS "ENTER" TO CONTINUE...			GOWEE_CASE_SUM

↓
 PESSIMISTIC CASE
 - CAPITAL INVESTMENT @ SPUD DATE (10/90)

CASE : CD 31-6 #233 ** ECONOMICS CASE SUMMARY **
 DESCRIPTION: COMMERCIALITY DETERMINATIONS WORKING INT : 100.000%
 CASE REVENUE INT : 79.558% OIL REV INT : 79.558% GAS REV INT : 79.558%
 CASE LIFE -FIRST MO-YR : 7-1991 PROD MO-YR : 7-1991 LAST YEAR : 2005

MEASURES OF MERIT

AARR (%) : 18.5
 BREAKEVEN POINT (YRS.) : 4.9
 PAYOUT (YRS.) : 4.9
 NTER : 2.7
 ECONOMIC LIFE (YRS.) : 14.5

RESERVES SUMMARY

OIL-GROSS MBBLs :
 NET MBBLs :
 NET REVENUE (M\$) :
 BBL/DAY TO PAYOUT:
 GAS_GROSS MMCF : 950.0
 NET MMCF : 755.8
 NET REVENUE (M\$) : 1103.5
 MCF/DAY TO PAYOUT: 187.2
 PRESS "ENTER" TO CONTINUE...

NET CASH FLOW SUMMARY (M\$)

CAPITAL OUTLAY : 263.1
 TOTAL REVENUE : 1103.5
 TOTAL EXPENSES : 384.2
 IBRT : 719.3
 CURRENT INCOME TAX :
 SALVAGE :
 CASH RETURNED : 719.3
 CASH FLOW : 456.2
 NET PRESENT VALUE (M\$) P.I.
 @ 13.0 %: 80.0 1.30
 @ 10.0 %: 137.7 1.52
 @ 8.0 %: 183.5 1.70
 @ 6.0 %: 236.5 1.90

GOWEE_CASE_SUM

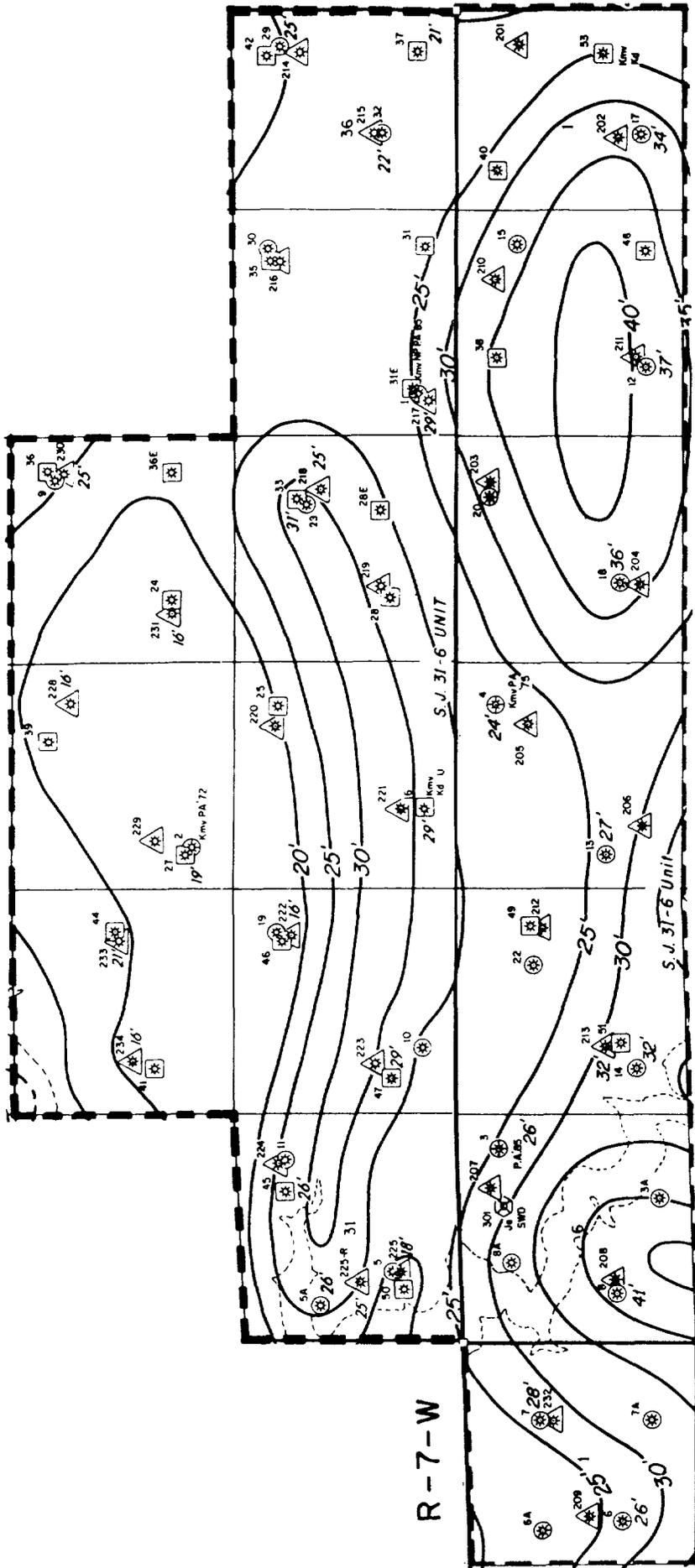
Optimistic Case

- CAPITAL INVESTMENT @ 1st DELIVERY (7/91)

SWD AND GATHERING SYSTEM COST

The SWD facility and gathering system costs were allocated equally back to each well in the unit. The allocated costs were then charged against the well by including them in the operating cost in the fifteen year forecast.

R-6-W



R-7-W

T 31 N

T 30 N

PRODUCING INTERVAL

- 67m * FARMINGTON
- 68m * KIRTLAND
- 69m * FRUITLAND
- 70m * PICTURED CLIFFS
- 71m * CHACRA
- 72m * LA VENTANA
- 73m * MESAVERDE
- 74m * GALLUP
- 75m * DAKOTA
- 76m * ENTRADA
- 77m * MANAGER
- 78m * PARKER CREEK
- 79m * PALMVIEW



PHILLIPS PETROLEUM COMPANY
FARMINGTON AREA

S. J. 31-6 UNIT
Rio Arriba Co., N.M.

AGGREGATE NET COAL ISOLITH
OF THE FRUITLAND COAL

C 1 : 5'

5-1-92



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

LAND DIVISION

MAR 21 1994

March 21, 1994

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401
(3 copies)

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
(2 copies)

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503
(2 copies)

Re: San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
1994 Plan of Development
GF-5469

Gentlemen:

By letter dated March 8, 1993 Phillips Petroleum Company as Unit Operator, filed the 1993 Plan of Development (POD) for the San Juan 31-6 Unit. By letters dated June 18, July 21 and July 27, 1993 the First Supplemental, Second Supplemental and REVISED Second Supplemental 1993 Plans of Development were filed. No wells were included in the Initial POD. Six Dakota infill wells were proposed in the First Supplemental POD and one additional Dakota infill well was proposed in the Second Supplemental POD. The REVISED Second Supplemental POD corrected the location of the San Juan 31-6 #39E well.

The results of the proposed Dakota infill wells follows:

Well Number	Plan of Development	Disposition
San Juan 31-6 #24E	First Supplemental	Drilled
San Juan 31-6 #25E	First Supplemental	Drilled
San Juan 31-6 #27E	First Supplemental	Drilled
San Juan 31-6 #33E	First Supplemental	Drilled
San Juan 31-6 #35E	First Supplemental	Drilled
San Juan 31-6 #38E	First Supplemental	Drilled
San Juan 31-6 #39E	Second Supplemental (REVISED)	Drilled

As part of 1993 operations Phillips initiated closure of earthen pits serving all Unit owned production equipment, replacing with double bottom steel tanks with leak detection. This work will continue in 1994. Phillips also initiated and completed its plans to equip certain wells with telemetry equipment for remote readings and/or well control. Additional wells will be considered for such equipment in 1994.

As of this date, the total number of wells drilled and operated by Phillips Petroleum Company on acreage committed to the San Juan 31-6 Unit are as follows:

Fruitland Coal, commercial	18
Fruitland Coal, commercial pending PA	6
Fruitland Coal, undetermined	8
Fruitland Coal, pressure observation well	1
Entrada, Water Disposal Facility	1
Mesaverde, temporarily abandoned	1
Mesaverde, commercial	25
Mesaverde, plugged and abandoned	3
Mesaverde/Dakota (Mesaverde commercial, Dakota non-commercial)	1
Mesaverde/Dakota (Mesaverde commercial, Dakota temporarily abandoned)	1
Dakota, commercial	31
Dakota, non-commercial	<u>1</u>
TOTAL	96

The Participating Areas which have been established in the San Juan 31-6 Unit are as follows:

FORMATION	REVISION	EFFECTIVE
Fruitland (Coal)	Eighth	August 1, 1990
Mesaverde	Sixteenth	January 1, 1986
Dakota	Eleventh	November 1, 1984

Pursuant to Section 10 of the San Juan 31-6 Unit Agreement, Phillips Petroleum Company, as Unit Operator, has solicited and received majority approval from the San Juan 31-6 Unit Working Interest Owners to include the following wells in the 1994 Plan of Development:

Well Number	Formation	Drilling Block
San Juan 31-6 #213R	Fruitland Coal	W/2 Section 5-31N-6W
San Juan 31-6 #234R	Fruitland Coal	W/2 Section 29-31N-6W
San Juan 31-6 #16E	Dakota	W/2 Section 33-31N-6W
San Juan 31-6 #37E	Dakota	S/2 Section 36-31N-6W
San Juan 31-6 #44E	Dakota	E/2 Section 29-31N-6W

San Juan 31-6 Unit
#14-08-001-464
1994 Plan of Development
March 21, 1994
Page 3

Phillips Petroleum Company, as Unit Operator, will drill any wells that may be required to prevent drainage and any other wells deemed necessary or requested by the Unit Working Interest Owners under the terms and provisions of the Unit Operating Agreement.

Please signify your approval as required under Section 10 of the Unit Agreement by signing in the space provided for on the attached sheet and returning an approved copy to the undersigned.

Copies of this 1994 Plan of Development are being sent to the Working Interest Owners as shown on the attached sheet.

Very truly yours,

PHILLIPS PETROLEUM COMPANY


W. Frank Hulse, III
Land Specialist, CPL
San Juan Basin
(505) 599-3458

cc: SJ 31-6 Unit WIO's
R. G. Flesher (r) Supervisors, Unit File
L. E. Hasely
D. B. Evans (r) J. L. Mathis (r) GF-5469

San Juan 31-6 Unit
#14-08-001-464
1994 Plan of Development
March 21, 1994
Page 4

APPROVED _____ DATE _____
Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Division

APPROVED _____ DATE _____
Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor and the
Oil Conservation Division

APPROVED  _____ DATE 3/24/94
Oil Conservation Division
Subject to like approval by the
Area Oil and Gas Supervisor and the
Commissioner of Public Land

The foregoing approvals are for the 1994 Plan of Development for the San Juan 31-6 Unit #14-08-001-464.

**SAN JUAN 31-6 UNIT
WORKING INTEREST OWNERS**

Amoco Production Company

Cinco General Partnership

Conoco Inc.

Global Natural Resources of Nevada

Meridian Oil Production Inc.

P&P Producing, Inc.

Texaco Exploration & Production Inc.

William G. Webb and Jane Webb

Williams Production Company

The Wiser Oil Company



State of New Mexico
Commissioner of Public Lands

RAY POWELL, M.S., D.V.M.
COMMISSIONER

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760
FAX (505) 827-5766

January 13, 1994

Phillips Petroleum Company
5525 Highway 64 NBU 3004
Farmington, New Mexico 87401

Attention: Mr. A. J. Kieke, CPL

Re: San Juan 31-6 Unit
Rio Arriba County, New Mexico
Application for Approval of 6th thru 8th Expanded
Participating Area
Fruitland Formation

Dear Mr. Kieke:

The Bureau of Land Management by their letter of December 16, 1993, has notified this office that the 6th thru 8th revisions to the Fruitland Participating Area for the San Juan 31-6 Unit, Rio Arriba County, New Mexico, have been approved. Please be advised that the Commissioner of Public Lands concurs with the Bureau of Land Management and has this date also approved your application for the above-mentioned Participating Areas.

The 6th revision adds 640 acres to the Fruitland Participating Area effective 03-01-90 and is described as:

E½ of Section 27-31N-06W, 320.00 acres, Well #230
E½ of Section 34-31N-06W, 320.00 acres, Well #218

The 7th revision adds 320 acres to the Fruitland Participating Area effective 07-01-90 and is described as:

W½ of Section 35-31N-06W, 320.00 acres, Well #217

The 8th revision adds 320.00 acres to the Fruitland Participating Area effective 08-01-90 and is described as:

W½ of Section 32-31N-06W, 320.00 acres, Well #223

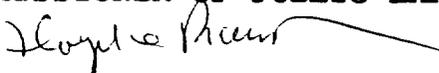
Phillips Petroleum Company
Page 2
January 13, 1994

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

Very truly yours,

RAY B. POWELL, M.S., D.V.M
COMMISSIONER OF PUBLIC LANDS

BY:


FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744

RBP/FOP/pm

cc: Reader File

OCD

TRD

BLM

San Juan 31-6 Unit (FRPA)
3180 (07327)

DEC. 18 1983

CERTIFIED MAIL-RETURN RECEIPT REQUESTED
P 863 187 627

Mr. A. J. Kieke, CPL
Phillips Petroleum Company
5525 Hwy 64 NEBU 3004
Farmington, NM 87401

Dear Mr. Kieke:

Your application for the 6th, 7th, and 8th Revisions to the Fruitland Participating Area in the San Juan 31-6 Unit is hereby approved. The wells involved and effective dates are as follows.

Revision	Well	Acreage	Effective Date
6th	230	E $\frac{1}{2}$ 27-31N-6W	03/01/90
	218	E $\frac{1}{2}$ 34-31N-6W	
7th	217	W $\frac{1}{2}$ 35-31N-6W	07/01/90
8th	223	W $\frac{1}{2}$ 32-31N-6W	08/01/90

Please notify all affected parties of this approval.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the order unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions concerning this approval, please call Janice Easley at (505) 599-6355.

Sincerely,

/s/ Duane Spencer

Duane W. Spencer
Chief, Branch of Reservoir Mangement

Enclosures

- 1 - Exhibit A, 6th, 7th, and 8th Rev.
- 1 - Exhibit B, 6th, 7th, and 8th Rev.

bcc:
see attached

Minerals Management Service
Royalty Management Program
Reference Data Branch
P.O. Box 5760-(MS3240)
Denver, CO 80217 w/enclosure

New Mexico Oil Conservation Division
310 Old Santa Fe Trail, Room 206
Santa Fe, NM w/o enclosure

Commissioner of Public Lands
State of New Mexico
P.O. Box 1148
Santa Fe, NM 87504 w/o enclosure



RAY B. POWELL
COMMISSIONER

State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

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

December 8, 1993

Phillips Petroleum Company
5525 Highway 64, NBU 3004
Farmington, New Mexico 87401

Attention: Mr. A. J. Kieke

Re: Commercial Well Determinations
San Juan 31-6 Unit
Fruitland Formation
Rio Arriba County, New Mexico

Dear Mr. Kieke:

This office is in receipt of your letter of August 23, 1993, together with data that supports your commercial determinations regarding the San Juan 31-6 Unit Well Nos. 230, 217, 223, 219, 215, 221, 225R, 224 and 222.

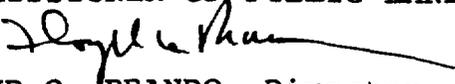
The Bureau of Land Management, by their letter of November 5, 1993, concurred with your determination that the above-mentioned wells were capable of producing unitized substance in paying quantities from the Fruitland Formation.

Please be advised that the Commissioner of Public Lands concurs with Phillips Petroleum Company and the Bureau of Land Management's decision that the above-mentioned wells are commercial in the Fruitland Formation. Please submit an application for the appropriate expansion of the Fruitland Participating Area to this office for approval.

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

Very truly yours,

RAY B. POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
RBP/FOP/pm

cc: Reader File
BLM
TRD
OCD



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY 64 NBU 3004

RECEIVED
NOV 30 1993

November 30, 1993

United States Department of Interior
Bureau of Land Management
Farmington Resource Area
1235 LaPlata Highway
Farmington, New Mexico 87401
(4 Copies Enclosed)

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
(2 Copies Enclosed)

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. Lemay
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87504
(2 Copies Enclosed)

Re: San Juan 31-6 Unit
#14-08-001-464
Application for Expansion
Fruitland Participating Area
6th Expansion - Eff. 03-01-90
7th Expansion - Eff. 07-01-90
8th Expansion - Eff. 08-01-90
Rio Arriba County, New Mexico
GF-5469; LCN 650326

Gentlemen:

Pursuant to Section 11(a) of the San Juan 31-6 Unit Agreement, #14-08-001-464, approved February 11, 1953, Phillips Petroleum Company, as Unit Operator, determined on the dates indicated below that the wells listed below are capable of producing unitized substances in paying quantities from the Fruitland Formation. Therefore, application for the Sixth, Seventh and Eighth expansions of the Participating Area established for the Fruitland Formation are submitted for your review as follows:

November 30, 1993
San Juan 31-6 Unit
#14-08-001-464
Application for Expansion
Fruitland Participating Area
Page 2

SIXTH EXPANDED PARTICIPATING AREA - EFFECTIVE MARCH 1, 1990

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well Number</u>
E/2 Section 27-31N-6W	320	230
E/2 Section 34-31N-6W*	320	218

* - Intervening Drilling Block

The San Juan 31-6 Unit #230 was completed February 14, 1990. The Fruitland Coal member of the Fruitland Formation was tested on February 14, 1990, with cumulative gas production of 206,829 mcf through September 30, 1993. The spacing unit for this well is described as the E/2 Section 27-31N-6W, containing 320 acres.

INTERVENING DRILLING BLOCK
NOTICE OF COMPLETION OF ADDITIONAL WELL

The San Juan 31-6 Unit #218 was completed November 20, 1990. The Fruitland Coal member of the Fruitland Formation was tested on November 16, 1990, with cumulative gas production of 1,427 mcf through September 30, 1993. The spacing unit for this well is described as the E/2 Section 34-31N-6W, containing 320 acres.

SEVENTH EXPANDED PARTICIPATING AREA - EFFECTIVE JULY 1, 1990

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well Number</u>
W/2 Section 35-31N-6W	320	217

The San Juan 31-6 Unit #217 was completed June 12, 1990. The Fruitland Coal member of the Fruitland Formation was tested on June 9, 1990, with cumulative gas production of 270,561 mcf through September 30, 1993. The spacing unit for this well is described as the W/2 Section 35-31N-6W, containing 320 acres.

EIGHTH EXPANDED PARTICIPATING AREA - EFFECTIVE AUGUST 1, 1990

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well Number</u>
W/2 Section 32-31N-6W	320	223

The San Juan 31-6 Unit #223 was completed July 13, 1990. The Fruitland Coal member of the Fruitland Formation was tested on July 11, 1990, with cumulative gas production of 2,809,036 mcf through September 30, 1993. The spacing unit for this well is described as the W/2 Section 32-31N-6W, containing 320 acres.

Enclosed herewith are Schedules VII, VIII and IX for the Sixth through Eighth expanded Participating Areas for the Fruitland Formation of the San Juan 31-6 Unit Area. These schedules describe the Participating Areas and indicate the percentages of unitized substances allocated to the unit tracts according to the Fruitland ownership of such tracts.

Unless this application is disapproved or contested in whole or in part the Sixth, Seventh and Eighth Expanded Participating Areas are effective March 1, 1990, July 1, 1990 and August 1, 1990, respectively. Copies of this appli-

November 30, 1993
San Juan 31-6 Unit
#14-08-001-464
Application for Expansion
Fruitland Participating Area
Page 3

cation with enclosures are being sent to the Unit working interest owners on the attached sheet. This application completes operator filings submitted under our August 23, 1993 letter and is consistent with those findings set forth in letter dated November 5, 1993 from the Bureau of Land Management to the undersigned.

Very truly yours,

PHILLIPS PETROLEUM COMPANY



A. J. Kieke, CPL
Area Landman
San Juan Basin
(505) 599-3410

cc: R.G. Flesher (r) Supervisors
San Juan 31-6 Unit Owners

San Juan 31-6 Unit Working Interest Owners
11/29/93

Amoco Production Company
Outside Operated Group
Attn: David Simpson
P. O. Box 800
Denver, CO 80201

Williams Production Co.
Attn: Mgr. Leasehold Oprs.
P. O. Box 58900
Salt Lake City, UT 84158-0900

Conoco Inc.
Attn: J.W. Fitzpatrick
10 Desta Drive, Ste 100W
Midland, TX 79705-5400

Prudential-Bache Energy, et al
c/o Graham Royalty, LTD
1675 Larimer Street, Ste. 400
Denver, CO 80202

Global Natural Resources
of Nevada
Attn: Land Dept.
P. O. Box 4682
Houston, TX 77210

Cinco General Partnership
P. O. Box 451
Albuquerque, NM 87103-0451

Meridian Oil Prod. Inc
Land Department
P. O. Box 4289
Farmington, NM 87499

William G. Webb and Jane Webb
c/o Cinco General Partnership
Agent for William G. Webb & Jane Webb
P. O. Box 451
Albuquerque, NM 87103-0451

Texaco Expl. & Prod. Inc.
Joint Interest Operations
Attn: Mr. J. E. King
P. O. Box 46555
Denver, CO 80201-6555

The Wiser Oil Company
8115 Preston Rd, St 400
Dallas, TX 75225

DATE 11/30/93

PHILLIPS PETROLEUM COMPANY
SCHEDULE VII
THE 006 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN 31-6 UNIT AREA

PAGE 3

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK	OWNERSHIP	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SF-078999	T31N R6W SEC. 27 E/2 SEC. 34 E/2	640.00	TRACT: 002	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION COMPANY PHILLIPS-SAN JUAN PARTNERS, L.P.	5.000000 12.500000 14.850000 67.650000	5.000000 12.500000 14.850000 67.650000	12.739005
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #230 SAN JUAN 31-6 UNIT #218							
SF-079000	T30N R7W SEC. 1 LOTS 7, 8, S/2 NW/4, SW/4 (W/2)	319.10	TRACT: 003	ORRI: ROYALTY: WORKING INTEREST: EL PASO PRODUCTION COMPANY	3.500000 12.500000 84.000000	3.500000 12.500000 84.000000	6.351588
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #209							
SF-079000-A	T30N R7W SEC. 1 LOTS 5, 6, S/2 NE/4, SE/4 (E/2)	319.70	TRACT: 004	ORRI: ROYALTY: WORKING INTEREST: AMOCO PRODUCTION COMPANY CONOCO INC.	20.500000 12.500000 33.500000 33.500000	20.500000 12.500000 33.500000 33.500000	6.362531
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #232							

EFFECTIVE 90/03/01

PHILLIPS PETROLEUM COMPANY
 SCHEDULE VII
 THE 006 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31 - 6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK	OWNERSHIP	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-012735	T30N R6W	639.40	TRACT: 005				12.727063.
SEC. 6	LOTS 8, 9, 10, 11, S/2 N/2, S/2			ORRI:	5.000000	5.000000	
				ROYALTY:	12.500000	12.500000	
				WORKING INTEREST:			
				EL PASO PRODUCTION COMPANY	55.000688	55.000688	
				CINCO GENERAL PARTNERSHIP	12.033698	12.033698	
				WILLIAM G WEBB	1.715958	1.715958	
				PRUDENTIAL BACHE ENERGY PRODUCTION	13.749656	13.749656	
				TOTAL	100.000000	100.000000	
REMARKS: SAN JUAN 31 - 6 UNIT #207 SAN JUAN 31 - 6 UNIT #208							
SF-079012	T30N R6W	639.84	TRACT: 006				12.735821
SEC. 4	LOTS 5, 6, 7, 8, S/2 N/2, S/2			ORRI:	5.000000	5.000000	
				ROYALTY:	12.500000	12.500000	
				WORKING INTEREST:			
				EL PASO PRODUCTION COMPANY	55.000688	55.000688	
				CINCO GENERAL PARTNERSHIP	12.033698	12.033698	
				WILLIAM G WEBB	1.715958	1.715958	
				PRUDENTIAL BACHE ENERGY PRODUCTION	13.749656	13.749656	
				TOTAL	100.000000	100.000000	
REMARKS: SAN JUAN 31 - 6 UNIT #205 SAN JUAN 31 - 6 UNIT #206							
SF-079401	T30N R6W	159.69	TRACT: 007				3.178581
SEC. 1	LOTS 7, 8, S/2 NW/4			ORRI:	4.500000	4.500000	
				ROYALTY:	12.500000	12.500000	
				WORKING INTEREST:			
				WILLIAMS PRODUCTION COMPANY	14.940000	14.940000	
				PHILLIPS - SAN JUAN PARTNERS, L.P.	68.060000	68.060000	
				TOTAL	100.000000	100.000000	
REMARKS: SAN JUAN 31 - 6 UNIT #202							

PHILLIPS PETROLEUM COMPANY
 SCHEDULE VII
 THE 006 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE PARTICIPATION
NM-012299	T30N R6W	386.61		TRACT: 008		7.695356
SEC. 1	SW/4		ORRI:		3.000000	
SEC. 1	LOTS 5, 6, 9, 10, 11, SW/4 NE/4, W/2 SE/4		ROYALTY:		12.500000	
			WORKING INTEREST:			
			EL PASO PRODUCTION COMPANY		42.250000	
			MERIDIAN OIL PRODUCTION INC.		9.295000	
			GLOBAL NATURAL RESOURCES (DOMESTIC)		32.955000	
			TOTAL		100.000000	
REMARKS: SAN JUAN 31-6 UNIT #202 SAN JUAN 31-6 UNIT #201						
NM-012292	T30N R6W	640.48		TRACT: 009		12.748560
SEC. 3	LOTS 5, 6, S/2 NE/4, SE/4 (E/2)		ORRI:		5.000000	
SEC. 3	LOTS 7, 8, S/2 NW/4, SW/4 (W/2)		ROYALTY:		12.500000	
			WORKING INTEREST:			
			EL PASO PRODUCTION COMPANY		55.000688	
			CINCO GENERAL PARTNERSHIP		12.033698	
			WILLIAM G WEBB		1.715958	
			PRUDENTIAL BACHE ENERGY PRODUCTION		13.749656	
			TOTAL		100.000000	
REMARKS: SAN JUAN 31-6 UNIT #203 SAN JUAN 31-6 UNIT #204						
NM-03404	T30N R6W	639.16		TRACT: 010		12.722286
SEC. 5	LOTS 5, 6, 7, 8, S/2 N/2, S/2		ORRI:		5.000000	
			ROYALTY:		12.500000	
			WORKING INTEREST:			
			WILLIAMS PRODUCTION COMPANY		14.850000	
			PHILLIPS-SAN JUAN PARTNERS, L.P.		67.650000	
			TOTAL		100.000000	
REMARKS: SAN JUAN 31-6 UNIT #213 SAN JUAN 31-6 UNIT #212						

PHILLIPS PETROLEUM COMPANY
SCHEDULE VII
THE 006 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN 31 - 6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-347-40	T30N R6W SEC. 2 N/2 SE/4	80.00	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION COMPANY TEXACO	TRACT: 013	4.750000 12.500000	4.750000 12.500000	1.592376
REMARKS: SAN JUAN 31 - 6 UNIT #210							
E-347-41	T30N R6W SEC. 2 S/2 SE/4	80.00	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION COMPANY	TRACT: 13A	5.000000 12.500000	5.000000 12.500000	1.592376
REMARKS: SAN JUAN 31 - 6 UNIT #210							
E-347-46	T30N R6W SEC. 2 SW/4	160.00	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION COMPANY PHILLIPS - SAN JUAN PARTNERS, L.P.	TRACT: 13B	2.500000 12.500000	2.500000 12.500000	3.184751
REMARKS: SAN JUAN 31 - 6 UNIT #211							
E-347-47	T30N R6W SEC. 2 LOTS 5, 6, 7, 8, S/2 N/2	319.96	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION COMPANY PHILLIPS - SAN JUAN PARTNERS, L.P.	TRACT: 13C	5.000000 12.500000	5.000000 12.500000	6.368707
REMARKS: SAN JUAN 31 - 6 UNIT #211							
TOTAL							
REMARKS: SAN JUAN 31 - 6 UNIT #211							
TOTAL							

DATE 11/30/93

PHILLIPS PETROLEUM COMPANY
SCHEDULE VII
THE 006 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN 31-6 UNIT AREA

DESCRIPTION OF COMMITTED LANDS IN PARTICIPATING AREA:

RIO ARIBA COUNTY, NEW MEXICO

TOWNSHIP 30N, RANGE 6W

- SECTION 1 : LOTS 5, 6, 7, 8, 9, 10, 11, S/2 NW/4, SW/4 NE/4, W/2 SE/4, SW/4
- SECTION 2 : LOTS 5, 6, 7, 8, S/2 N/2, S/2
- SECTION 3 : LOTS 5, 6, 7, 8, S/2 N/2, S/2
- SECTION 4 : LOTS 5, 6, 7, 8, S/2 N/2, S/2
- SECTION 5 : LOTS 5, 6, 7, 8, S/2 N/2, S/2
- SECTION 6 : LOTS 8, 9, 10, 11, S/2 N/2, S/2

TOWNSHIP 30N, RANGE 7W

- SECTION 1 : LOTS 5, 6, 7, 8, S/2 N/2, S/2

TOWNSHIP 31N, RANGE 6W

- SECTION 27 : E/2
- SECTION 34 : E/2

TOTAL COMMITTED :

5023.94

TOTAL ACRES NON-COMMITTED:

0.00

TOTAL NUMBER OF ACRES IN PARTICIPATING AREA:

5023.94

RECAPITULATION
DESCRIPTION OF NON-COMMITTED LANDS IN PARTICIPATING AREA:

PHILLIPS PETROLEUM COMPANY
 SCHEDULE VIII
 THE 007 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31 - 6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK	OWNERSHIP	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SF-078999	T31N R6W	.960.00	TRACT: 002				17.964273
	SEC. 27 E/2			ORRI:	5.000000	5.000000	
	SEC. 34 E/2			ROYALTY:	12.500000	12.500000	
	SEC. 35 W/2			WORKING INTEREST:			
				WILLIAMS PRODUCTION COMPANY	14.850000	14.850000	
				PHILLIPS - SAN JUAN PARTNERS, L.P.	67.650000	67.650000	
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31 - 6 UNIT #230
 SAN JUAN 31 - 6 UNIT #218
 SAN JUAN 31 - 6 UNIT #217

SF-079000	T30N R7W	319.10	TRACT: 003				5.971250
	SEC. 1 LOTS 7, 8, S/2 NW/4, SW/4 (W/2)			ORRI:	3.500000	3.500000	
				ROYALTY:	12.500000	12.500000	
				WORKING INTEREST:			
				EL PASO PRODUCTION COMPANY	84.000000	84.000000	
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31 - 6 UNIT #209

SF-079000 - A	T30N R7W	319.70	TRACT: 004				5.982477
	SEC. 1 LOTS 5, 6, S/2 NE/4, SE/4 (E/2)			ORRI:	20.500000	20.500000	
				ROYALTY:	12.500000	12.500000	
				WORKING INTEREST:			
				AMOCO PRODUCTION COMPANY	33.500000	33.500000	
				CONOCO INC.	33.500000	33.500000	
	TOTAL				100.000000	100.000000	

REMARKS: SAN JUAN 31 - 6 UNIT #232

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE	PERCENT ACTUAL PARTICIPATION
NM-012735	T30N R6W SEC. 6 LOTS 8, 9, 10, 11, S/2 N/2, S/2	639.40		TRACT: 005			11.964955
	ORRI:				5.000000		
	ROYALTY:				12.500000		
	WORKING INTEREST:						
	EL PASO PRODUCTION COMPANY				55.000688		
	CINCO GENERAL PARTNERSHIP				12.033698		
	WILLIAM G WEBB				1.715958		
	PRUDENTIAL BACHE ENERGY PRODUCTION				13.749656		
	TOTAL				100.000000		
REMARKS: SAN JUAN 31-6 UNIT #207 SAN JUAN 31-6 UNIT #208							
SF-079012	T30N R6W SEC. 4 LOTS 5, 6, 7, 8, S/2 N/2, S/2	639.84		TRACT: 006			11.973188
	ORRI:				5.000000		
	ROYALTY:				12.500000		
	WORKING INTEREST:						
	EL PASO PRODUCTION COMPANY				55.000688		
	CINCO GENERAL PARTNERSHIP				12.033698		
	WILLIAM G WEBB				1.715958		
	PRUDENTIAL BACHE ENERGY PRODUCTION				13.749656		
	TOTAL				100.000000		
REMARKS: SAN JUAN 31-6 UNIT #205 SAN JUAN 31-6 UNIT #206							
SF-079401	T30N R6W SEC. 1 LOTS 7, 8, S/2 NW/4	159.69		TRACT: 007			2.988245
	ORRI:				4.500000		
	ROYALTY:				12.500000		
	WORKING INTEREST:						
	WILLIAMS PRODUCTION COMPANY				14.940000		
	PHILLIPS-SAN JUAN PARTNERS, L.P.				68.060000		
	TOTAL				100.000000		
REMARKS: SAN JUAN 31-6 UNIT #202							

PHILLIPS PETROLEUM COMPANY
 SCHEDULE VIII
 THE 007 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-012299	T30N R6W	386.61		TRACT: 008			7,234,550
SEC. 1	SW/4		ORRI:		3.000000	3.000000	
SEC. 1	LOTS 5, 6, 9, 10, 11, SW/4 NE/4, W/2 SE/4		ROYALTY: WORKING INTEREST: EL PASO PRODUCTION COMPANY MERIDIAN OIL PRODUCTION INC. GLOBAL NATURAL RESOURCES (DOMESTIC)		12.500000	12.500000	
					42.250000	42.250000	
					9.295000	9.295000	
					32.955000	32.955000	
			TOTAL		100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #202 SAN JUAN 31-6 UNIT #201							
NM-012292	T30N R6W	640.48		TRACT: 009			11,985,164
SEC. 3	LOTS 5, 6, S/2 NE/4, SE/4 (E/2)		ORRI:		5.000000	5.000000	
SEC. 3	LOTS 7, 8, S/2 NW/4, SW/4 (W/2)		ROYALTY: WORKING INTEREST: EL PASO PRODUCTION COMPANY CINCO GENERAL PARTNERSHIP WILLIAM G WEBB PRUDENTIAL BACHE ENERGY PRODUCTION		12.500000	12.500000	
					55.000688	55.000688	
					12.033698	12.033698	
					1.715958	1.715958	
					13.749656	13.749656	
			TOTAL		100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #203 SAN JUAN 31-6 UNIT #204							
NM-03404	T30N R6W	639.16		TRACT: 010			11,960,464
SEC. 5	LOTS 5, 6, 7, 8, S/2 N/2, S/2		ORRI:		5.000000	5.000000	
			ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION COMPANY PHILLIPS-SAN JUAN PARTNERS, L.P.		12.500000	12.500000	
					14.850000	14.850000	
					67.650000	67.650000	
			TOTAL		100.000000	100.000000	
REMARKS: SAN JUAN 31-6 UNIT #213 SAN JUAN 31-6 UNIT #212							

PHILLIPS PETROLEUM COMPANY
 SCHEDULE VIII
 THE 007 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE ACTUAL PARTICIPATION
E-347-40	T30N R6W SEC. 2 N/2 SE/4	80.00		TRACT: 013		1.497023
			ORRI:		4.750000	
			ROYALTY:		12.500000	
			WORKING INTEREST:			
			WILLIAMS PRODUCTION COMPANY		14.895000	
			TEXACO		67.855000	
			TOTAL		100.000000	
REMARKS: SAN JUAN 31-6 UNIT #210.						
E-347-41	T30N R6W SEC. 2 S/2 SE/4	80.00		TRACT: 13A		1.497023
			ORRI:		5.000000	
			ROYALTY:		12.500000	
			WORKING INTEREST:			
			WILLIAMS PRODUCTION COMPANY		82.500000	
			TOTAL		100.000000	
REMARKS: SAN JUAN 31-6 UNIT #210						
E-347-46	T30N R6W SEC. 2 SW/4	160.00		TRACT: 13B		2.994045
			ORRI:		2.500000	
			ROYALTY:		12.500000	
			WORKING INTEREST:			
			WILLIAMS PRODUCTION COMPANY		15.300000	
			PHILLIPS-SAN JUAN PARTNERS, L.P.		69.700000	
			TOTAL		100.000000	
REMARKS: SAN JUAN 31-6 UNIT #211						
E-347-47	T30N R6W SEC. 2 LOTS 5, 6, 7, 8, S/2 N/2	319.96		TRACT: 13C		5.987343
			ORRI:		5.000000	
			ROYALTY:		12.500000	
			WORKING INTEREST:			
			WILLIAMS PRODUCTION COMPANY		14.850000	
			PHILLIPS-SAN JUAN PARTNERS, L.P.		67.650000	
			TOTAL		100.000000	
REMARKS: SAN JUAN 31-6 UNIT #211						
					TOTAL	100.000000

DATE 11/30/93

PHILLIPS PETROLEUM COMPANY
SCHEDULE VIII
THE 007 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN 31-6 UNIT AREA

DESCRIPTION OF COMMITTED LANDS IN PARTICIPATING AREA: RECAPITULATION DESCRIPTION OF NON-COMMITTED LANDS IN PARTICIPATING AREA:

RIO ARIBA COUNTY, NEW MEXICO

TOWNSHIP 30N, RANGE 6W

- SECTION 1 : LOTS 5, 6, 7, 8, 9, 10, 11, S/2 NW/4, SW/4 NE/4, W/2 SE/4, SW/4
- SECTION 2 : SE/4, LOTS 5, 6, 7, 8, S/2 N/2, S/2
- SECTION 3 : LOTS 5, 6, 7, 8, S/2 N/2, S/2
- SECTION 4 : LOTS 5, 6, 7, 8, S/2 N/2, S/2
- SECTION 5 : LOTS 5, 6, 7, 8, S/2 N/2, S/2
- SECTION 6 : LOTS 8, 9, 10, 11, S/2 N/2, S/2

TOWNSHIP 30N, RANGE 7W

- SECTION 1 : LOTS 5, 6, 7, 8, S/2 N/2, S/2

TOWNSHIP 31N, RANGE 6W

- SECTION 27 : E/2
- SECTION 34 : E/2
- SECTION 35 : W/2

TOTAL COMMITTED : 5343.94 TOTAL ACRES NON-COMMITTED: 0.00

TOTAL NUMBER OF ACRES IN PARTICIPATING AREA: 5343.94

PHILLIPS PETROLEUM COMPANY
 SCHEDULE IX
 THE 008 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE PARTICIPATION
SF-078999	T31N R6W	960.00		TRACT: 002		16.949332
	SEC. 27 E/2		ORRI:		5.000000	
	SEC. 34 E/2		ROYALTY:		12.500000	
	SEC. 35 W/2		WORKING INTEREST:			
			WILLIAMS PRODUCTION COMPANY		14.850000	
			PHILLIPS-SAN JUAN PARTNERS, L.P.		67.650000	
			TOTAL		100.000000	

REMARKS: SAN JUAN 31-6 UNIT #230
 SAN JUAN 31-6 UNIT #218
 SAN JUAN 31-6 UNIT #217

SF-079000	T30N R7W	319.10		TRACT: 003		5.633888
	SEC. 1 LOTS 7, 8, S/2 NW/4, SW/4 (W/2)		ORRI:		3.500000	
			ROYALTY:		12.500000	
			WORKING INTEREST:			
			EL PASO PRODUCTION COMPANY		84.000000	
			TOTAL		100.000000	

REMARKS: SAN JUAN 31-6 UNIT #209

SF-079000-A	T30N R7W	319.70		TRACT: 004		5.644481
	SEC. 1 LOTS 5, 6, S/2 NE/4, SE/4 (E/2)		ORRI:		20.500000	
			ROYALTY:		12.500000	
			WORKING INTEREST:			
			AMOCO PRODUCTION COMPANY		33.500000	
			CONOCO INC.		33.500000	
			TOTAL		100.000000	

REMARKS: SAN JUAN 31-6 UNIT #232

PHILLIPS PETROLEUM COMPANY
 SCHEDULE IX
 THE 008 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31 -6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE ACTUAL PARTICIPATION
NM-012735	T30N R6W SEC. 6 LOTS 8, 9, 10, 11, S/2 N/2, S/2	639.40	ORRI: ROYALTY: WORKING INTEREST: EL PASO PRODUCTION COMPANY CINCO GENERAL PARTNERSHIP WILLIAM G WEBB PRUDENTIAL BACHE ENERGY PRODUCTION	TRACT: 005	5.000000 12.500000 55.000688 12.033698 1.715958 13.749656	11.288961
	TOTAL				100.000000	
REMARKS: SAN JUAN 31 -6 UNIT #207 SAN JUAN 31 -6 UNIT #208						
SF-079012	T30N R6W SEC. 4 LOTS 5, 6, 7, 8, S/2 N/2, S/2	639.84	ORRI: ROYALTY: WORKING INTEREST: EL PASO PRODUCTION COMPANY CINCO GENERAL PARTNERSHIP WILLIAM G WEBB PRUDENTIAL BACHE ENERGY PRODUCTION	TRACT: 006	5.000000 12.500000 55.000688 12.033698 1.715958 13.749656	11.296730
	TOTAL				100.000000	
REMARKS: SAN JUAN 31 -6 UNIT #205 SAN JUAN 31 -6 UNIT #206						
SF-079401	T30N R6W SEC. 1 LOTS 7, 8, S/2 NW/4	159.69	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION COMPANY PHILLIPS -SAN JUAN PARTNERS, L.P.	TRACT: 007	4.500000 12.500000 14.940000 68.060000	2.819416
	TOTAL				100.000000	
REMARKS: SAN JUAN 31 -6 UNIT #202						

PHILLIPS PETROLEUM COMPANY
 SCHEDULE IX
 THE 008 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE PARTICIPATION	PERCENT ACTUAL PARTICIPATION
NM-012299	T30N R6W	386.61		TRACT: 008			6.825814
SEC. 1	SW/4		ORRI:		3.000000		
SEC. 1	LOTS 5, 6, 9, 10, 11, SW/4 NE/4, W/2 SE/4		ROYALTY: WORKING INTEREST: EL PASO PRODUCTION COMPANY MERIDIAN OIL PRODUCTION INC. GLOBAL NATURAL RESOURCES (DOMESTIC)		12.500000		
					42.250000		
					9.295000		
					32.955000		
			TOTAL		100.000000		

REMARKS: SAN JUAN 31-6 UNIT #202
 SAN JUAN 31-6 UNIT #201

NM-012292	T30N R6W	640.48		TRACT: 009			11.308029
SEC. 3	LOTS 5, 6, S/2 NE/4, SE/4 (E/2)		ORRI:		5.000000		
SEC. 3	LOTS 7, 8, S/2 NW/4, SW/4 (W/2)		ROYALTY: WORKING INTEREST: EL PASO PRODUCTION COMPANY CINCO GENERAL PARTNERSHIP WILLIAM G WEBB PRUDENTIAL BACHE ENERGY PRODUCTION		12.500000		
					55.000688		
					12.033698		
					1.715958		
					13.749656		
			TOTAL		100.000000		

REMARKS: SAN JUAN 31-6 UNIT #203
 SAN JUAN 31-6 UNIT #204

NM-03404	T30N R6W	639.16		TRACT: 010			11.884725
SEC. 5	LOTS 5, 6, 7, 8, S/2 N/2, S/2		ORRI:		5.000000		
			ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION COMPANY PHILLIPS-SAN JUAN PARTNERS, L.P.		12.500000		
					14.850000		
					67.650000		
			TOTAL		100.000000		

REMARKS: SAN JUAN 31-6 UNIT #213
 SAN JUAN 31-6 UNIT #212

PHILLIPS PETROLEUM COMPANY
 SCHEDULE IX
 THE 008 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31-6 UNIT AREA

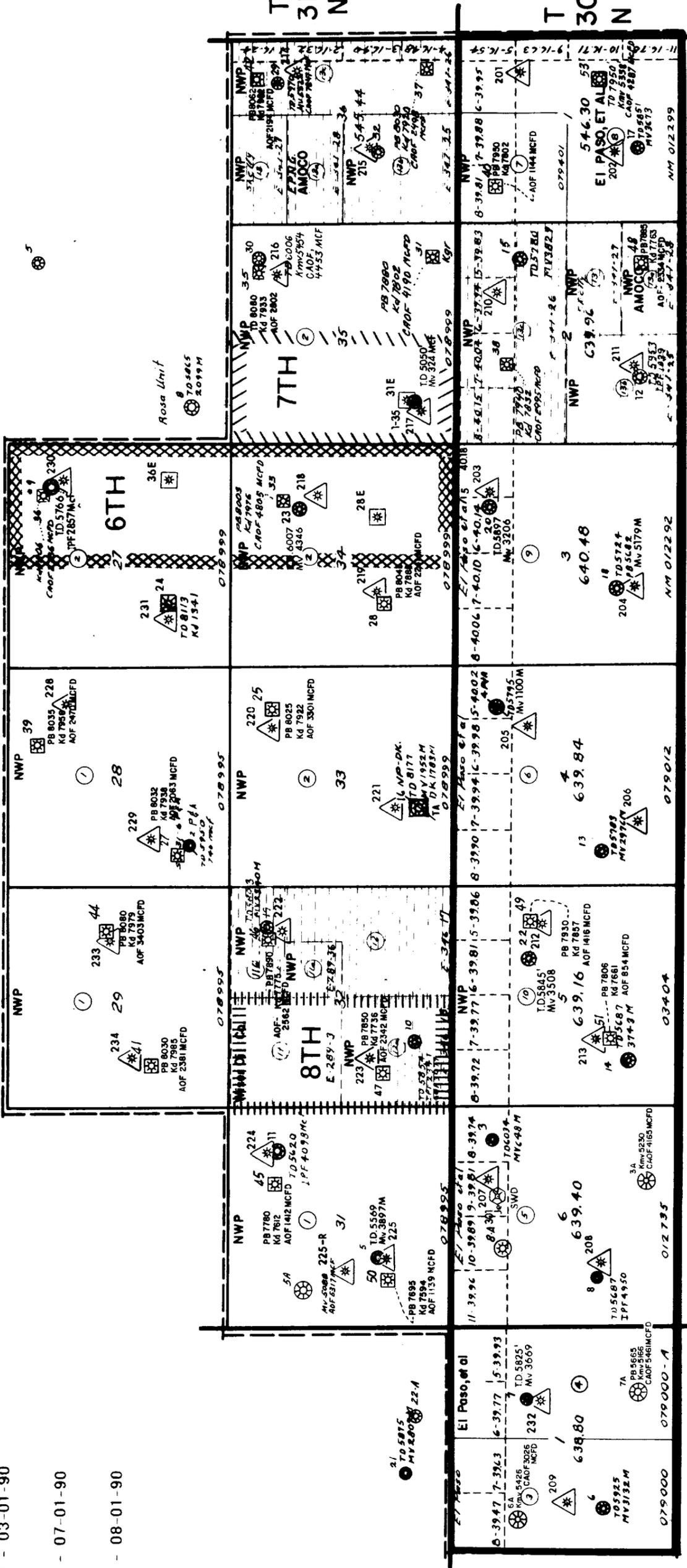
SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK	OWNERSHIP	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-289-3	T31N R6W SEC. 32 NW/4	160.00	TRACT: 011		0.000000	0.000000	2.824889
	ORRI:				12.500000	12.500000	
	ROYALTY:				87.500000	87.500000	
	WORKING INTEREST:				100.000000	100.000000	
	WISER OIL COMPANY						
	TOTAL						
REMARKS: SAN JUAN 31-6 UNIT #223							
E-346-28	T31N R6W SEC. 32 SW/4	160.00	TRACT: 12A		2.500000	2.500000	2.824889
	ORRI:				12.500000	12.500000	
	ROYALTY:				15.300000	15.300000	
	WORKING INTEREST:				69.700000	69.700000	
	WILLIAMS PRODUCTION COMPANY						
	PHILLIPS-SAN JUAN PARTNERS, L.P.						
	TOTAL						
REMARKS: SAN JUAN 31-6 UNIT #223							
E-347-40	T30N R6W SEC. 2 N/2 SE/4	80.00	TRACT: 013		4.750000	4.750000	1.412444
	ORRI:				12.500000	12.500000	
	ROYALTY:				14.895000	14.895000	
	WORKING INTEREST:				67.855000	67.855000	
	WILLIAMS PRODUCTION COMPANY						
	TEXACO						
	TOTAL						
REMARKS: SAN JUAN 31-6 UNIT #210							

PHILLIPS PETROLEUM COMPANY
 SCHEDULE IX
 THE 008 EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
 SAN JUAN 31 -6 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-347-41	T30N R6W SEC. 2 S/2 SE/4	80.00		TRACT: 13A	5.000000 12.500000 82.500000	5.000000 12.500000 82.500000	1.412444
	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION COMPANY						
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31 -6 UNIT #210							
E-347-46	T30N R6W SEC. 2 SW/4	160.00		TRACT: 13B	2.500000 12.500000	2.500000 12.500000	2.824867
	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION COMPANY PHILLIPS -SAN JUAN PARTNERS, L.P.						
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31 -6 UNIT #211							
E-347-47	T30N R6W SEC. 2 LOTS 5, 6, 7, 8, S/2 N/2	319.96		TRACT: 13C	5.000000 12.500000	5.000000 12.500000	5.649071
	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION COMPANY PHILLIPS -SAN JUAN PARTNERS, L.P.						
	TOTAL				100.000000	100.000000	
REMARKS: SAN JUAN 31 -6 UNIT #211							
	TOTAL	5663.94					100.000000

FRUIT AND PARTICIPATING AREA

- INITIAL-5TH EXPANSION - 02-01-90
- 6TH EXPANSION - 03-01-90
- 7TH EXPANSION - 07-01-90
- 8TH EXPANSION - 08-01-90



R-6-W T 30 N

R-7-W T 31 N

R-8-W T 32 N

EXHIBIT "A"

SAN JUAN 31-6 UNIT

Rio Arriba County, New Mexico

Scale: 2" = 1 mile

FEDERAL LANDS

STATE LANDS

FEE & PATENTED LANDS

21 TD5725 MV2995

22 TD5875 MV2800

23 TD5880 MV1373

24 TD5725 MV2995

25 TD5875 MV2800

26 TD5880 MV1373

27 TD5725 MV2995

28 TD5875 MV2800

29 TD5880 MV1373

30 TD5725 MV2995

31 TD5875 MV2800

32 TD5880 MV1373

33 TD5725 MV2995

34 TD5875 MV2800

35 TD5880 MV1373

36 TD5725 MV2995

37 TD5875 MV2800

38 TD5880 MV1373

39 TD5725 MV2995

40 TD5875 MV2800

41 TD5880 MV1373

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GIL CONSERVATION DIVISION
REC'D 28

1993 NOV 17 11 09 54

San Juan 31-6 Unit (PA)
3180 (07327)

NOV 5 1993

Mr. Jay Kieke, Area Landsman
Phillips Petroleum Company
5525 Highway 64, NBU 3004
Farmington, NM 87401

Re: San Juan 31-6 Unit
No. 14-08-001-464
Commerciality Determinations
Fruitland Formation
San Juan County, New Mexico

Dear Mr. Kieke:

In response to your letter dated August 23, 1993, the Farmington District Office (FDO) has reviewed the data you have submitted for commerciality determinations for the wells listed below that are completed in the Fruitland Formation.

PAYING WELLS

1. No. 230 San Juan 31-6 Unit, Sec. 27, T. 31 N., R. 6 W.
2. No. 217 San Juan 31-6 Unit, Sec. 35, T. 31 N., R. 6 W.
3. No. 223 San Juan 31-6 Unit, Sec. 32, T. 31 N., R. 6 W.
4. No. 219 San Juan 31-6 Unit, Sec. 34, T. 31 N., R. 6 W.
5. No. 215 San Juan 31-6 Unit, Sec. 36, T. 31 N., R. 6 W.
6. No. 221 San Juan 31-6 Unit, Sec. 33, T. 31 N., R. 6 W.
7. No. 225R San Juan 31-6 Unit, Sec. 31, T. 31 N., R. 6 W.
8. No. 224 San Juan 31-6 Unit, Sec. 31, T. 31 N., R. 6 W.
9. No. 222 San Juan 31-6 Unit, Sec. 32, T. 31 N., R. 6 W.

All of the above listed wells were determined to be paying wells.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described above. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the orders unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions concerning this matter, please call Joe Hewitt at (505) 599-6365 or (505) 599-8900.

Sincerely,

TS/ RAY HAGER

DUANE W. SPENCER
Chief, Branch of Reservoir Management

1 Enclosure
1 - Paying Well Determination

cc:
See Attached List

Minerals Management Service (w/enclosure)
Royalty Management Program
Reference Data Branch
P. O. Box 5760 - (MS-3240)
Denver, CO 80217

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, NM 87504

New Mexico Oil Conservation Division ✓
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

August 30, 1993

467

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

Re: San Juan 31-6 Unit
#14-08-001-464
SJ 31-6 Unit 28E
SJ 31-6 Unit 31E
SJ 31-6 Unit 36E
NOTICE OF COMPLETION
OF ADDITIONAL WELLS
Dakota Formation
Rio Arriba County, New Mexico
GF-5469; LCN 650263

Gentlemen:

Pursuant to Section 11(a) of the San Juan 31-6 Unit Agreement, Phillips Petroleum Company, as Unit Operator, has determined that the referenced wells, capable of producing unitized substances in paying quantities from the Dakota Formation, have been completed upon acreage committed to the Unit.

The well data is as follows:

The San Juan 31-6 Unit 28E is located 1850 feet from the south line and 1751 feet from the east line, Section 34, Township 31 North, Range 6 East, N.M.P.M. Rio Arriba County, New Mexico. This well was spudded October 27, 1991 and completed on November 18, 1991. The Dakota Formation was perforated with 41 holes at depths of:

7943' - 7965'; 7990' - 7992'; 7996' - 8006'; 8010' - 8018';
8028' - 8032'; 8056' - 8064'; 8070' - 8076'; 8079' - 8085'

These perforations were treated with a nitrogen foam fracture stimulation. The well had a shut-in tubing pressure of 2100 psig. On August 26, 1991, the well was tested and after flowing twenty-four hours through a ½" choke on the 2½" tubing, the well gauged 1.9MMCFGD with 300 psig flowing tubing pressure.

The San Juan 31-6 Unit 31E is located 1091 feet from the south line and 1007' from the west line of Section 35, Township 31 North, Range 6 West, N.M.P.M.,

San Juan 31-6 Unit
#14-08-001-464
Notice of Completion of Additional Wells
August 30, 1993
Page 2

Rio Arriba County, New Mexico. This well was spudded October 13, 1991 and completed November 10, 1991. The Dakota Formation was perforated with one shot per two feet in the following depth intervals:

7864' - 7882'; 7912' - 7920'; 7928' - 7936'; 7950' - 7958';
7980' - 7984'; 7998' - 8006'

These perforations were treated with a nitrogen foam fracture stimulation. The well had a shut-in tubing pressure of 2460 psig. On November 18, 1991 the well was tested and after flowing fifty-eight hours through a ½" choke on the 2½" tubing, the well gauged 2.2MMCFGD with 350 psig flowing tubing pressure.

The San Juan 31-6 Unit 36E is located 1484 feet from the south line and 836 feet from the east line of Section 27, Township 31 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico. This well was spudded November 12, 1991 and completed November 29, 1991. The Dakota formation was perforated with one shot per two feet (38 holes) in the following intervals:

7916' - 7928'; 7962' - 7980'; 7987' - 7991'; 8000' - 8010';
8032' - 8040'; 8048' - 8060'

These perforations were treated with a nitrogen foam fracture stimulation. The well had a shut-in tubing pressure of 1700 psig. On December 16, 1991 the well was tested and after flowing twenty-four hours through a ½" choke on the 2½" tubing, the well gauged 750MCFGD with 120 psig flowing tubing pressure.

The committed Drilling Blocks upon which these wells are located are described as follows:

1st SJ 31-6 Unit 28E - S/2 Sec. 34-31N-6W
1st SJ 31-6 Unit 31E - S/2 Sec. 35-31N-6W
3rd SJ 31-6 Unit 36E - E/2 Sec. 27-31N-6W

These Drilling Blocks were included under the San Juan 31-6 First and Third Expansions of the Dakota Participating Area effective June 1, 1980 and March 1, 1981 respectively.

Since these wells were drilled within the existing Dakota Participating Area (PA), the PA is not enlarged by virtue of these infill wells, and the percentage of participation remains the same.

Copies of this letter are being sent to the Unit Working Interest Owners shown on the attached sheet.

Very truly yours,

PHILLIPS PETROLEUM COMPANY



A. J. Kieke, CPL
Area Landman
San Juan Basin
(505) 599-3410

cc: R. G. Flesher (r) Supervisors (r) Unit File
J. L. Mathis (r) D. B. Evans
SJ 31-6 Unit Owners

San Juan 31-6 Unit Working Interest Owners
7/29/93

Amoco Production Company
Outside Operated Group
Attn: David Simpson
P. O. Box 800
Denver, CO 80201

Williams Production Co.
Attn: Mgr. Leasehold Oprs.
P. O. Box 58900
Salt Lake City, UT 84158-0900

Conoco Inc.
Explor. & Prod., NA
10 Desta Drive West
Midland, TX 79705

Prudential-Bache Energy, et al
c/o Graham Royalty, LTD
1675 Larimer Street, Ste. 400
Denver, CO 80202

Global Natural Resources
of Nevada
Attn: Land Dept.
P. O. Box 4682
Houston, TX 77210

Meridian Oil Prod. Inc
Land Department
P. O. Box 4289
Farmington, NM 87499

Frank D. Gorham, Jr.
DBA Cuesta Production Company
William G. Webb
P. O. Box 451
Albuquerque, NM 87103-0451

Texaco Expl. & Prod. Inc.
Joint Interest Operations
P. O. Box 46555
Denver, CO 80201-6555

The Wiser Oil Company
8115 Preston Rd, St 400
Dallas, TX 75225



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY 64 NBU 3004

RECEIVED
OIL CONSERVATION DIVISION
AUG 23 1993

August 23, 1993

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

State of New Mexico
Commissioner Of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

Re: San Juan 31-6 Unit
#14-08-001-464
Commerciality Determination
Fruitland Formation
Rio Arriba County, NM
GF-5469

Gentlemen:

Pursuant to the provisions of Section 11(a) of the San Juan 31-6 Unit Agreement, #14-08-001-464, approved February 11, 1953, Phillips Petroleum Company ("Phillips"), as Operator, determined whether or not the wells listed below are capable of producing unitized substances in paying quantities from the Fruitland coal member of the Fruitland formation.

Phillips is seeking confirmation of the enclosed paying well determinations as listed hereinbelow. The remaining wells [listed below as "NS" (not submitted) under column (5) below] are mentioned for reference only and Phillips is neither confirming nor denying the paying well status of such wells at this time. As adequate production history from these wells is received, additional submittals will be provided using this format.

This alternative approach has been acknowledged by the Branch of Reservoir Management at the Farmington District Office of the Bureau of Land Management as acceptable to facilitate individual well commerciality determinations that are ordinarily filed in order of "date of test" during completion operations.

Upon receipt of response from the BLM and concurring responses from the Commissioner of Public Lands and New Mexico Oil Conservation Division, the formal Participating Area application with accompanying Lease Schedules with unit tract descriptions and working interest ownerships for each well will be prepared for each expansion of the Participating Area based on those wells confirmed for inclusion therewith.

San Juan 31-6 Unit
 #14-08-001-464
 Commerciality Determination
 August 23, 1993
 Page 2

(1)	(2)	(3)	(4)	(5)	(6)*
<u>Test Date</u>	<u>Well Number</u>	<u>T30N-R6W Drill Block</u>	<u>Acres</u>	<u>Date Submitted for Paying Well Determination</u>	<u>Disposition</u>
07-08-89	203	Lots 5, 6, S/2 NE/4, SE/4 Sec. 3	320.32	09-12-90	Initial PA
07-21-89	204	Lots 7, 8, S/2 NW/4, SW/4 Sec. 3	320.16	09-12-90	1st Expansion
07-12-89	208	Lots 10,11,S/2 NW/4, SW/4 Sec. 6	319.85	09-12-90	1st Expansion
08-04-89	205	Lots 5,6,S/2 NE/4, SE/4 Section 4	320.00	09-12-90	2nd Expansion
08-06-89	206	Lots 7,8,S/2 NW/4, SW/4 Section 4	319.84	09-12-90	2nd Expansion
08-16-89	207	Lots 8,9,S/2 NE/4, SE/4 Section 6	319.55	09-12-90	2nd Expansion
08-14-89	209	Lots 7,8,S/2 NW/4, SW/4 Section 1	319.10	09-12-90	2nd Expansion
11-21-89	211	Lots 7,8,S/2 NW/4, SW/4 Section 2	320.19	09-12-90	3rd Expansion
12-01-89	225	W/2 Sec. 31-31N-6W	NA	NA	Press Obs Well
12-22-89	202	Lots 7,8,S/2 NW/4, SW/4 Section 1	319.77	09-12-90	4th Expansion
12-09-89	213	Lots 7,8,S/2 NW/4, SW/4 Section 5	319.49	09-12-90	4th Expansion
01-03-90	201	Lots 5,6,9,10,11, SW/4 NE/4, W/2 SE/4 Section 1	226.61	09-12-90	5th Expansion
02-14-90	230	E/2 Sec. 27-31N-6W	320.00	08-23-93	Paying Well
06-09-90	217	W/2 Sec. 35-31N-6W	320.00	08-23-93	Paying Well
07-08-90	210-IDB	Lots 5,6,S/2 NE/4, SE/4 Section 2	319.77	09-12-90	4th Expansion
07-11-90	223	W/2 Sec. 32-31N-6W	320.00	08-23-93	Paying Well
08-23-90	219	W/2 Sec. 24-31N-6W	320.00	08-23-93	Paying Well
08-01-90	231	W/2 Sec. 27-31N-6W	320.00	NS	
09-04-90	212-IDB	Lots 5,6,S/2 NE/4, SE/4 Section 5	319.67	09-12-90	4th Expansion
10-26-90	233	E/2 Sec. 29-31N-6W	320.00	NS	
10-12-90	215	W/2 Sec. 36-31N-6W	320.00	08-23-93	Paying Well

San Juan 31-6 Unit
 #14-08-001-464
 Commerciality Determination
 August 23, 1993
 Page 3

(1) <u>Test Date</u>	(2) <u>Well Number</u>	(3) <u>T30N-R6W Drill Block</u>	(4) <u>Acres</u>	(5) <u>Date Submitted for Paying Well Determination</u>	(6)* <u>Disposition</u>
11-16-90	218	E/2 Sec. 34-31N-6W	320.00	NS	
11-06-90	221	W/2 Sec. 33-31N-6W	320.00	08-23-93	Paying Well
12-05-90	214	Lots 1-4, W/2 E/2 Section 36-31N-6W	225.44	NS	
12-31-90	216	E/2 Sec. 35-31N-6W	320.00	NS	
04-28-91	232-IDB	Lots 5,6,S/2 NE/4, SE/4 Section 1	319.70	09-12-90	2nd Expansion
05-18-91	225R	W/2 Sec. 31-31N-6W	320.00	08-23-93	Paying Well
06-05-91	224	E/2 Sec. 31-31N-6W	320.00	08-23-93	Paying Well
07-08-91	228	E/2 Sec. 28-31N-6W	320.00	NS	
07-21-91	220	E/2 Sec. 33-31N-6W	320.00	NS	
08-08-91	229	W/2 Sec. 28-31N-6W	320.00	NS	
08-22-91	222	E/2 Sec. 31-31N-6W	320.00	08-23-93	Paying Well
06-19-92	234	W/2 Sec. 29-31N-6W	320.00	NS	

*Wells that are submitted herewith and determined to be capable of production in paying quantities are listed as "Paying Well". Wells that have previously been approved as wells capable of production in paying quantities are listed by approved expansion.

Copies of this submittal with enclosures are being sent to the working interest owners on the attached sheet.

Very truly yours,

PHILLIPS PETROLEUM COMPANY



A. J. Kieke, CPL
 Area Landman
 San Juan Basin
 (505) 599-3410

w/o attachments

cc: R. G. Flesher
 K. L. Czirr
 D. B. Evans (r) J. L. Mathis

w/attachments

SJ 31-6 Unit Owners

San Juan 31-6 Unit Working Interest Owners
7/29/93

Amoco Production Company
Outside Operated Group
Attn: David Simpson
P. O. Box 800
Denver, CO 80201

Williams Production Co.
Attn: Mgr. Leasehold Oprs.
P. O. Box 58900
Salt Lake City, UT 84158-0900

Conoco Inc.
Explor. & Prod., NA
10 Desta Drive West
Midland, TX 79705

Prudential-Bache Energy, et al
c/o Graham Royalty, LTD
1675 Larimer Street, Ste. 400
Denver, CO 80202

Global Natural Resources
of Nevada
Attn: Land Dept.
P. O. Box 4682
Houston, TX 77210

Meridian Oil Prod. Inc
Land Department
P. O. Box 4289
Farmington, NM 87499

Frank D. Gorham, Jr.
DBA Cuesta Production Company
William G. Webb
P. O. Box 451
Albuquerque, NM 87103-0451

Texaco Expl. & Prod. Inc.
Joint Interest Operations
P. O. Box 46555
Denver, CO 80201-6555

The Wiser Oil Company
8115 Preston Rd, St 400
Dallas, TX 75225

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #215
Fruitland Coal
W/2 Sec. 36- T31N - R6W
San Juan County, NM

Date of First Delivery: 03/06/91

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	\$255,000		
<u>Production Taxes & Royalty:</u>	20.72%	BLM	12.50
		Serverence	4.60
		Ad Valorem	3.62

Average Product Pricing

1993 1.09/ MCF

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MMCF)</u>	<u>* Operating Expense (\$)</u>
1991	81.0	78,400 Actual
1992	155.2	73,700 Actual
1993	189	46,900
1994	165	46,900
1995	154	46,900
1996	184	46,900
1997	176	46,900
1998	173	46,900
1999	171	46,900
2000	170	46,900
2001	168	46,900
2002	166	46,900
2003	164	46,900
2004	160	46,900
2005	156	46,900

* Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #219
Fruitland Coal
W/2 Sec. 34- T31N - R6W
San Juan County, NM

Date of First Delivery: 03/07/91

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	\$296,000		
<u>Production Taxes & Royalty:</u>	20.72%	BLM	12.50
		Serverence	4.60
		Ad Valorem	3.62

Average Product Pricing

1993 1.09/ MCF

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MMCF)</u>	<u>* Operating Expense (\$)</u>
1991	323.3	42,000 Actual
1992	502.6	29,000 Actual
1993	405	19,500
1994	386	19,500
1995	274	19,500
1996	219	19,500
1997	274	19,500
1998	233	19,500
1999	209	19,500
2000	191	19,500
2001	178	19,500
2002	166	19,500
2003	155	19,500
2004	144	19,500
2005	133	19,500

* Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #221
Fruitland Coal
W/2 Sec. 33- T31N - R6W
San Juan County, NM

Date of First Delivery: 08/26/91

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	\$252,000		
<u>Production Taxes & Royalty:</u>	20.72%	BLM	12.50
		Serverence	4.60
		Ad Valorem	3.62

Average Product Pricing

1993 1.09/ MCF

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MMCF)</u>	<u>* Operating Expense (\$)</u>
1991	98.2	5,000 Actual
1992	408.3	29,000 Actual
1993	478	20,700
1994	409	20,700
1995	337	20,700
1996	357	20,700
1997	297	20,700
1998	259	20,700
1999	232	20,700
2000	211	20,700
2001	194	20,700
2002	181	20,700
2003	169	20,700
2004	160	20,700
2005	152	20,700

* Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit # 222
Fruitland Coal
E/2 Sec. 32 - T31N - R6W
Rio Arriba County, NM

Date of First Delivery: 01/21/92

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	\$280,000		
<u>Production Taxes & Royalty:</u>	20.72%	BLM	12.50
		Serverence	4.60
		Ad Valorem	3.62

Average Product Pricing

1993 1.09/ MCF

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MMCF)</u>	<u>* Operating Expense (\$)</u>
1991	--	--
1992	49.2	32,000 actual
1993	511	46,600
1994	613	46,600
1995	552	46,600
1996	497	46,600
1997	447	46,600
1998	402	46,600
1999	362	46,600
2000	326	46,600
2001	293	46,600
2002	264	46,600
2003	238	46,600
2004	226	46,000
2005	214	46,000
2006	204	46,600

* Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit # 223
Fruitland Coal
W/2 Sec. 32 - T31N - R6W
Rio Arriba County, NM

Date of First Delivery: 8/21/90

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	\$282,000		
<u>Production Taxes & Royalty:</u>	20.72%	BLM	12.50
		Severance	4.60
		Ad Valorem	3.62

Average Product Pricing

1993 \$1.09/ MCF

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MMCF)</u>	<u>* Operating Expense (\$)</u>
1990	227	20,467 actual
1991	820	29,430 actual
1992	766	29,913 actual
1993	962	24,152
1994	855	24,152
1995	561	24,152
1996	511	24,152
1997	510	24,152
1998	407	24,152
1999	343	24,152
2000	298	24,152
2001	265	24,152
2002	237	24,152
2003	215	24,152
2004	195	24,152

* Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #224
Fruitland Coal
E/2 Sec. 31- T31N - R6W
San Juan County, NM

Date of First Delivery: 09/19/91

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	\$369,000		
<u>Production Taxes & Royalty:</u>	20.72%	BLM	12.50
		Serverence	4.60
		Ad Valorem	3.62

Average Product Pricing

1993 1.09/ MCF

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MMCF)</u>	<u>* Operating Expense (\$)</u>
1991	3.3	5,000 Actual
1992	340.6	23,700 Actual
1993	732	34,500
1994	589	34,500
1995	439	34,500
1996	412	34,500
1997	341	34,500
1998	293	34,500
1999	258	34,500
2000	230	34,500
2001	255	34,500
2002	233	34,500
2003	208	34,500
2004	187	34,500
2005	168	34,500

* Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #225R
Fruitland Coal
W/2 Sec. 31- T31N - R6W
San Juan County, NM

Date of First Delivery: 09/18/91

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	\$202,000		
<u>Production Taxes & Royalty:</u>	20.72%	BLM	12.50
		Serverence	4.60
		Ad Valorem	3.62

Average Product Pricing

1993 1.09/ MCF

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MMCF)</u>	<u>* Operating Expense (\$)</u>
1991	48.6	3,500 Actual
1992	787.5	19,400 Actual
1993	1246	25,000
1994	967	25,000
1995	688	25,000
1996	562	25,000
1997	409	25,000
1998	390	25,000
1999	318	25,000
2000	270	25,000
2001	236	25,000
2002	210	25,000
2003	241	25,000
2004	219	25,000
2005	193	25,000

* Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit # 230
Fruitland Coal
E/2 Sec. 27 - T31N - R6W
Rio Arriba County, NM

Date of First Delivery: 3/22/90

Date of Commerciality Submittal: _____

Well Cost Data

Total Well Costs:	\$304,677		
<u>Production Taxes & Royalty:</u>	20.72%	BLM	12.50
		Severance	4.60
		Ad Valorem	3.62

Average Product Pricing

1993 \$1.09/ MCF

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MMCF)</u>	<u>* Operating Expense (\$)</u>
1990	28	40,611 actual
1991	82	71,161 actual
1992	57	61,004 actual
1993	100	33,584
1994	128	33,584
1995	132	33,584
1996	128	33,584
1997	123	33,584
1998	118	33,584
1999	113	33,584
2000	109	33,584
2001	104	33,584
2002	100	33,584
2003	96	33,584
2004	92	33,584

* Operating Expenses were not escalated for inflation.



RAY B. POWELL
COMMISSIONER

State of New Mexico
OFFICE OF THE
Commissioner of Public Lands
Santa Fe

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

SLO REF NO. OG-1319

August 10, 1993

Phillips Petroleum Company
5525 Highway 64 NBU 3004
Farmington, New Mexico 87401

Attn: Mr. A. J. Kieke

Re: Revised 2nd Supplemental 1993 Plan of Development
San Juan 31-6 Unit
Rio Arriba County, New Mexico

Gentlemen:

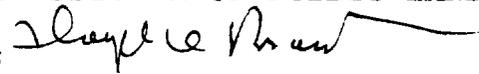
The Commissioner of Public Lands has this date approved the above captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the Unit Area and the need for further development of the unit may exist. You will 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,

RAY B. POWELL
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

RBP/FOP/pm
cc: OCD
BLM



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

July 27, 1993

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401
(3 copies)

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
(2 copies)

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503
(2 copies)

Re: San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
REVISED
Second Supplemental 1993
Plan of Development
GF-5469

Gentlemen:

This letter supersedes and replaces letter dated July 21, 1993 as to the Drilling Block for the well stated below. The well is located in Section 28 and not 29.

By letters dated March 8, 1993 and June 18, 1993, Phillips Petroleum Company filed the 1993 Plan of Development (POD) and the First Supplemental Plan of Development respectively, for the San Juan 31-6 Unit. Said plans have been approved by the Bureau of Land Management, the Oil Conservation Commission and Commissioner of Public Lands, State of New Mexico.

Subsequent to filing the original 1993 Plan of Development, it was proposed that several Dakota infill wells be included in the 1993 Plan of Development under the 1993 Drilling Program. Those infill wells are set forth in the First Supplemental Plan of Development. One additional Dakota infill well is proposed herein. Phillips Petroleum Company as unit operator of the San Juan 31-6 Unit has contacted each Working Interest Owner in accordance with Section 7 of the Unit Operating Agreement.

The proposed Dakota infill well is as follows:

Well Number
San Juan 31-6 #39E

Drilling Block
E/2 Section 28, T31N, R6W

San Juan 31-6 Unit
#14-08-001-464
July 27, 1993
Page 2

If this Second Supplemental 1993 Drilling Program for the San Juan 31-6 meets with your approval, please signify by signing in the space provided and returning an approved copy to the attention of the undersigned.

Very truly yours,

PHILLIPS PETROLEUM COMPANY



A. J. Kieke, CPL
Area Landman
San Juan Basin
(505) 599-3410

cc: San Juan 31-6 Unit
Working Interest Owners

APPROVED _____

Assistant District Manger, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Commission

DATE _____

APPROVED _____

Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor and the
Oil Conservation Commission

DATE _____

APPROVED _____



Oil Conservation Commission
Subject to like approval by the
Area Oil and Gas Supervisor and the
Commissioner of Public Lands

DATE 8-4-93

The foregoing approvals are for the Second Supplemental 1993 Plan of Development for the San Juan 31-6 Unit #14-08-001-464.

San Juan 31-6 Unit Working Interest Owners
3/8/93

Amoco Production Company
Southern Div. Prod. Mgr.
P. O. Box 800
Denver, CO 80201

Williams Production Co.
Attn: Mgr. Leasehold Oprs.
P. O. Box 58900
Salt Lake City, UT 84158-0900

Conoco Inc.
Explor. & Prod., NA
10 Desta Drive West
Midland, TX 79705

Prudential-Bache Energy, et al
c/o Graham Royalty, LTD
1675 Larimer Street, Ste. 400
Denver, CO 80202

Global Natural Resources
of Nevada
Attn: Land Dept.
P. O. Box 4682
Houston, TX 77210

Meridian Oil Prod. Inc
Land Department
P. O. Box 4289
Farmington, NM 87499

Frank D. Gorham, Jr.
DBA Cuesta Production Company
William G. Webb
P. O. Box 451
Albuquerque, NM 87103-0451

Texaco Expl. & Prod. Inc.
Joint Interest Operations
P. O. Box 46555
Denver, CO 80201-6555

The Wiser Oil Company
8115 Preston Rd, St 400
Dallas, TX 75225



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

OIL CONSERVATION DIVISION
REC'D
1993 JUL 27 AM 9 34

July 21, 1993

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401
(3 copies)

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
(2 copies)

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503
(2 copies)

Re: San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
Second Supplemental 1993
Plan of Development
GF-5469

Gentlemen:

By letters dated March 8, 1993 and June 18, 1993, Phillips Petroleum Company filed the 1993 Plan of Development (POD) and the First Supplemental Plan of Development respectively, for the San Juan 31-6 Unit. Said plans have been approved by the Bureau of Land Management, the Oil Conservation Commission and Commissioner of Public Lands, State of New Mexico.

Subsequent to filing the original 1993 Plan of Development, it was proposed that several Dakota infill wells be included in the 1993 Plan of Development under the 1993 Drilling Program. Those infill wells are set forth in the First Supplemental Plan of Development. One additional Dakota infill well is proposed herein. Phillips Petroleum Company as unit operator of the San Juan 31-6 Unit has contacted each Working Interest Owner in accordance with Section 7 of the Unit Operating Agreement.

The proposed Dakota infill well is as follows:

Well Number
San Juan 31-6 #39E

Drilling Block
E/2 Section 29, T31N, R6W

San Juan 31-6 Unit
#14-08-001-464
July 21, 1993
Page 2

If this Second Supplemental 1993 Drilling Program for the San Juan 31-6 meets with your approval, please signify by signing in the space provided and returning an approved copy to the attention of the undersigned.

Very truly yours,

PHILLIPS PETROLEUM COMPANY


A. J. Kieke, CPL
Area Landman
San Juan Basin
(505) 599-3410

cc: San Juan 31-6 Unit
Working Interest Owners

APPROVED _____

Assistant District Manger, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Commission

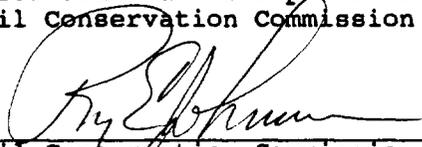
DATE _____

APPROVED _____

Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor and the
Oil Conservation Commission

DATE _____

APPROVED _____


Oil Conservation Commission
Subject to like approval by the
Area Oil and Gas Supervisor and the
Commissioner of Public Lands

DATE 7-29-93

The foregoing approvals are for the Second Supplemental 1993 Plan of Development for the San Juan 31-6 Unit #14-08-001-464.

San Juan 31-6 Unit Working Interest Owners
3/8/93

Amoco Production Company
Southern Div. Prod. Mgr.
P. O. Box 800
Denver, CO 80201

Williams Production Co.
Attn: Mgr. Leasehold Oprs.
P. O. Box 58900
Salt Lake City, UT 84158-0900

Conoco Inc.
Explor. & Prod., NA
10 Desta Drive West
Midland, TX 79705

Prudential-Bache Energy, et al
c/o Graham Royalty, LTD
1675 Larimer Street, Ste. 400
Denver, CO 80202

Global Natural Resources
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Attn: Land Dept.
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Houston, TX 77210

Meridian Oil Prod. Inc
Land Department
P. O. Box 4289
Farmington, NM 87499

Frank D. Gorham, Jr.
DBA Cuesta Production Company
William G. Webb
P. O. Box 451
Albuquerque, NM 87103-0451

Texaco Expl. & Prod. Inc.
Joint Interest Operations
P. O. Box 46555
Denver, CO 80201-6555

The Wiser Oil Company
8115 Preston Rd, St 400
Dallas, TX 75225



RAY B. POWELL
COMMISSIONER

State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

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

SLO REF NO. OG-1316

July 12, 1993

Phillips Petroleum Company
5525 Highway 64 NBU 3004
Farmington, New Mexico 87401

Attn: Mr. A. J. Kieke

Re: 1993 1st Supplemental Plan of Development
San Juan 31-6 Unit
Rio Arriba County, New Mexico

Gentlemen:

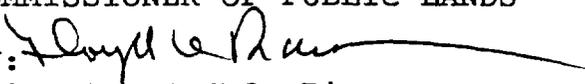
The Commissioner of Public Lands has this date approved the above captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the Unit Area and the need for further development of the unit may exist. You will 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,

RAY B. POWELL
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

RBP/FOP/pm
cc: OCD
BLM



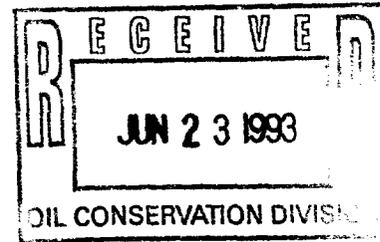
PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

June 18, 1993

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401
(3 copies)

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
(2 copies)



State of New Mexico
Oil Conservation Division
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503
(2 copies)

Re: San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
First Supplemental 1993
Plan of Development
GF-5469

Gentlemen:

By letter dated March 8, 1993 Phillips Petroleum Company filed the 1993 Plan of Development (POD) for the San Juan 31-6 Unit. Said plan has been approved by the Bureau of Land Management, the Oil Conservation Commission and Commissioner of Public Lands, State of New Mexico.

Subsequent to filing the original 1993 Plan of Development, it was proposed that several Dakota infill wells be included in this First Supplemental 1993 Plan of Development under the 1993 Drilling Program. Phillips Petroleum Company as unit operator of the San Juan 31-6 Unit has contacted each Working Interest Owner in accordance with Section 7 of the Unit Operating Agreement.

These proposed Dakota infill Coal well are as follows:

<u>Well Number</u>	<u>Drilling Block</u>
San Juan 31-6 #24E	W/2 Section 27, T31N, R6W
San Juan 31-6 #25E	E/2 Section 33, T31N, R6W
San Juan 31-6 #27E	W/2 Section 28, T31N, R6W
San Juan 31-6 #33E	N/2 Section 34, T31N, R6W
San Juan 31-6 #35E	N/2 Section 35, T31N, R6W
San Juan 31-6 #38E	N/2 Section 2, T30N, R6W

San Juan 31-6 Unit
#14-08-001-464
June 18, 1993
Page 2

If this First Supplemental 1993 Drilling Program for the San Juan 31-6 meets with your approval, please signify by signing in the space provided and returning an approved copy to the attention of the undersigned.

Very truly yours,

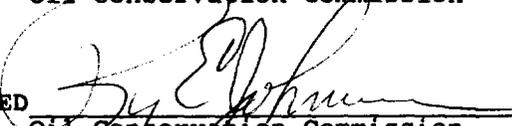
PHILLIPS PETROLEUM COMPANY


A. J. Kieke, CPL
Area Landman
San Juan Basin
(505) 599-3410

cc: San Juan 31-6 Unit
Working Interest Owners

APPROVED _____ DATE _____
Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Commission

APPROVED _____ DATE _____
Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor and the
Oil Conservation Commission

APPROVED  _____ DATE 7-1-93
Oil Conservation Commission
Subject to like approval by the
Area Oil and Gas Supervisor and the
Commissioner of Public Lands

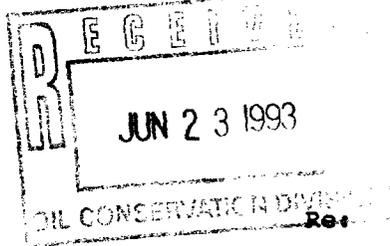
The foregoing approvals are for the First Supplemental 1993 Plan of Development for the San Juan 31-6 Unit #14-08-001-464.



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

June 18, 1993



San Juan 31-6 Unit
Working Interest Owners

San Juan 31-6 Unit
First Supplemental 1993
Plan of Development
Rio Arriba County, New Mexico
GF-5469

Gentlemen:

Phillips Petroleum Company (Phillips), as Unit Operator submits this First Supplemental 1993 Plan of Development for the referenced unit for your approval and recommends that same be filed with the governing regulatory agencies.

Phillips proposes that the following Dakota infill wells be included under the 1993 Plan of Development:

<u>Well No.</u>	<u>Location</u>	<u>Drilling Block</u>
San Juan 31-6 #24E	NW/4	W/2 Section 27-31N-6W
San Juan 31-6 #25E	SE/4	E/2 Section 33-31N-6W
San Juan 31-6 #27E	NW/4	W/2 Section 28-31N-6W
San Juan 31-6 #33E	NW/4	N/2 Section 34-31N-6W
San Juan 31-6 #35E	NW/4	N/2 Section 35-31N-6W
San Juan 31-6 #38E	NE/4	N/2 Section 2-30N-6W

Upon approval of the Cost Estimates, the costs of these wells will be borne by the San Juan 31-6 Unit Dakota Participating Area owners as follows:

Phillips Petroleum Company	90.98241%
Amoco Production Company	2.43259%
Texaco Exploration & Production	2.43258%
The Wiser Oil Company	2.43258%
Meridian Oil Inc.	.37837%
Global Natural Resources (Domestic)	1.34147%

Indicate your approval of the 1993 First Supplemental Plan of Development by signing in the space provided below and return one copy to the undersigned.

Very truly yours,

PHILLIPS PETROLEUM COMPANY

A. J. Kieke, CPL
Area Landman
San Juan Basin
(505) 599-3410

San Juan 31-6 Unit
First Supplemental 1993
Plan of Development
June 18, 1993
Page 2

This First Supplemental 1993 Plan of Development for the San Juan 31-6 Unit is hereby accepted and approved this _____ day of _____, 1993.

By: _____

Name: _____

Title: _____

Company: _____

cc: R. G. Flesher (r) Supervisor (r) Unit File
L. E. Hasely
D. B. Evans (r) J. L. Mathis (r) GF-5469



JIM BACA
COMMISSIONER

State of New Mexico
OFFICE OF THE
Commissioner of Public Lands
Santa Fe

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

SLO REF NO. OG-1269

March 17, 1993

Phillips Petroleum Company
5525 Highway 64 NBU 3004
Farmington, New Mexico 87401

Attn: Mr. A. J. Kieke, CPL

Re: 1993 Plan of Development
San Juan 31-6 Unit
Rio Arriba County, New Mexico

Gentlemen:

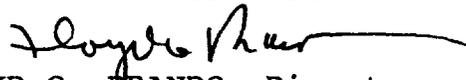
The Commissioner of Public Lands has this date approved the above captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the Unit Area and the need for further development of the unit may exist. You will 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,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

JB/FOP/pm
cc: OCD
BLM



PHILLIPS PETROLEUM COMPANY

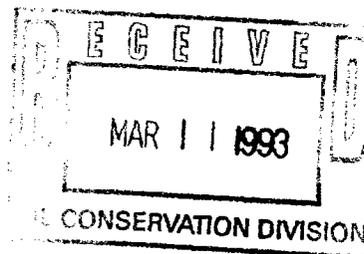
FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

March 8, 1993

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401
(3 copies)

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
(2 copies)

State of New Mexico
Oil Conservation Division
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503
(2 copies)



Re: San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
1993 Plan of Development
GF-5469

Gentlemen:

By letter dated March 2, 1992 Phillips Petroleum Company as Unit Operator, filed the 1992 Plan of Development (POD) for the San Juan 31-6 Unit. No wells were included in the 1992 Plan of Development.

As of this date, the total number of wells drilled and operated by Phillips Petroleum Company on acreage committed to the San Juan 31-6 Unit are as follows:

Fruitland Coal, commercial	14
Fruitland Coal, undetermined	18
Fruitland Coal, pressure observation well	1
Entrada, Water Disposal Facility	1
Mesaverde, temporarily abandoned	2
Mesaverde, commercial	25
Mesaverde, plugged and abandoned	2
Mesaverde/Dakota (Mesaverde commercial, Dakota non-commercial)	1
Mesaverde/Dakota (Mesaverde commercial, Dakota temporarily abandoned)	1
Dakota, commercial	21
Dakota, non-commercial	1
Dakota, infill undetermined	3
TOTAL	90

San Juan 31-6 Unit
#14-08-001-464
1993 Plan of Development
March 8, 1993
Page 2

The Participating Areas which have been established in the San Juan 31-6 Unit are as follows:

<u>FORMATION</u>	<u>REVISION</u>	<u>EFFECTIVE</u>
Fruitland (Coal)	Fifth	February 1, 1990
Mesaverde	Sixteenth	January 1, 1986
Dakota	Eleventh	November 1, 1984

Pursuant to Section 10 of the San Juan 31-6 Unit Agreement, Phillips Petroleum Company, as Unit Operator, has solicited and received majority approval from the San Juan 31-6 Unit Working Interest Owners that no wells be included in the 1993 POD.

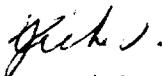
Phillips Petroleum Company, as Unit Operator, will drill any wells that may be required to prevent drainage and any other wells deemed necessary or requested by the Unit Working Interest Owners under the terms and provisions of the Unit Operating Agreement.

Please signify your approval as required under Section 10 of the Unit Agreement by signing in the space provided for on the attached sheet and returning an approved copy to the undersigned.

Copies of this 1993 Plan of Development are being sent to the Working Interest Owners as shown on the attached sheet.

Respectfully,

PHILLIPS PETROLEUM COMPANY



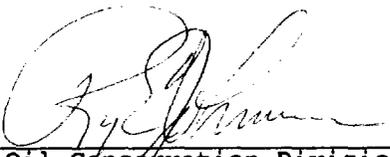
A. J. Kieke, CPL
Area Landman
San Juan Basin

cc: SJ 31-6 Unit WIO's
R. G. Flesher (r) Supervisors, Unit File
J. G. Bearden
D. B. Evans (r) J. L. Mathis (r) GF-5469

San Juan 31-6 Unit
#14-08-001-464
1993 Plan of Development
March 8, 1993
Page 3

APPROVED _____ DATE _____
Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Division

APPROVED _____ DATE _____
Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor and the
Oil Conservation Division

APPROVED  _____ DATE 3-11-93
Oil Conservation Division
Subject to like approval by the
Area Oil and Gas Supervisor and the
Commissioner of Public Land

The foregoing approvals are for the 1993 Plan of Development for the San Juan 31-6 Unit #14-08-001-464.

San Juan 31-6 Unit Working Interest Owners
3/8/93

Amoco Production Company
Southern Div. Prod. Mgr.
P. O. Box 800
Denver, CO 80201

Williams Production Co.
Attn: Mgr. Leasehold Oprs.
P. O. Box 58900
Salt Lake City, UT 84158-0900

Conoco Inc.
Explor. & Prod., NA
10 Desta Drive West
Midland, TX 79705

Prudential-Bache Energy, et al
c/o Graham Royalty, LTD
1675 Larimer Street, Ste. 400
Denver, CO 80202

Global Natural Resources
of Nevada
Attn: Land Dept.
P. O. Box 4682
Houston, TX 77210

Meridian Oil Prod. Inc
Land Department
P. O. Box 4289
Farmington, NM 87499

Frank D. Gorham, Jr.
DBA Questa Production Company
William G. Webb
c/o Quest Petroleum Inc.
P. O. Box 451
Albuquerque, NM 87103-0451

Texaco Expl. & Prod. Inc.
Joint Interest Operations
P. O. Box 46555
Denver, CO 80201-6555

The Wiser Oil Company
8115 Preston Rd, St 400
Dallas, TX 75225



JIM BACA
COMMISSIONER

State of New Mexico
OFFICE OF THE
Commissioner of Public Lands
Santa Fe

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

SLO REF NO. OG-1201

September 29, 1992

Phillips Petroleum Company
5525 HWY 64, NBU 3004
Farmington, New Mexico 87401

Attn: A.J. Kieke, CPL

Re: 1992 Plan of Development
San Juan 31-6 Unit
Rio Arriba County, New Mexico

Gentlemen:

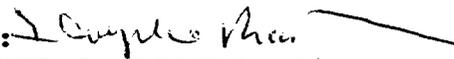
The Commissioner of Public Lands has this date approved the above captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the Unit Area and the need for further development of the unit may exist. You will 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,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

JB/FOP/pm
cc: OCD
BLM



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

OIL CONSERVATION DIVISION
RECEIVED
'92 JUL 23 AM 8 49
Bud ✓
Larry ✓
Mike ✓
David

July 22, 1992

- San Juan 29-5 Unit Owners
- San Juan 29-6 Unit Owners
- San Juan 30-5 Unit Owners
- San Juan 31-6 Unit Owners
- San Juan 32-7 Unit Owners
- San Juan 32-8 Unit Owners

Re: San Juan 29-5 Unit - GF-5395
 San Juan 29-6 Unit - GF-5396 (Case 46)
 San Juan 30-5 Unit - GF-5397
 San Juan 31-6 Unit - GF-5469
 San Juan 32-7 Unit - GF-5464
 San Juan 32-8 Unit - GF-5465
 Rio Arriba and San Juan Counties

Gentlemen:

Find enclosed the Bureau of Land Management response to my July 1, 1992 letter requesting interpretation of Section 11(a) respective referenced Unit Agreements.

Please note that under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described therein within twenty (20) days from July 21, 1992.

Advise if you have any questions or comments.

Very truly yours,

PHILLIPS PETROLEUM COMPANY

A. J. Kieke

A. J. Kieke, CPL
Area Landman
San Juan Basin
(505) 599-3410

cc: New Mexico Oil Conservation Division
New Mexico Commissioner of Public Lands

Certified mail - P 081-702-526



United States Department of the Interior



RECEIVED
BUREAU OF LAND MANAGEMENT

'92 JUL 23 10 11 AM '92
Farmington Resource Area
1235 Laplata Highway

Farmington, New Mexico 87401 San Juan 29-5 Unit et al. (GC)
3180 (019)

IN REPLY REFER TO

RECEIVED

JUL 22 1992

PHILLIPS PETROLEUM CO.
FARMINGTON AREA

JUL 21 1992

CERTIFIED--RETURN RECEIPT REQUESTED
P 081 702 526

Mr. Jay Kieke
Phillips Petroleum Company
5525 Highway 64, NBU 3004
Farmington, NM 87401

Dear Mr. Kieke:

Your letter dated July 1, 1992, requested our interpretation of Section 11(a) of the San Juan 29-5 Unit, and its affect on establishing separate Fruitland Coal and Fruitland Sand participating areas (PAs). This section states that for the purposes of the agreement, all wells completed for production in the Fruitland Formation shall be regarded as producing from a single zone or pool. This language is common to the San Juan 29-5, 29-6, 30-5, 31-6, 32-7, and 32-8 Unit Agreements.

This language is very straight forward. The agreement eliminates any distinction between the varying zones within the formation. It requires that any paying Fruitland Formation well, whether sand or coal, be included in a common PA. Therefore, separate PAs cannot be established.

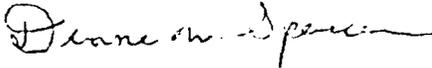
In your letter, you provided some of the problems with combining both Fruitland coal and sand wells within the same PA, such as owners of non-Fruitland coal wells having to share in costs and potential problems with drainage protection. While these problems would be eliminated if separate PAs were formed, the terms of the agrcement do not allow it.

You also referred to a number of PA approval letters from both our office and NMOCD. These letters have approved both the establishment and revision of Fruitland Coal PAs. We regret that the language in our approval letters has caused some confusion on this matter. Per the unit agreement, these approvals are for Fruitland Formation PAs, not Fruitland Coal PAs. We will issue clarification letters stating that these PAs are not Fruitland Coal PAs, but rather Fruitland Formation PAs.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

We hope that this letter clarifies our position on this matter. We request that you provide other working interest owners in the unit a copy of this decision. If you need any additional information, please call Duane Spencer at (505) 599-8950.

Sincerely,


for Mike Pool
Area Manager



JIM BACA
COMMISSIONER

State of New Mexico
OFFICE OF THE
Commissioner of Public Lands
Santa Fe

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

May 6, 1992

Phillips Petroleum Company
300 W. Arrington, Suite 200
Farmington, New Mexico 87401

Attn: A. J. Kieke

Re: San Juan 31-6 Unit
Rio Arriba County, New Mexico
Fruitland Formation
Application for Initial Participating Area - Eff: 7/8/89
Application for First Expansion Eff: 8/1/89
Application for Second Expansion Eff: 9/1/89
Application for Third Expansion Eff: 12/1/89
Application for Fourth Expansion Eff: 1/1/90
Application for Fifth Expansion Eff: 2/1/90

Dear Mr. Kieke:

This office is in receipt of the above captioned application dated September 27, 1990 for the Initial through Fifth Expansion of the Fruitland Formation Participating Area.

By letter of March 26, 1991, the Bureau of Land Management advised this office that the above captioned application had been approved.

The Commissioner of Public Lands concurs with the Bureau of Land Management's decision and has this date also approved the above mentioned Participating Area.

Please advise all interested parties of this action.

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

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm
encls.

cc: Reader File
OCD
BLM
TRD

467



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

OIL CONSERVATION COMMISSION
RECEIVED

'92 MAR 5 10 10

March 2, 1992

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401
(3 copies)

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
(2 copies)

State of New Mexico
Oil Conservation Commission
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503
(2 copies)

Re: San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
1992 Plan of Development
GF-5469

Gentlemen:

By letter dated March 26, 1991 Northwest Pipeline Corporation (Northwest) as Unit Operator, filed the 1991 Plan of Development (POD) for the San Juan 31-6 Unit except for Fruitland development. No wells were included in Northwest's 1991 POD. By letter dated February 7, 1991, Phillips Petroleum Company (Phillips) as sub-operator of the Fruitland formation filed the 1991 POD for the captioned unit area. Effective April 1, 1991, Phillips was approved as successor Unit Operator to Northwest. By letter dated September 16, 1991, Phillips filed the First Supplemental POD. The POD's indicated that five (5) Infill Dakota wells would be drilled during 1991. Note the following list describing the wells, the POD under which the well was submitted, and disposition.

Well Number	1991 POD	Disposition
San Juan 31-6 #31E	1st Supplemental	Drilled
San Juan 31-6 #35E	1st Supplemental	Dropped
San Juan 31-6 #28E	1st Supplemental	Drilled
San Juan 31-6 #33E	1st Supplemental	Dropped
San Juan 31-6 #36E	1st Supplemental	Drilled

As of this date, the total number of wells drilled and operated by Phillips Petroleum Company on acreage committed to the San Juan 31-6 Unit are as follows:

Fruitland Coal, undetermined	32
Fruitland Coal, pressure observation well	1
Entrada, Water Disposal Facility	1
Mesaverde, temporarily abandoned	2
Mesaverde, commercial	25

San Juan 31-6 Unit
#14-08-001-464
1992 Plan of Development
March 2, 1992
Page 2

Mesaverde, plugged and abandoned	2
Mesaverde/Dakota (Mesaverde commercial, Dakota non-commercial)	1
Mesaverde/Dakota (Mesaverde commercial, Dakota temporarily abandoned)	1
Dakota, commercial	21
Dakota, non-commercial	1
Dakota, infill undetermined	<u>3</u>
TOTAL	90

The Participating Areas which have been established in the San Juan 31-6 Unit are as follows:

<u>FORMATION</u>	<u>REVISION</u>	<u>EFFECTIVE</u>
Fruitland (Coal)	Fifth	February 1, 1990
Mesaverde	Sixteenth	January 1, 1986
Dakota	Eleventh	November 1, 1984

Pursuant to Section 10 of the San Juan 31-6 Unit Agreement, Phillips Petroleum Company, as Unit Operator, has solicited and received majority approval from the San Juan 31-6 Unit Working Interest Owners that no wells be included in the 1992 POD.

Phillips Petroleum Company, as Unit Operator, will drill any wells that may be required to prevent drainage and any other wells deemed necessary or requested by the Unit Working Interest Owners under the terms and provisions of the Unit Operating Agreement.

Please signify your approval as required under Section 10 of the Unit Agreement by signing in the space provided for on the attached sheet and returning an approved copy to the undersigned.

Copies of this 1992 Plan of Development are being sent to the Working Interest Owners as shown on the attached sheet.

Respectfully,

PHILLIPS PETROLEUM COMPANY



A. J. Kieke, CPL
Area Landman
San Juan Basin

cc: SJ 31-6 Unit WIO's
N. L. Maddox (r) GF-5469
R. G. Flesher (r) K. L. Czirr (r) T. R. Moore
R. A. Allred
J. G. Bearden
R. T. Hillburn
O. J. Mitchell

San Juan 31-6 Unit
#14-08-001-464
1992 Plan of Development
March 2, 1992
Page 3

APPROVED _____
Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Commission

DATE _____

APPROVED _____
Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor and the
Oil Conservation Commission

DATE _____

APPROVED  _____
Oil Conservation Commission
Subject to like approval by the
Area Oil and Gas Supervisor and the
Commissioner of Public Land

DATE 3-6-92

The foregoing approvals are for the 1992 Plan of Development for the San Juan 31-6 Unit #14-08-001-464.

San Juan 31-6 Unit Working Interest Owners
2/27/92

Amoco Production Company
Southern Div. Prod. Mgr.
P. O. Box 800
Denver, CO 80201

Williams Production Co.
Attn: Vern Hansen
295 Chipeta Way
Salt Lake City, UT 84108

Conoco, Inc.
Attn: Land Supervisor
3817 NW Expressway
Oklahoma City, OK 73112

Prudential-Bache Energy, et al
c/o Graham Royalty, LTD
1675 Larimer Street, Ste. 400
Denver, CO 80202

Global Natural Resources
of Nevada
Attn: S. Scarbrough
P. O. Box 4682
Houston, TX 77210

Meridian Oil Prod. Inc
Land Department
P. O. Box 4289
Farmington, NM 87499

PWG Partnership
P. O. Box 451
Albuquerque, NM 87103

Texaco, Inc.
Joint Interest Operations
P. O. Box 46555
Denver, CO 80201-6555

The Wiser Oil Company
8115 Preston Rd, St 400
Dallas, TX 75225



State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

JIM BACA
COMMISSIONER

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

February 20, 1992

Northwest Pipeline Corporation
P. O. Box 8900
Salt Lake City, Utah 84108-0900

Attn: Mr. Darrell L. Gillen

Re: San Juan 31-6 Unit
Application for Approval of Eleventh Dakota Participating Area
W/2 Sec. 5-30N-6W, Rio Arriba County, New Mexico

Dear Mr. Gillen:

The Bureau of Land Management has notified this office that by their letter of February 9, 1990, the Eleventh Expanded Participating Area, Dakota Formation, San Juan 32-6 Unit, Rio Arriba County, New Mexico was approved. Please be advised that the Commissioner of Public Lands concurs with the Bureau of Land Management and has this date also approved your application for the above mentioned Participating Area.

The Eleventh revision adds 319.49 acres to the Dakota Participating Area and is described as the W/2 of Section 5, Township 30 North, Range 6 West., NMPM. The 11th revision is effective as of November 1, 1984.

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

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm
encls.
cc Reader File
OCD
BLM



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

OIL CONSERVATION DIVISION
RECEIVED

'91 SEP 20 AM 9 05

September 16, 1991

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401
(4 copies enclosed)

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Sante Fe, New Mexico 87504-1148
(2 copies enclosed)

State of New Mexico
Oil Conservation Commission
Attn: Mr. William J. LeMay
310 Old Sante Fe Trail, Room 206
Sante Fe, New Mexico 87503
(2 copies enclosed)

Re: San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
First Supplemental 1991
Drilling Program
GF-5469

Gentlemen:

By letter dated March 26, 1991, Northwest Pipeline Corporation, as Unit Operator, filed the 1990 Drilling Program for the San Juan 31-6 Unit, except for Fruitland development. Phillips Petroleum Company, as sub-operator of the Fruitland formation filed the 1991 Drilling Program for the subject unit.

Subsequent to filing the original 1991 Drilling Program, it has been proposed that five (5) Dakota wells be drilled under the 1991 Drilling Program. Phillips Petroleum Company, as Unit Operator of the San Juan 31-6 Unit has contacted all Working Interest Owners in accordance with Section 7 of the Unit Operating Agreement.

First Supplemental 1991
Drilling Program
San Juan 31-6 Unit
September 16, 1991
Page 2

The proposed Dakota wells are as follows:

<u>WELL NUMBER</u>	<u>DRILLING BLOCK</u>
SAN JUAN 31-6 UNIT 31E	S/2 SEC. 35-T31N-R6W
SAN JUAN 31-6 UNIT 35E	N/2 SEC. 35-T31N-R6W
SAN JUAN 31-6 UNIT 28E	S/2 SEC. 34-T31N-R6W
SAN JUAN 31-6 UNIT 33E	N/2 SEC. 34-T31N-R6W
SAN JUAN 31-6 UNIT 36E	E/2 SEC. 27-T31N-R6W

If this First Supplemental 1991 Drilling Program for the San Juan 31-6 unit meets your approval, please signify by signing in the space provided below and return an approved copy to the attention of the undersigned.

Copies of this letter are being sent to the Working Interest Owners as shown on the attached list.

Very truly yours,

PHILLIPS PETROLEUM COMPANY



A. J. Kieke, CPL
Area Landman
San Juan Basin
(505) 599-3410

First Supplemental 1991
Drilling Program
San Juan 31-6 Unit
September 16, 1991
Page 3

APPROVED _____ DATE _____

ASSISTANT DISTRICT MANAGER, MINERALS
BUREAU OF LAND MANAGEMENT
Subject to like approval by the
Commissioner of Public Lands and
the Oil Conservation Commission

APPROVED _____ DATE _____

COMMISSION OF PUBLIC LANDS
Subject to like approval by the
Area Oil and Gas Supervisor, BLM
and the Oil Conservation Commission

APPROVED  _____ DATE 9-20-91

OIL CONSERVATION COMMISSION
Subject to like approval by the
Area Oil and Gas Supervisor, BLM
and the Commissioner of Public Lands

The foregoing approvals are for the Second Supplemental 1991
Drilling Program for the San Juan 31-6 Units. #14-08-001-464.

Amoco Production Company
Southern Div. Prod. Mgr.
P. O. Box 800
Denver, CO 80201

Williams Production Co.
Attn: Vern Hansen
295 Chipeta Way
Salt Lake City, UT 84108

Conoco, Inc.
Attn: Carla D. Wood
3817 NW Expressway
Oklahoma City, OK 73112

Global Natural Resources
of Nevada
Attn: S. Scarbrough
P. O. Box 4682
Houston, TX 77210

Meridian Oil Prod. Inc
Land Department
P. O. Box 4289
Farmington, NM 87499

PWG Partnership
P. O. Box 451
Albuquerque, NM 87103

Texaco, Inc.
Joint Interest Operations
P. O. Box 46555
Denver, CO 80201-6555

The Wiser Oil Company
P. O. Box 192
Sisterville, WV 26175-0192



JIM BACA
COMMISSIONER

State of New Mexico
OFFICE OF THE
Commissioner of Public Lands
Santa Fe

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

April 11, 1991

Northwest Pipeline Corporation
P.O. Box 8900
Salt Lake City, Utah 84108-0900

Attn: Mr. Darrell L. Gillen

Re: San Juan 31-6 Unit
Rio Arriba County, New Mexico
1991 Plan of Development

Dear Mr. Gillen:

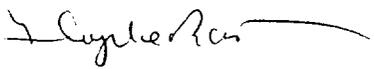
The Commissioner of Public Lands has this date approved the 1991 Plan of Development for the San Juan 31-6 Unit. Our approval is subject to like approval by all other appropriate agencies.

There is a possibility of drainage by wells outside the Unit Area and the need for further development may exist.

If we may be of further assistance please contact our office at (505) 827-5791.

Sincerely,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

By: 
Floyd O. Prando, Director
Oil, Gas & Minerals Division

JB/FOP/DM/dm

cc: OCD
Unit POD File
Unit Correspondence File
Phillips Petroleum Company

RESIGNATION OF UNIT OPERATOR AND
DESIGNATION OF SUCCESSOR UNIT OPERATOR

SAN JUAN 31-6 UNIT AREA
COUNTY OF RIO ARRIBA, STATE OF NEW MEXICO
NO. 14-08-001-464

THIS INDENTURE, dated as of the 15th day of March, 1991, by and between Northwest Pipeline Corporation, operator and owner of unitized working interest, hereinafter called "Northwest" and Phillips Petroleum Company, successor operator and owner of unitized working interest, hereinafter called "Phillips",

W I T N E S S E T H:

WHEREAS, under the provisions of the Act of February 25, 1920, 41 Stat. 437, 30 U.S.C. §§181, et seq., as amended by the Act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior, on the 11th day of February, 1953, approved the Unit Agreement for the Development and Operation of the San Juan 31-6 Unit Area, wherein Northwest is designated as Unit Operator; and

WHEREAS, under the provisions of an Act of Legislature (§1, Chap. 162, Laws of 1951, and §§ 1 and 2, Chap. 176, Laws of 1961, Sec. Chap. 7, Article 11, §§39, 40 and 41, New Mexico Statutes 1953 Annotated) (Now being Chap. 19, Article 10, §§ 45, 46 and 47 New Mexico Statutes Annotated 1978 Com.) the Commissioner of Public Lands on the 19th day of January, 1953, approved a Unit Agreement for the Development and Operation of the San Juan 31-6 Unit Area, wherein Northwest is designated as Unit Operator; and

WHEREAS, said Northwest has resigned as such Operator, and the designation of a successor Unit Operator is now required pursuant to the terms thereof; and

WHEREAS, in accordance with the terms and provisions of the San Juan Unit Agreement for the Development and Operation of the San Juan 31-6 Unit Area, Northwest has procured the necessary consent from working interest owners in the San Juan 31-6 Unit to resign as Unit Operator prior to the required 6-month waiting period after notification to working interest owners and regulatory agencies, and Phillips has procured the necessary consent from said owners to replace Northwest as Operator of the San Juan 31-6 Unit.

NOW, THEREFORE, effective April 1, 1991, Northwest hereby resigns as Unit Operator under the Unit Agreement for the Development and Operation of the San Juan 31-6 Unit Area and Phillips hereby covenants and agrees to fulfill the

duties and assume the obligations of Unit Operator under and pursuant to all the terms of the Unit Agreement for the Development and Operation of the San Juan 31-6 Unit Area, and Northwest covenants and agrees that, upon approval of this indenture by the Authorized Officer in the proper BLM office and the Commissioner of Public Lands, Phillips shall be granted the exclusive right and privilege of exercising any and all rights and privileges and Unit Operator, pursuant to the terms and conditions of said Unit Agreement; and said Unit Agreement being hereby incorporated hereby by references and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date hereinabove set forth.

Unit Operator and Working Interest Owner
Northwest Pipeline Corporation

APPROVED AS TO FORM
THIS DATE 3/18/91
BY [Signature]

By: [Signature]
Attorney-in-Fact

Successor Unit Operator and Working Interest Owner
Phillips Petroleum Company

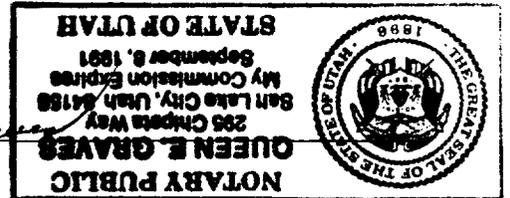
By: [Signature]
Attorney-in-Fact

STATE OF Utah)
COUNTY OF Salt Lake) SS.

The foregoing instrument was acknowledged before me this 18th day of March, 1991, by Warren O. Curtis, as Attorney-in-Fact on behalf of Northwest Pipeline Corporation.

My commission expires:
September 8, 1991

Queen E. Graves
Notary Public

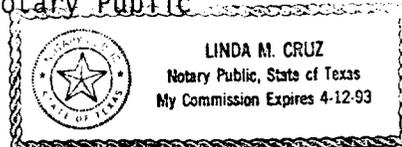


STATE OF Texas)
COUNTY OF Harris) : SS.

The foregoing instrument was acknowledged before me this 20th day of MARCH, 1991, by N. L. MADDOX, as Attorney-in-Fact on behalf of PHILLIPS PETROLEUM COMPANY.

My commission expires:
4-12-93

Linda M. Cruz
Notary Public



RESIGNATION OF UNIT OPERATOR AND DESIGNATION OF SUCCESSOR UNIT OPERATOR
SAN JUAN 31-6 UNIT AREA

NORTHWEST PIPELINE CORPORATION 
ONE OF THE WILLIAMS COMPANIES

191092.wp

P.O. BOX 8900
SALT LAKE CITY, UTAH 84108-0900
801-583-8800

March 26, 1991

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington NM 87401

State of New Mexico
Commissioner of Public Lands
ATTN: Mr. Floyd O. Prando
P.O. Box 1148
Santa Fe NM 87504-1148

State of New Mexico
Oil Conservation Commission
ATTN: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe NM 87503

Re: San Juan 31-6 Unit, #14-08-001-464
Rio Arriba County, New Mexico
1991 Plan of Development

Gentlemen:

By letter dated February 26, 1990, Northwest Pipeline Corporation, as Unit Operator, filed the 1990 Plan of Development for the referenced unit. The Plan of Development indicated that nine Fruitland Coal formation wells would be drilled during 1990 in the Unit. In February of 1990, Northwest Pipeline Corporation designated Phillips Petroleum Company as Suboperator of the Fruitland formation within the Unit, therefore, Phillips Petroleum Company will provide

Assistant District Manager, Minerals
Commissioner of Public Lands
Oil Conservation Commission
March 26, 1991
page 2

an accounting of the Fruitland Coal formation wells drilled during 1990, as well as any wells drilled in the Fruitland formation under prior years drilling programs which are operated by Phillips.

As of this date, the total number of wells drilled and operated by Northwest Pipeline Corporation in the San Juan 31-6 Unit on acreage committed to the unit is as follows:

Mesaverde, commercial	25
Mesaverde, plugged and abandoned	2
Mesaverde, temporarily abandoned	2
Mesaverde/Dakota, (Mesaverde commercial, Dakota non-commercial)	1
Mesaverde/Dakota, (Mesaverde commercial, Dakota temporarily abandoned)	1
Dakota, commercial	21
Dakota, non-commercial	<u>1</u>
TOTAL	53

The Participating Areas which have been established in the San Juan 31-6 Unit are as follows:

<u>Formation</u>	<u>Revision</u>	<u>Effective</u>
Mesaverde	Sixteenth	January 1, 1986
Dakota	Eleventh	November 1, 1984

Pursuant to Section 10 of the San Juan 31-6 Unit Agreement, Northwest Pipeline Corporation, as Unit Operator, is submitting a Plan of Development providing for the drilling of no wells during 1991.

Northwest Pipeline Corporation, as Unit Operator, will drill any offset wells that may be required to prevent drainage of unitized substances and any other wells deemed necessary or which are requested by the Unit Operator or the Working Interest Owners.

If this Plan of Development is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to Northwest Pipeline Corporation.

Assistant District Manager, Minerals
Commissioner of Public Lands
Oil Conservation Committee
March 26, 1991
page 3

Copies of this Plan of Development are being sent to the Working Interest Owners
as shown on the attached sheet.

Sincerely,

NORTHWEST PIPELINE CORPORATION


Darrell L. Gillen
Land Manager

DLG:jb1

Attachment

cc: Working Interest Owners
W.O. Curtis
P.C. Thompson

Assistant District Manager, Minerals
Commissioner of Public Lands
Oil Conservation Committee
March 26, 1991
page 4

APPROVED _____ DATE _____
Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Commission

APPROVED _____ DATE _____
Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor and
the Oil Conservation Commission

APPROVED  _____ DATE 4-8-91
Oil Conservation Commission
Subject to like approval by the
Area Oil and Gas Supervisor and
the Commissioner of Public Lands

The foregoing approvals are for the 1991 Plan of Development for the San Juan
31-6 Unit #14-08-001-464.

U56N2650
08/22/90

WORKING INTEREST OWNERS
SAN JUAN 31-6 UNIT

AMOCO PRODUCTION COMPANY
SOUTHERN DIVISION, PRODUCTION MGR.
1670 BROADWAY
P.O. BOX 800
DENVER, CO 80201

CONOCO, INC.
3817 NORTHWEST EXPRESSWAY
OKLAHOMA CITY, OK 73112

GLOBAL NATURAL RESOURCES OF NEVADA
ATTENTION: STUART SCARBOROUGH
P.O. BOX 4682
HOUSTON, TX 77210

MERIDIAN OIL PRODUCTION INC.
LAND DEPARTMENT
P.O. BOX 4289
FARMINGTON, NM 87401

PHILLIPS PETROLEUM COMPANY
ATTN: JAY KIEKE
300 WEST ARRINGTON, SUITE 200
FARMINGTON, NM 87401

PWG PARTNERSHIP
P.O. BOX 451
ALBUQUERQUE, NM 87103

TEXACO, INC.
JOINT INTEREST OPERATIONS
P.O. BOX 46555
DENVER, CO 80201-6555

THE WISER OIL COMPANY
P.O. BOX 192
SISTERSVILLE, WV 26175



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401

MIN DIVISION

MAR 9 1991



IN REPLY REFER TO:

SAN JUAN 31-6 (PA)
3100 (019)

MAR. 28 1991

Phillips Petroleum Company
Attention: A. J. Kiske, Jr.
300 W. Arrington
Farmington, NM 87401

Re: San Juan 31-6 (PA) and expansions 1-5 Fruitland Coal Formation

Dear Mr. Kiske:

We have concluded a Geological and Engineering review of your application for the referenced unit and expansions dated September 27, 1990. The following are approved:

1. The INITIAL PA effective July 8, 1989, comprised of 520.32 acres, initiated by: Well No. 203 NE/4SE/4 section 7, T. 30 N., R. 6 W., Rio Arriba County, New Mexico is hereby approved.
2. The FIRST EXPANSION effective August 1, 1989, comprised of 640.01 acres, initiated by: Well No. 204 NW/4SW/4 section 5, T. 30 N., R. 6 W., Rio Arriba County, New Mexico is hereby approved.
3. The SECOND EXPANSION effective September 1, 1989, comprised of 1698.19 acres, initiated by:
 - a. Well No. 205 NE/4SE/4 section 4, T. 30 N., R. 6 W., Rio Arriba County, New Mexico.
 - b. Well No. 206 NW/4SW/4 section 4, T. 30 N., R. 6 W., Rio Arriba County, New Mexico.
 - c. Well No. 207 NE/4SE/4 section 6, T. 30 N., R. 6 W., Rio Arriba County, New Mexico.
 - d. Well No. 208 NW/4SW/4 section 1, T. 30 N., R. 7 W., Rio Arriba County, New Mexico are hereby approved.
4. The THIRD EXPANSION effective December 1, 1989, comprised of 320.19 acres, initiated by: Well No. 211 NW/4SW/4 section 2, T. 30 N., R. 6 W., Rio Arriba County, New Mexico is hereby approved.
5. The FOURTH EXPANSION effective January 1, 1990 comprised of 1372.62 acres, initiated by:
 - a. Well No. 209 NW/4SW/4 section 1, T. 30 N., R. 6 W., Rio Arriba County, New Mexico.
 - b. Well No. 210 NE/4SE/4 section 2, T. 30 N., R. 6 W., Rio Arriba County, New Mexico are hereby approved.

6. The FIFTH EXPANSION effective February 1, 1990 comprised of 225.61 acres, initiated by: Well No. 201 SE/4NE/4 section 1, T. 30 N., R. 6 W., Rio Arriba County, New Mexico is hereby approved.

Please call Ray Hager at (505) 327-5344 for additional information

Sincerely,

/s/ Mark Kelly

Ron Fellows
FOR Area Manager

1 Enclosure

1 - Approved PA & revisions
(36 pp)

cc:

~~Commissioner of Public Lands, State of New Mexico~~
Commissioner of Public Lands, State of New Mexico
Minerals Management Service



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
300 W. ARRINGTON, SUITE 200, PHONE: 505 599-3400

EXPLORATION AND PRODUCTION

March 21, 1991

#467

United States Department of Interior
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401
Attn: Mr. Duane Spencer, Supervisor
Oil and Gas Units
(4 Copies Enclosed)

3-25-91
D-Unit letter
Thk
R-7
#

State of New Mexico
Commissioner of Public Lands
310 Old Santa Fe Trail
P. O. Box 1148
Santa Fe, NM 87504-1148
Attn: Mr. Floyd O. Prando
(2 Copies Enclosed)

State of New Mexico
Oil Conservation Commission
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503
Attn: Mr. William J. Le May
(2 Copies Enclosed)

Re: Resignation of Unit Operator
and Designation of Successor
Unit Operator
San Juan 29-5 Unit Area
No. 14-08-001-437
San Juan 29-6 Unit Area
No. 14-08-001-439
San Juan 30-5 Unit Area
No. 14-08-001-346
San Juan 31-6 Unit Area
No. 14-08-001-464
San Juan 32-7 Unit Area
No. 14-08-001-441
San Juan 32-8 Unit Area
No. 14-08-001-446
San Juan & Rio Arriba Co., NM

Gentlemen:

Enclosed herewith for your immediate review and approval are original copies of the "Resignation of Unit Operator and Designation of Successor Unit Operator" forms for the Referenced

Resignation of Unit Operator
and Designation of Successor
Unit Operator
San Juan 29-5 Unit Area
San Juan 29-6 Unit Area
San Juan 30-5 Unit Area
San Juan 31-6 Unit Area
San Juan 32-7 Unit Area
San Juan 32-8 Unit Area
San Juan & Rio Arriba Co., NM
March 21, 1991
Page 2

Unit Areas. Phillips Petroleum Company has received working interest owner approvals to become successor operator to Northwest Pipeline Corporation. Enclosed herewith are sample copies of the letters sent to all working interest owners polling their response for your reference and file.

Please note that Phillips Petroleum Company's bonding requirements are in place as follows:

Federal Nationwide Oil and Gas Bond No. 888912
State of New Mexico Blanket Plugging
and Indemnity Bond No. 914925

Please process this submittal to facilitate an April 1, 1991 effective date as stated therein. All C-104 forms and sundry notices will be filed under this effective date. Send one (1) approved copy to the undersigned for our distribution and file.

Copies of this submittal are being sent to the working interest owners on the attached lists.

Very truly yours,
PHILLIPS PETROLEUM COMPANY


A. J. Kieke
Area Landman
San Juan Basin
505-599-3410

cc: San Juan 29-5 Unit Working Interest Owners
San Juan 29-6 Unit Working Interest Owners
San Juan 30-5 Unit Working Interest Owners
San Juan 31-6 Unit Working Interest Owners
San Juan 32-7 Unit Working Interest Owners
San Juan 32-8 Unit Working Interest Owners
GF-5395, GF-5396, GF-5397, GF-5469, GF-5464, GF-5465

#7 - resignuo.jay

#467



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
300 W. ARRINGTON, SUITE 200, PHONE: 505 599-3400

EXPLORATION AND PRODUCTION

February 7, 1991

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401
(3 copies enclosed)

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
(2 copies enclosed)

Attn: Mr. Floyd O. Prando

State of New Mexico
Oil Conservation Commission
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503
(2 copies enclosed)

Attn: Mr. William J. Lemay

Re: San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
1991 Plan of Development
GF-5469

Gentlemen:

By letter dated February 26, 1990 Northwest Pipeline Corporation, as Unit Operator, filed the Initial 1990 San Juan 31-6 Unit Plan of Development. By letters dated July 20, 1990 and September 6, 1990, Phillips Petroleum Company, as Unit sub-operator of the Fruitland Formation, filed the First and Second Supplemental 1990 San Juan 31-6 Unit Plans of Development. The drilling programs indicated that twenty (20) Fruitland Coal wells would be drilled for the Unit. The following list describes those wells which have been drilled or dropped during 1990 and those wells carried over to the 1991 Plan of Development, if any.

San Juan 31-6 Unit
 #14-08-001-464
 Rio Arriba County, New Mexico
 1991 Plan of Development
 February 7, 1991
 Page 2

<u>Well No.</u>	<u>1990 Plan of Development</u>	<u>Disposition</u>
San Juan 31-6 Unit #210	Initial	Drilled
San Juan 31-6 Unit #212	Initial	Drilled
San Juan 31-6 Unit #215	Initial	Drilled
San Juan 31-6 Unit #217	Initial	Drilled
San Juan 31-6 Unit #218	Initial	Drilled
San Juan 31-6 Unit #219	Initial	Drilled
San Juan 31-6 Unit #221	Initial	Drilled
San Juan 31-6 Unit #223	Initial	Drilled
San Juan 31-6 Unit #232	Initial	Drilled
San Juan 31-6 Unit #214	First	Drilled
San Juan 31-6 Unit #216	First	Drilled
San Juan 31-6 Unit #220	First	Drilled
San Juan 31-6 Unit #222	First	Drilled
San Juan 31-6 Unit #224	First	Drilled
San Juan 31-6 Unit #228	First	Drilled
San Juan 31-6 Unit #229	First	Drilled
San Juan 31-6 Unit #231	First	Drilled
San Juan 31-6 Unit #233	First	Drilled
San Juan 31-6 Unit #234	First	Drilled
San Juan 31-6 Unit #225R	Second	Drilled

The total number of Fruitland wells including water disposal facility wells drilled on acreage committed to the San Juan 31-6 Unit are as follows:

Fruitland Coal, undetermined	32
Pressure Observation Well (Fruitland)	1
Entrada, Water Disposal Facility Well	1

There have been no Participating Areas established for the Fruitland Formation to date. However, the application for Initial through Fifth Expanded Fruitland Participating Areas are pending regulatory agency approvals.

Pursuant to Section 10 of the San Juan 31-6 Unit Agreement, Phillips Petroleum Company, as Unit sub-operator of the Fruitland Formation, has solicited and received majority concurrence from the San Juan 31-6 Unit Working Interest Owners that no wells be proposed at this time as part of the 1991 Plan of Development.

San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
1991 Plan of Development
February 7, 1991
Page 3

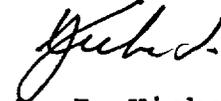
Phillips Petroleum Company will drill any wells that may be necessary to prevent drainage and any other wells deemed necessary or requested by the Unit sub-operator or the Unit Working Interest Owners under the terms and provisions of the Unit Operating Agreement.

Please signify your approval as required under Section 10 of the Unit Agreement by signing in the space provided for on the attached sheet and returning an approved copy to the undersigned.

Copies of the 1991 Plan of Development are being sent to the Working Interest Owners as shown on the attached sheet. If you need additional information please advise.

Very truly yours,

Phillips Petroleum Company



A. J. Kieke
Area Landman
San Juan Basin
(505) 599-3410

cc: Unit Working Interest Owners
J. E. Carlton
A. R. Lyons
R. T. Hillburn

#4 - 316pd.jay

San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
1991 Plan of Development
February 7, 1991
Page 4

APPROVED _____ DATE _____
Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Commission

APPROVED _____ DATE _____
Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor and
the Oil Conservation Commission

APPROVED  _____ DATE 2-14-91
Oil Conservation Commission
Subject to like approval by the
Area Oil and Gas Supervisor and
the Commissioner of Public Lands

The foregoing approvals are for the 1991 Plan of Development for
the San Juan 31-6 Unit # 14-08-001-464.

WORKING INTEREST OWNERS
SAN JUAN 31-6 UNIT

AMOCO PRODUCTION COMPANY
SOUTHERN DIVISION, PRODUCTION MGR.
1670 BROADWAY
P.O. BOX 800
DENVER, CO 80201

CONOCO, INC.
ATTN: CARLA D. WOOD, LAND DEPT.
3817 NW EXPRESSWAY
OKLAHOMA CITY, OK 73112

GLOBAL NATURAL RESOURCES OF NEVADA
ATTENTION: STUART SCARBOROUGH
P.O. BOX 4682
HOUSTON, TX 77210

MERIDIAN OIL PRODUCTION INC.
LAND DEPARTMENT
P.O. BOX 4289
FARMINGTON, NM 87401

PHILLIPS PETROLEUM COMPANY
ATTN: A.J. KIEKE
300 WEST ARRINGTON, SUITE 200
FARMINGTON, NM 87401

PWG PARTNERSHIP
P.O. BOX 451
ALBUQUERQUE, NM 87103

TEXACO, INC.
JOINT INTEREST OPERATIONS
P.O. BOX 46555
DENVER, CO 80201-6555

THE WISER OIL COMPANY
P.O. BOX 192
SISTERVILLE, W.VA. 26175-0192

NORTHWEST PIPELINE CORPORATION
3539 E 30TH STREET
FARMINGTON, NM 87401
ATTN: JEFF VAUGHN

NORTHWEST PIPELINE CORPORATION
295 CHIPETA WAY
SALT LAKE CITY, UTAH 84108
ATTN: VERN HANSEN

#2 - WIO316.JAY



UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
1235 LAPLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401



IN REPLY REFER TO:

San Juan 31-6 Unit (POD)
3183.6 (019)

NOV. 30 1990

Phillips Petroleum Co.
300 W. Arrington, Suite 200
Farmington, NM 87401

Re: San Juan 31-6 Unit
2nd Supplement, 1990 POD

Gentlemen:

Enclosed is an approved copy of the second supplement to the 1990 Plan of Development for the San Juan 31-6 Unit. Your 1991 POD is due March 1, 1991.

Please call Duane Spencer at (505) 327-5344 if you have any questions concerning this matter.

Sincerely,

/s/ John L. Keller

John L. Keller
Chief, Branch of Mineral Resources

cc:

New Mexico Oil Conservation Division, 310 Old Santa Fe Trail, Room 206,
Santa Fe, NM 87503 w/o encl.
State of New Mexico, Commissioner of Public Lands, P. O. Box 1148,
Santa Fe, NM 87504 w/o encl.



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
300 W. ARRINGTON, SUITE 200, PHONE: 505 599-3400

EXPLORATION AND PRODUCTION

November 29, 1990

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Piando
P.O. Box 1148
Santa Fe, NM 87504-1148

State of New Mexico
Oil Conservation Commission
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

Re: Designation of Agent
San Juan 31-6 Unit
Contract #14-08-001-464
Unit Wells 214 and 216
Rio Arriba County, NM
GF-5469

Gentlemen:

Find enclosed for your review and approval two (2) copies of our Designation of Agent forms whereby Phillips Petroleum Company, as sub-operator of the Fruitland formation for the referenced unit, designates Northwest Pipeline Corporation as agent to drill the San Juan 31-6 Unit 214 and 216 Fruitland Coal wells.

Note that the BLM has already approved same and I respectfully request your concurrent approval. Please forward an approved copy and/or approval letter to the undersigned.

Very truly yours
PHILLIPS PETROLEUM COMPANY

A. J. Kieke
Area Landman
San Juan Basin
(505) 599-3410

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

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

October 12, 1990

Phillips Petroleum Company
300 W. Arrington, Suite 200
Farmington, NM 87401

#467

Attn: A. J. Kieke, Area Landman

Re: San Juan 31-6 Unit
Rio Arriba County, New Mexico
1990 Plan of Development

Dear Mr. Kieke:

The Commissioner of Public Lands this date approved the 1990 Plan of Development for the San Juan 31-6 Unit. Our approval is subject to like approval by all other appropriate agencies.

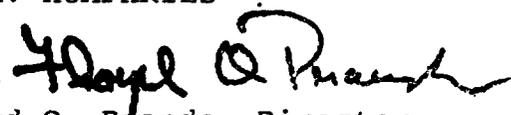
The possibility of drainage by wells outside of the Unit Area and the need for further development may exist. You will be contacted at a later date regarding these possibilities.

If we may be of further help, please do not hesitate to contact Clyde Langdale at (505) 827-5791.

Sincerely,

W. R. HUMPHRIES

BY:


Floyd O. Prando, Director
Oil, Gas & Minerals Division

cc: OCD
Unit Corresp.
Unit POD



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
300 W. ARRINGTON, SUITE 200, PHONE: 505 599-3400

EXPLORATION AND PRODUCTION

September 27, 1990

PHILLIPS PETROLEUM DIVISION
SEP 28 1990 9 36

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 LaPlata Highway
Farmington, N.M. 87401
(4 Copies Enclosed)

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, N.M. 87504-1148
(2 Copies Enclosed)

State of New Mexico
Oil Conservation Commission
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, N.M. 87503
(2 Copies Enclosed)

RE: San Juan 31-6 Unit
#14-08-001-464
Application for Initial Participating
Area - Effective July 8, 1989
Application for First Expansion
Effective August 1, 1989
Application for Second Expansion -
Effective September 1, 1989
Application for Third Expansion
Effective December 1, 1989
Application for Fourth Expansion
Effective January 1, 1990
Application for Fifth Expansion
Effective February 1, 1990
Fruitland Formation

Gentlemen:

Pursuant to Section 11 (a) of the San Juan 31-6 Unit Agreement, #14-08-001-464, approved February 11, 1953, Phillips Petroleum Company, as sub-operator of the Fruitland Formation, determined on the dates indicated below that the wells listed below are capable of producing unitized substances in paying quantities from the Fruitland Formation. Therefore, application for the Initial Participating Area, First Expansion, Second Expansion, Third Expansion, Fourth Expansion and Fifth Expansion of the Participating Area for the Fruitland Formation is submitted for your review as follows:

San Juan 31-6 Unit, #14-08-001-464
Application for Initial through Fifth Participating Area
Fruitland Formation
September 12, 1990
Page 2

Initial Participating Area - Effective July 8, 1989

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well Number</u>
Lots 5, 6, S/2 NE/4, SE/4 (E/2) Section 3-30N-6W	320.32	203

The San Juan 31-6 Unit #203 well was completed July 8, 1989. The Fruitland Coal formation was tested on July 8, 1989, with cumulative gas production of 85,222 mcf through May 31, 1990. The spacing unit for this well is described as Lots 5, 6, S/2 NE/4, SE/4 (E/2) Section 3-30N-6W, containing 320.32 acres.

First Expanded Participating Area - Effective August 1, 1989

<u>Drilling Block</u>	<u>New Acres</u>	<u>Well Number</u>
Lots 7, 8, S/2 NW/4, SW/4 (W/2) Section 3-30N-6W	320.16	204
Lots 10, 11, S/2 NW/4, SW/4 (W/2) Section 6-30N-6W	319.85	208

The San Juan 31-6 Unit #204 well was completed July 21, 1989. The Fruitland Coal Formation was tested on July 21, 1989, with cumulative gas production of 718,654 mcf through May 31, 1990. The spacing unit for this well is described as Lots 7, 8, S/2 NW/4, SW/4 (W/2) Section 3-30N-6W, containing 320.16 acres.

The San Juan 31-6 Unit #208 well was completed July 12, 1989. The Fruitland Coal Formation was tested on July 12, 1989, with cumulative gas production of 268,447 mcf through May 31, 1990. The spacing unit for this well is described as Lots 10, 11, S/2 NW/4, SW/4 (W/2) Section 6-30N-6W, containing 319.85 acres.

San Juan 31-6 Unit, #14-08-001-464
 Application for Initial through Fifth Participating Area
 Fruitland Formation
 September 12, 1990
 Page 3

Second Expanded Participating Area - Effective September 1, 1989

<u>Drilling Block</u>	<u>Net Acres</u>	<u>Well Number</u>
Lots 5, 6, S/2 NE/4, SE/4, (E/2) Section 4-30N-6W	320	205
Lots 7, 8, S/2 NW/4, SW/4, (W/2) Section 4-30N-6W	319.84	206
Lots 8, 9, S/2 NE/4, SE/4 (E/2) Section 6-30N-6W	319.55	207
Lots 7, 8, S/2 NW/4, SW/4, (W/2) Section 1-30N-7W	319.10	209
Lots 5, 6, S/2 NE/4, SE/4 (E/2) Section 1-30N-7W	319.70	232 (IDB)

The San Juan 31-6 Unit #205 well was completed August 4, 1989. The Fruitland Coal Formation was tested on August 4, 1989, with cumulative gas production of 48,351 mcf through May 31, 1990. The spacing unit for this well is described as Lots 5, 6, S/2 NE/4, SE/4 (E/2) Section 4-30N-6W, containing 320 acres.

The San Juan 31-6 Unit #206 well was completed August 6, 1989. The Fruitland Coal Formation was tested on August 6, 1989, with cumulative gas production of 602,170 mcf through May 31, 1990. The spacing unit for this well is described as Lots 7, 8, S/2 NW/4, SW/4 (W/2) Section 4-30N-6W, containing 319.84 acres.

The San Juan 31-6 Unit #207 well was completed August 16, 1989. The Fruitland Coal Formation was tested on August 16, 1989, with cumulative gas production of 493,046 mcf through May 31, 1990. The spacing unit for this well is described as Lots 8, 9, S/2 NE/4, SE/4 (E/2) Section 6-30N-6W, containing 319.55 acres.

The San Juan 31-6 Unit #209 well was completed August 14, 1989. The Fruitland Coal Formation was tested on August 14, 1989, with cumulative gas production of 373,227 mcf through May 31, 1990. The spacing unit for this well is described as Lots 7, 8, S/2 NW/4, SW/4 (W/2) Section 1-30N-7W, containing 319.10 acres.

The San Juan 31-6 Unit #232 well is an Intervening Drilling Block under the terms of the San Juan 31-6 Unit Agreement. The spacing unit for this well is described as Lots 5, 6, S/2 NE/4, SE/4 Section 1-30N-7W, containing 319.70 acres.

San Juan 31-6 Unit, #14-08-001-464
Application for Initial through Fifth Participating Area
Fruitland Formation
September 12, 1990
Page 4

Third Expanded Participating Area - Effective December 1, 1989

<u>Drilling Block</u>	<u>Net Acres</u>	<u>Well Number</u>
Lots 7, 8, S/2 NW/4, SW/4, (W/2) Section 2-30N-6W	320.19	211

The San Juan 31-6 Unit #211 well was completed November 21, 1989. The Fruitland Coal Formation was tested on November 21, 1989 with cumulative gas production of 240,071 mcf through August 29, 1990. The spacing unit for this well is described as Lots 7, 8, S/2 NW/4 SW/4 (W/2) Section 2-30N-6W, containing 320.19 acres.

Fourth Expanded Participating Area - Effective January 1, 1990

<u>Drilling Block</u>	<u>Net Acres</u>	<u>Well Number</u>
Lots 7, 8, S/2 NW/4, SW/4, (W/2) Section 1-30N-6W	319.69	202
Lots 5, 6, S/2 NE/4, SE/4 (E/2) Section 2-30N-6W	319.77	210 (IDB)
Lots 5, 6, S/2 NE/4, SE/4 (E/2) Section 5-30N-6W	319.67	212 (IDB)
Lots 7, 8, S/2 NW/4, SW/4 (W/2) Section 5-30N-6W	319.49	213

The San Juan 31-6 Unit #202 well was completed December 22, 1989. The Fruitland Coal Formation was tested on December 22, 1989 with cumulative gas production of 144,205 mcf through August 29, 1990. The spacing unit for this well is described as Lots 7, 8, S/2 NW/4, SW/4 (W/2) Section 1-30N-6W, containing 319.69 acres.

The San Juan 31-6 Unit well #210 is an Intervening Drill Block under the terms of the San Juan 31-6 Unit Agreement. The spacing unit for this well is described as Lots 5, 6, S/2 NE/4, SE/4 Section 2-30N-6W, containing 319.77 acres.

The San Juan 31-6 Unit well #212 is an Intervening Drill Block under the terms of the San Juan 31-6 Unit Agreement. The spacing unit for this well is described as Lots 5, 6, S/2 NE/4, SE/4 Section 5-30N-6W, containing 319.67 acres.

San Juan 31-6 Unit, #14-08-001-464
Application for Initial through Fifth Participating Area
Fruitland Formation
September 12, 1990
Page 5

The San Juan 31-6 Unit #213 well was completed December 9, 1989. The Fruitland Coal Formation was tested on December 9, 1989 with cumulative gas production of 37,822 mcf through August 29, 1990. The spacing unit for this well is described as Lots 7, 8, S/2 NW/4, SW/4 (W/2) Section 5-30N-6W, containing 319.49 acres.

Fifth Expanded Participating Area - Effective February 1, 1990

<u>Drilling Block</u>	<u>Net Acres</u>	<u>Well Number</u>
Lots 5, 6, 9, 10, 11 SW/4 NE/4, W/2 SE/4 (E/2) Section 1-30N-6W	226.61	201

The San Juan 31-6 Unit #201 well was completed January 3, 1990. The Fruitland Coal Formation was tested on January 3, 1990 with cumulative gas production of 22,316 mcf through August 29, 1990. The spacing unit for this well is described as Lots 5, 6, 9, 10, 11, SW/4 NE/4, W/2 SE/4 (E/2) Section 1-30N-6W, containing 226.61 acres.

Enclosed herewith are Schedules I, II, III, IV, V and VI showing the Initial through Fifth Expanded Participating Areas for the Fruitland Formation of the San Juan 31-6 Unit Area. These schedules describe the Participating Areas and indicate the percentages of unitized substances allocated to the tracts according to the Fruitland ownership of said tract.

Unless this application is disapproved or contested in whole or in part the Initial, First Expanded, Second Expanded, Third Expanded, Fourth Expanded and Fifth Expanded Participating Areas are effective July 8, 1989, August 1, 1989, September 1, 1989, December 1, 1989, January 1, 1990 and February 1, 1990 respectively.

Copies of this application within enclosures are being sent to the working interest owners on the attached sheet.

Very truly yours,

PHILLIPS PETROLEUM COMPANY

A. J. Kieke
Area Landman
San Juan Basin
(505) 599-3410

cc: Working Interest Owners

#1 - sj316u.jay

WORKING INTEREST OWNERS
SAN JUAN 31-6 UNIT

AMOCO PRODUCTION COMPANY
SOUTHERN DIVISION, PRODUCTION MGR.
1670 BROADWAY
P.O. BOX 800
DENVER, CO 80201

CONOCO, INC.
ATTN: LAND DEPARTMENT
P. O. BOX 1959
MIDLAND, TX 79702

GLOBAL NATURAL RESOURCES OF NEVADA
ATTENTION: STUART SCARBOROUGH
P.O. BOX 4682
HOUSTON, TX 77210

MERIDIAN OIL PRODUCTION INC.
LAND DEPARTMENT
P.O. BOX 4289
FARMINGTON, NM 87401

PHILLIPS PETROLEUM COMPANY
ATTN: A.J. KIEKE
300 WEST ARRINGTON, SUITE 200
FARMINGTON, NM 87401

PWG PARTNERSHIP
P.O. BOX 451
ALBUQUERQUE, NM 87103

TEXACO, INC.
JOINT INTEREST OPERATIONS
P.O. BOX 46555
DENVER, CO 80201-6555

THE WISER OIL COMPANY
700 PETROLEUM BUILDING
WICHITA FALLS, TX 76301

NORTHWEST PIPELINE CORPORATION
3539 E 30TH STREET
FARMINGTON, NM 87401
ATTN: JEFF VAUGHN

NORTHWEST PIPELINE CORPORATION
295 CHIPETA WAY
SALT LAKE CITY, UTAH 84108
ATTN: VERN HANSEN

#2 - WIO316.JAY

**PHILLIPS PETROLEUM COMPANY
Commerciality Determination**

San Juan 31-6 Unit #201
Fruitland Coal
NE/4 Section 1, T30N, R6W
Rio Arriba County, NM

Date of First Delivery: 2/24/90

Date of Commerciality Submittal: 9/27/90

Well Cost Data

Total Well Costs: \$204,440

Production Taxes & Royalty: 24%

Average Product Pricing

1990

* 1.06/MCF

*Based on spot gas sales for the actual months of production.

Estimated Gross Annual Production and Operating Expenses

	<u>Gas (MCF)</u>	<u>** Operating Expense (M\$)</u>	<u>Gas Price \$/MCF</u>
1990 ***	52816	27,527	1.87
1991	98550	27,527	1.90
1992	91250	27,527	1.92
1993	73000	27,527	1.95
1994	58400	27,527	1.98
1995	43800	27,527	2.00
1996	40150	27,527	2.03
1997	34675	27,527	2.06
1998	32850	27,527	2.09
1999	29200	27,527	2.12
2000	27375	27,527	2.15
2001	23725	27,527	1.06
2002	21900	27,527	1.06
2003	20075	27,527	1.06
2004	18250	27,527	1.06

** Operating Expenses were not escalated for inflation.

***Above gas price from 1990 through 2000 reflects tax credit considerations.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #202
Fruitland Coal
SW/4 Section 1, T30N, R6W
Rio Arriba County, NM

Date of First Delivery: 1/19/90

Date of Commerciality Submittal: 9/27/90

Well Cost Data

Total Well Costs: \$209,206

Production Taxes & Royalty: 24%

Average Product Pricing

1990

* 1.06/MCF

*Based on spot gas sales for the actual months of production.

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MCF)</u>	<u>** Operating Expense (M\$)</u>
1990	266,205	29,340
1991	474,500	29,340
1992	474,500	29,340
1993	438,000	29,340
1994	401,501	29,340
1995	346,750	29,340
1996	328,500	29,340
1997	292,000	29,340
1998	255,500	29,340
1999	219,000	29,340
2000	193,450	29,340
2001	178,850	29,340
2002	164,250	29,340
2003	149,650	29,340
2004	138,700	29,340

**Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #203
Fruitland Coal
NE/4 Section 3, T30N, R6W
Rio Arriba County, NM

Date of First Delivery: 9/28/89

Date of Commerciality Submittal: 9/27/90

Well Cost Data

Total Well Costs: \$234,946

Production Taxes & Royalty: 24%

Average Product Pricing

1990 * 1.06/MCF

*Based on spot gas sales for the actual months of production.

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MCF)</u>	<u>** Operating Expense (M\$)</u>
1989	43,260	6,662
1990	219,000	26,646
1991	255,500	26,646
1992	255,500	26,646
1993	255,500	26,646
1994	222,650	26,646
1995	219,000	26,646
1996	193,450	26,646
1997	178,850	26,646
1998	164,250	26,646
1999	146,000	26,646
2000	138,700	26,646
2001	127,750	26,646
2002	113,150	26,646
2003	105,850	26,646
2004	98,550	26,646

**Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #204
Fruitland Coal
SW/4 Section 3, T30N, R6W
Rio Arriba County, NM

Date of First Delivery: 10/9/89

Date of Commerciality Submittal: 9/27/90

Well Cost Data

Total Well Costs: \$314,017

Production Taxes & Royalty: 24%

Average Product Pricing

1990 * 1.06/MCF

*Based on spot gas sales for the actual months of production.

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MCF)</u>	<u>** Operating Expense (M\$)</u>
1989	220,126	9,511
1990	1,679,000	38,044
1991	1,533,000	38,044
1992	1,533,000	38,044
1993	1,460,000	38,044
1994	1,314,000	38,044
1995	1,241,000	38,044
1996	1,131,500	38,044
1997	1,022,000	38,044
1998	876,000	38,044
1999	766,500	38,044
2000	693,500	38,044
2001	675,000	38,044
2002	620,500	38,044
2003	584,000	38,044
2004	511,000	38,044

**Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #205
Fruitland Coal
NE/4 Section 4, T30N, R6W
Rio Arriba County, NM

Date of First Delivery: 10/9/89

Date of Commerciality Submittal: 9/27/90

Well Cost Data

Total Well Costs: \$241,117

Production Taxes & Royalty: 24%

Average Product Pricing

1990 * 1.06/MCF

*Based on spot gas sales for the actual months of production.

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MCF)</u>	<u>** Operating Expense (M\$)</u>
1989	10,160	7,700
1990	146,000	30,736
1991	149,650	30,736
1992	138,700	30,736
1993	116,800	30,736
1994	102,200	30,736
1995	94,900	30,736
1996	80,300	30,736
1997	73,000	30,736
1998	65,700	30,736
1999	62,050	30,736
2000	58,400	30,736
2001	54,750	30,736
2002	51,100	30,736
2003	47,450	30,736
2004	43,800	30,736

**Operating Expenses were not escalated for inflation.

a:\d316205

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #206
Fruitland Coal
SW/4 Section 4, T30N, R6W
Rio Arriba County, NM

Date of First Delivery: 10/10/89

Date of Commerciality Submittal: 9/27/90

Well Cost Data

Total Well Costs: \$314,821

Production Taxes & Royalty: 24%

Average Product Pricing

1990 * 1.06/MCF

*Based on spot gas sales for the actual months of production.

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MCF)</u>	<u>** Operating Expense (M\$)</u>
1989	148,937	9,975
1990	1,460,000	39,890
1991	1,533,000	39,890
1992	1,387,000	39,890
1993	1,204,500	39,890
1994	1,095,000	39,890
1995	876,000	39,890
1996	766,500	39,890
1997	693,500	39,890
1998	620,500	39,890
1999	547,500	39,890
2000	474,500	39,890
2001	438,000	39,890
2002	328,500	39,890
2003	292,000	39,890
2004	219,000	39,890

**Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #207
Fruitland Coal
NE/4 Section 6, T30N, R6W
Rio Arriba County, NM

Date of First Delivery: 10/25/89

Date of Commerciality Submittal: 9/27/90

Well Cost Data

Total Well Costs: \$306,134

Production Taxes & Royalty: 24%

Average Product Pricing

1990 * 1.06/MCF

*Based on spot gas sales for the actual months of production.

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MCF)</u>	<u>** Operating Expense (M\$)</u>
1989	123,732	5,300
1990	766,500	31,788
1991	620,500	31,788
1992	474,500	31,788
1993	365,000	31,788
1994	292,000	31,788
1995	255,500	31,788
1996	219,000	31,788
1997	182,500	31,788
1998	146,000	31,788
1999	127,750	31,788
2000	113,150	31,788
2001	105,850	31,788
2002	98,550	31,788
2003	91,250	31,788
2004	83,950	31,788

**Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #208
Fruitland Coal
SW/4 Section 6, T30N, R6W
Rio Arriba County, NM

Date of First Delivery: 10/24/89

Date of Commerciality Submittal: 9/27/90

Well Cost Data

Total Well Costs: \$237,146

Production Taxes & Royalty: 24%

Average Product Pricing

1990 * 1.06/MCF

*Based on spot gas sales for the actual months of production.

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MCF)</u>	<u>** Operating Expense (M\$)</u>
1989	61,375	2,200
1990	693,500	12,713
1991	620,500	12,713
1992	474,500	12,713
1993	365,000	12,713
1994	310,250	12,713
1995	255,500	12,713
1996	237,250	12,713
1997	200,750	12,713
1998	167,900	12,713
1999	146,000	12,713
2000	138,700	12,713
2001	124,100	12,713
2002	113,150	12,713
2003	105,850	12,713
2004	98,550	12,713

**Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #209
Fruitland Coal
SW/4 Section 1, T30N, R7W
Rio Arriba County, NM

Date of First Delivery: 10/11/89

Date of Commerciality Submittal: 9/27/90

Well Cost Data

Total Well Costs: \$314,647

Production Taxes & Royalty: 24%

Average Product Pricing

1990 * 1.06/MCF

*Based on spot gas sales for the actual months of production.

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MCF)</u>	<u>** Operating Expense (M\$)</u>
1989	103,300	5,300
1990	730,000	21,054
1991	657,000	21,054
1992	511,000	21,054
1993	438,000	21,054
1994	365,000	21,054
1995	310,250	21,054
1996	255,500	21,054
1997	219,000	21,054
1998	182,500	21,054
1999	164,250	21,054
2000	149,650	21,054
2001	142,350	21,054
2002	127,750	21,054
2003	116,800	21,054
2004	105,850	21,054

**Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #211
Fruitland Coal
SW/4 Section 2, T30N, R6W
Rio Arriba County, NM

Date of First Delivery: 12/30/89

Date of Commerciality Submittal: 9/27/90

Well Cost Data

Total Well Costs: \$192,820

Production Taxes & Royalty: 24%

Average Product Pricing

1990

* 1.06/MCF

*Based on spot gas sales for the actual months of production.

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MCF)</u>	<u>** Operating Expense (M\$)</u>
1990	386,471	28,460
1991	401,500	28,460
1992	365,000	28,460
1993	292,000	28,460
1994	255,500	28,460
1995	219,000	28,460
1996	200,750	28,460
1997	182,500	28,460
1998	164,250	28,460
1999	146,000	28,460
2000	135,050	28,460
2001	116,800	28,460
2002	109,500	28,460
2003	98,550	28,460
2004	83,950	28,460

**Operating Expenses were not escalated for inflation.

PHILLIPS PETROLEUM COMPANY
Commerciality Determination

San Juan 31-6 Unit #213
Fruitland Coal
SW/4 Section 5, T30N, R6W
Rio Arriba County, NM

Date of First Delivery: 3/14/90

Date of Commerciality Submittal: 9/27/90

Well Cost Data

Total Well Costs: \$210,000

Production Taxes & Royalty: 24%

Average Product Pricing

1990 * 1.06/MCF

*Based on spot gas sales for the actual months of production.

Estimated Gross Annual Production and Operating Expenses

<u>Year</u>	<u>Gas (MCF)</u>	<u>** Operating Expense (M\$)</u>	<u>Gas Price &/MCF</u>
1990 ***	74,422	17,208	1.87
1991	91,250	17,208	1.90
1992	73,000	17,208	1.92
1993	65,700	17,208	1.95
1994	54,750	17,208	1.98
1995	47,450	17,208	2.00
1996	40,150	17,208	2.03
1997	36,500	17,208	2.06
1998	32,850	17,208	2.09
1999	29,200	17,208	2.12
2000	25,550	17,208	2.15
2001	23,725	17,208	1.06
2002	21,900	17,208	1.06
2003	20,075	17,208	1.06
2004	18,250	17,208	1.06

**Operating Expenses were not escalated for inflation.

***Above gas price from 1990 through 2000 reflects tax credit considerations.

EFFECTIVE JULY 8, 1989
 PHILLIPS PETROLEUM COMPANY
 SCHEDULE 1

THE INITIAL PARTICIPATING AREA FOR FRUITLAND FORMATION
 SAN JUAN 31-6 UNIT AREA
 RIO ARRIBA COUNTY, NEW MEXICO

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-012292	T30N - R6W ----- SEC. 3 LOTS 5,6,S/2 NE/4, SE/4 (E/2)	320.32		TRACT: 09	5.000000 12.500000 82.500000	5.000000 12.500000 82.500000	100.000000
	SJ 31-6 UT W203 INITIAL-07-08-89 (E/2)						
					<u>100.000000</u>	<u>100.000000</u>	
				TOTAL			

SCHEDULE I

Initial Participating Area For the Fruitland Formation
San Juan 31-6 Unit
Rio Arriba County, N.M.

RECAPITULATION

Description of Lands in Participating Area

Township 30 North, Range 6 West N.M.P.M.

Section - 3: Lots 5, 6, S/2 NE/4, SE/4 320.32 acres

Total Number of Acres in Participating Area 320.32

Total Number of Committed Acres in Participating Area 320.32

#5 - 316-I.jay

EFFECTIVE AUGUST 1, 1989
 PHILLIPS PETROLEUM COMPANY
 SCHEDULE 11
 THE 001 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
 SAN JUAN 31-6 UNIT AREA
 RIO ARRIBA COUNTY, NEW MEXICO

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-012735	T30N - R6W ----- SEC. 6 LOTS 10, 11, S/2 NW/4, SW/4 (W/2) SJ 31-6 UT W208 1ST-08-01-89 (W/2)	319.85		TRACT: 05	5.000000 12.500000 82.500000 <u>100.000000</u>	5.000000 12.500000 82.500000 <u>100.000000</u>	33.306259
	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL						
NM-012292	T30N - R6W ----- SEC. 3 LOTS 5, 6, 7, 8 S/2 N/2, S/2 SJ 31-6 UT W203 INITIAL-07-08-89 (E/2) SJ 31-6 UT W204 1ST-08-01-89 (W/2)	640.48		TRACT: 09	5.000000 12.500000 82.500000 <u>100.000000</u>	5.000000 12.500000 82.500000 <u>100.000000</u>	66.693741
	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL						
	TOTAL	960.33					100.000000

SCHEDULE II

**First Expanded Participating Area For the Fruitland Formation
San Juan 31-6 Unit
Rio Arriba County, N.M.**

RECAPITULATION

Description of Lands in Participating Area

Township 30 North, Range 6 West N.M.P.M.

Section - 3: Lots 5, 6, 7, 8, S/2 N/2, S/2 640.48 acres

Section - 6: Lots 10, 11, S/2 NW/4, SW/4 319.85 acres

Total Number of Acres in Participating Area 960.33

Total Number of Committed Acres in Participating Area 960.33

#5 - 316-II.jay

EFFECTIVE SEPTEMBER 1, 1989
 PHILLIPS PETROLEUM COMPANY
 SCHEDULE III
 THE 002 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
 SAN JUAN 31-6 UNIT AREA
 RIO ARRIBA COUNTY, NEW MEXICO

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE ACTUAL PARTICIPATION
SF-079000	T30N - R7W ----- SEC. 1 LOTS 7,8,S/2 NW/4, SW/4 (W/2) SJ 31-6 UT W209 2ND-09-01-89 (W/2)	319.10	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 03	3.500000 12.500000 84.000000 <u>100.000000</u>	12.472054
SF-079000-A	T30N - R7W ----- SEC. 1 LOTS 5,6 S/2 NE/4, SE/4 (E/2) SJ 31-6 UT W232 (1DB) 2ND-09-01-89 (E/2)	319.70	ORRI: ROYALTY: WORKING INTEREST: AMOCO PRODUCTION: CONOCO INC.: TOTAL	TRACT: 04	20.500000 12.500000 33.500000 33.500000 <u>100.000000</u>	12.495505
NM-012735	T30N - R6W ----- SEC. 6 LOTS 8,9,10,11 S/2 N/2, S/2 SJ 31-6 UT W207 2ND-09-01-89 (E/2) SJ 31-6 UT W208 1ST-08-01-89 (W/2)	639.40	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 05	5.000000 12.500000 82.500000 <u>100.000000</u>	24.991011
SF-079012	T30N - R6W ----- SEC. 4 LOTS 5,6,7,8 S/2 N/2, S/2 SJ 31-6 UT W205 2ND-09-01-89 (E/2) SJ 31-6 UT W206 2ND-09-01-89 (W/2)	639.84	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 06	5.000000 12.500000 82.500000 <u>100.000000</u>	25.008208

EFFECTIVE SEPTEMBER 1, 1989
 PHILLIPS PETROLEUM COMPANY
 SCHEDULE III
 THE 002 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
 SAN JUAN 31-6 UNIT AREA
 RIO ARRIBA COUNTY, NEW MEXICO

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-012292	T30N - R6W ----- SEC. 3 LOTS 5,6,7,8 S/2 N/2, S/2	640.48		TRACT: 09	5.000000 12.500000 82.500000	5.000000 12.500000 82.500000	25.033222
	SJ 31-6 UT W203 INITIAL-07-08-89 (E/2)		ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY:				
	SJ 31-6 UT W204 1ST-08-01-89 (W/2)		TOTAL		100.000000	100.000000	
	TOTAL	2558.52					100.000000

SCHEDULE III

Second Expanded Participating Area For the Fruitland Formation
San Juan 31-6 Unit
Rio Arriba County, N.M.

RECAPITULATION

Description of Lands in Participating Area

Township 30 North, Range 6 West N.M.P.M.

Section - 3: Lots 5, 6, 7, 8, S/2 N/2, S/2	640.48 acres
Section - 4: Lots 5, 6, 7, 8, S/2 N/2, S/2	639.84 acres
Section - 6: Lots 8, 9, 10, 11, S/2 N/2, S/2	639.40 acres

Township 30 North, Range 7 West N.M.P.M.

Section - 1: Lots 5, 6, 7, 8, S/2 N/2, S/2	638.80 acres
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Total Number of Acres in Participating Area	2558.52
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Total Number of Committed Acres in Participating Area	2558.52
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#5 - 316-III.jay

EFFECTIVE DECEMBER 1, 1989
 PHILLIPS PETROLEUM COMPANY
 SCHEDULE IV
 THE 003 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
 SAN JUAN 31-6 UNIT AREA
 RIO ARRIBA COUNTY, NEW MEXICO

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SF-079000	T30N - R7W SEC. 1 LOTS 7,8,S/2 NW/4, SW/4 (W/2) SJ 31-6 UT W209 2ND-09-01-89 (W/2)	319.10	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 03	3.500000 12.500000 84.000000 100.000000	3.500000 12.500000 84.000000 100.000000	11.084826
SF-079000-A	T30N - R7W SEC. 1 LOTS 5,6,S/2 NE/4, SE/4 (E/2) SJ 31-6 UT W232 (1DB) 2ND-09-01-89 (E/2)	319.70	ORRI: ROYALTY: WORKING INTEREST: AMOCO PRODUCTION: COMOCO, INC.: TOTAL	TRACT: 04	20.500000 12.500000 33.500000 33.500000 100.000000	20.500000 12.500000 33.500000 33.500000 100.000000	11.105669
NH-012735	T30N - R6W SEC. 6 LOTS 8,9,10,11 S/2 N/2, S/2 SJ 31-6 UT W207 2ND-09-01-89 (E/2) SJ 31-6 UT W208 1ST-08-01-89 (W/2)	639.40	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 05	5.000000 12.500000 82.500000 100.000000	5.000000 12.500000 82.500000 100.000000	22.211338
SF-079012	T30N - R6W SEC. 4 LOTS 5,6,7,8 S/2 N/2, S/2 SJ 31-6 UT W205 2ND-09-01-89 (E/2) SJ 31-6 UT W206 2ND-09-01-89 (W/2)	639.84	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 06	5.000000 12.500000 82.500000 100.000000	5.000000 12.500000 82.500000 100.000000	22.226622

EFFECTIVE DECEMBER 1, 1989
 PHILLIPS PETROLEUM COMPANY
 SCHEDULE IV
 THE 003 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
 SAN JUAN 31-6 UNIT AREA
 RIO ARRIBA COUNTY, NEW MEXICO

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-012292	T30N - R6W ----- SEC. 3 LOTS 5,6,7,8 S/2 N/2, S/2 SJ 31-6 UT W203 INITIAL-07-08-89 (E/2) SJ 31-6 UT W204 1ST-08-01-89 (W/2)	640.48	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 09	5.000000 12.500000 82.500000 <u>100.000000</u>	5.000000 12.500000 82.500000 <u>100.000000</u>	22.248855
E-347-38	T30N - R6W ----- SEC. 2 SW/4 SJ 31-6 UT W211 3RD-12-01-89 (W/2)	160.00	ORRI: ROYALTY: WORKING INTEREST: NORTHWEST PIPELINE CORPORATION: TOTAL	TRACT: 138	2.500000 12.500000 85.000000 <u>100.000000</u>	2.500000 12.500000 85.000000 <u>100.000000</u>	5.558045
E-347-39	T30N - R6W ----- SEC. 2 LOTS 7,8, S/2 NW/4 SJ 31-6 UT W211 3RD-12-01-89 (W/2)	160.19	ORRI: ROYALTY: WORKING INTEREST: NORTHWEST PIPELINE CORPORATION: TOTAL	TRACT: 13C	5.000000 12.500000 82.500000 <u>100.000000</u>	5.000000 12.500000 82.500000 <u>100.000000</u>	5.564645
TOTAL 2878.71							<u>100.000000</u>

SCHEDULE IV

Third Expanded Participating Area For the Fruitland Formation
San Juan 31-6 Unit
Rio Arriba County, N.M.

RECAPITULATION

Description of Lands in Participating Area

Township 30 North, Range 6 West N.M.P.M.

Section - 2: Lots 7, 8, S/2 NW/4, SW/4	320.19 acres
Section - 3: Lots 5, 6, 7, 8, S/2 N/2, S/2	640.48 acres
Section - 4: Lots 5, 6, 7, 8, S/2 N/2, S/2	639.84 acres
Section - 6: Lots 8, 9, 10, 11, S/2 N/2, S/2	639.40 acres

Township 30 North, Range 7 West N.M.P.M.

Section - 1: Lots 5, 6, 7, 8, S/2 N/2, S/2	638.80 acres
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Total Number of Acres in Participating Area 2878.71

Total Number of Committed Acres in Participating Area 2878.71

EFFECTIVE JANUARY 1, 1990
 PHILLIPS PETROLEUM COMPANY
 SCHEDULE V
 THE 004 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
 SAN JUAN 31-6 UNIT AREA
 RIO ARRIBA COUNTY, NEW MEXICO

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE ACTUAL PARTICIPATION
SF-079000	T30N - R7W ----- SEC. 1 LOTS 7,8,S/2 NW/4, SW/4 (W/2) SJ 31-6 UT W209 2ND-09-01-89 (W/2)	319.10	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 03	3.500000 12.500000 84.000000 <u>100.000000</u>	7.675599
SF-079000-A	T30N - R7W ----- SEC. 1 LOTS 5,6,S/2 NE/4, SE/4 (E/2) SJ 31-6 UT W232 (1DB) 2ND-09-01-89 (E/2)	319.70	ORRI: ROYALTY: WORKING INTEREST: AMOCO PRODUCTION: CONOCO INC.: TOTAL	TRACT: 04	20.500000 12.500000 33.500000 33.500000 <u>100.000000</u>	7.690032
NM-012735	T30N - R6W ----- SEC. 6 LOTS 8,9,10,11 S/2 N/2, S/2 SJ 31-6 UT W207 2ND-09-01-89 (E/2) SJ 31-6 UT W208 1ST-08-01-89 (W/2)	639.40	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 05	5.000000 12.500000 82.500000 <u>100.000000</u>	15.380064
SF-079012	T30N - R6W ----- SEC. 4 LOTS 5,6,7,8 S/2 N/2, S/2 SJ 31-6 UT W205 2ND-09-01-89 (E/2) SJ 31-6 UT W206 2ND-09-01-89 (W/2)	639.84	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 06	5.000000 12.500000 82.500000 <u>100.000000</u>	15.390647

EFFECTIVE JANUARY 1, 1990
 PHILLIPS PETROLEUM COMPANY
 SCHEDULE V
 THE 004 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
 SAN JUAN 31-6 UNIT AREA
 RIO ARRIBA COUNTY, NEW MEXICO

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OMNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SF-079401	T30N - R6W ----- SEC. 1 LOTS 7,8, S/2 NW SJ 31-6 UT W202 4TH-01-01-90 (W/2)	159.69		TRACT: 07			3.841167
			ORRI:		4.500000	4.500000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:		83.000000	83.000000	
			NORTHWEST PIPELINE CORPORATION:		100.000000	100.000000	
			TOTAL				
NM-012299	T30N - R6W ----- SEC. 1 SW/4 SJ 31-6 UT W202 4TH-01-01-90 (W/2)	160.00		TRACT: 08			3.848624
			ORRI:		3.000000	3.000000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:		42.250000	42.250000	
			EL PASO PRODUCTION COMPANY:		9.295000	9.295000	
			MERIDIAN OIL PRODUCTION INC:		32.955000	32.955000	
			GLOBAL NATURAL RESOURCES OF NEVADA:		100.000000	100.000000	
			TOTAL				
NM-012292	T30N - R6W ----- SEC. 3 LOTS 5,6,7,8 S/2 N/2, S/2 SJ 31-6 UT W203 INITIAL-07-08-89 (E/2) SJ 31-6 UT W204 1ST-08-01-89 (W/2)	640.48		TRACT: 09			15.406042
			ORRI:		5.000000	5.000000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:		82.500000	82.500000	
			EL PASO NATURAL GAS COMPANY:		100.000000	100.000000	
			TOTAL				
NM-03404	T30N - R6W ----- SEC. 5 LOTS 5,6,7,8, S/2 N/2 S/2 SJ 31-6 UT W213 4TH-01-01-89 (W/2) SJ 31-6 UT W212 (1DB) 4TH-01-01-90 (E/2)	639.16		TRACT: 10			15.374291
			ORRI:		5.000000	5.000000	
			ROYALTY:		12.500000	12.500000	
			WORKING INTEREST:		82.500000	82.500000	
			NORTHWEST PIPELINE CORPORATION:		100.000000	100.000000	
			TOTAL				

THE 004 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
 SAN JUAN 31-6 UNIT AREA
 RIO ARRIBA COUNTY, NEW MEXICO

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION	
E-347-40	T30N - R6W SEC. 2 N/2 SE/4 SJ 31-6 UT W210 (IDB) 4TH-01-01-90 (E/2)	80.00		TRACT: 13	4.750000 12.500000 14.895000 67.855000	4.750000 12.500000 14.895000 67.855000	1.924312	
	TOTAL				100.000000	100.000000		
E-347-41	T30N - R6W SEC. 2 S/2 SE/4 SJ 31-6 UT W210 (IDB) 4TH-01-01-90 (E/2)	80.00		TRACT: 13A	5.000000 12.500000 82.500000	5.000000 12.500000 82.500000	1.924312	
	TOTAL				100.000000	100.000000		
E-347-38	T30N - R6W SEC. 2 SW/4 SJ 31-6 UT W211 3RD-12-01-89 (W/2)	160.00		TRACT: 13B	2.500000 12.500000 85.000000	2.500000 12.500000 85.000000	3.848624	
	TOTAL				100.000000	100.000000		
E-347-39	T30N - R6W SEC. 2 LOTS 5,6,7,8, S/2 N/2 SJ 31-6 UT W211 3RD-12-01-89 (W/2) SJ 31-6 UT W210 (IDB) 4TH-01-01-90 (E/2)	319.96		TRACT: 13C	5.000000 12.500000 82.500000	5.000000 12.500000 82.500000	7.696286	
	TOTAL				100.000000	100.000000		
TOTAL							4157.33	100.000000

SCHEDULE V

**Fourth Expanded Participating Area For the Fruitland Formation
San Juan 31-6 Unit
Rio Arriba County, N.M.**

RECAPITULATION

Description of Lands in Participating Area

Township 30 North, Range 6 West N.M.P.M.

Section - 1: Lots 7, 8, S/2 NW/4, SW/4	319.69 acres
Section - 2: Lots 5, 6, 7, 8, S/2 N/2, S/2	639.96 acres
Section - 3: Lots 5, 6, 7, 8, S/2 N/2, S/2	640.48 acres
Section - 4: Lots 5, 6, 7, 8, S/2 N/2, S/2	639.84 acres
Section - 5: Lots 5, 6, 7, 8, S/2 N/2, S/2	639.16 acres
Section - 6: Lots 8, 9, 10, 11, S/2 N/2, S/2	639.40 acres

Township 30 North, Range 7 West N.M.P.M.

Section - 1: Lots 5, 6, 7, 8, S/2 N/2, S/2	638.80 acres
--------------------------------------------	--------------

Total Number of Acres in Participating Area 4157.33

Total Number of Committed Acres in Participating Area 4157.33

EFFECTIVE FEBRUARY 1, 1990
 PHILLIPS PETROLEUM COMPANY
 SCHEDULE VI
 THE 005 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
 SAN JUAN 31-6 UNIT AREA
 RIO ARriba COUNTY, NEW MEXICO

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SF-079000	T30N - R7W ----- SEC. 1 LOTS 7, 8, S/2 NW/4, SW/4 (W/2)	319.10	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 03	3.500000 12.500000 84.000000 <u>100.000000</u>	3.500000 12.500000 84.000000 <u>100.000000</u>	7.278841
SF-079000-A	T30N - R7W ----- SEC. 1 LOTS 5, 6, S/2 NE/4, SE/4 (E/2)	319.70	ORRI: ROYALTY: WORKING INTEREST: AMOCO PRODUCTION: CONOCO INC.: TOTAL	TRACT: 04	20.500000 12.500000 33.500000 33.500000 <u>100.000000</u>	3.500000 12.500000 84.000000 33.500000 <u>100.000000</u>	7.292527
NM-012735	T30N - R6W ----- SEC. 6 LOTS 8, 9, 10, 11 S/2 N/2, S/2	639.40	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 05	5.000000 12.500000 82.500000 <u>100.000000</u>	5.000000 12.500000 82.500000 <u>100.000000</u>	14.585054
SF-079012	T30N - R6W ----- SEC. 4 LOTS 5, 6, 7, 8 S/2 N/2, S/2	639.84	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 06	5.000000 12.500000 82.500000 <u>100.000000</u>	5.000000 12.500000 82.500000 <u>100.000000</u>	14.595090

EFFECTIVE FEBRUARY 1, 1990
 PHILLIPS PETROLEUM COMPANY
 SCHEDULE VI
 THE 005 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
 SAN JUAN 31-6 UNIT AREA
 RIO ARRIBA COUNTY, NEW MEXICO

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SF-079401	T30N - R6W ----- SEC. 1 LOTS 7,8, S/2 NW SJ 31-6 UT W202 4TH-01-01-90 (W/2)	159.69	ORRI: ROYALTY: WORKING INTEREST: NORTHWEST PIPELINE CORPORATION: TOTAL	TRACT: 07	4.500000 12.500000 83.000000 <u>100.000000</u>	4.500000 12.500000 83.000000 <u>100.000000</u>	3.642614
NM-012299	T30N - R6W ----- SEC. 1 LOTS 5,6,9,10,11 SW/4 NE/4, W/2 SE/4, SW/4 SJ 31-6 UT W202 4TH-01-01-90 (W/2) SJ 31-6 UT W201 5TH-03-01-90 (E/2)	386.61	ORRI: ROYALTY: WORKING INTEREST: EL PASO PRODUCTION COMPANY: MERIDIAN OIL PRODUCTION INC: GLOBAL NATURAL RESOURCES OF NEVADA: TOTAL	TRACT: 08	3.000000 12.500000 42.250000 9.295000 32.955000 <u>100.000000</u>	3.000000 12.500000 42.250000 9.295000 32.955000 <u>100.000000</u>	8.818779
NM-012292	T30N - R6W ----- SEC. 3 LOTS 5,6,7,8 S/2 N/2, S/2 SJ 31-6 UT W203 INITIAL-07-08-89 (E/2) SJ 31-6 UT W204 1ST-08-01-89 (W/2)	640.48	ORRI: ROYALTY: WORKING INTEREST: EL PASO NATURAL GAS COMPANY: TOTAL	TRACT: 09	5.000000 12.500000 82.500000 <u>100.000000</u>	5.000000 12.500000 82.500000 <u>100.000000</u>	14.609689
NM-03404	T30N - R6W ----- SEC. 5 LOTS 5,6,7,8, S/2 N/2 S/2 SJ 31-6 UT W213 4TH-01-01-89 (W/2) SJ 31-6 UT W212 (10B) 4TH-01-01-90 (E/2)	639.16	ORRI: ROYALTY: WORKING INTEREST: NORTHWEST PIPELINE CORPORATION: TOTAL	TRACT: 10	5.000000 12.500000 82.500000 <u>100.000000</u>	5.000000 12.500000 82.500000 <u>100.000000</u>	14.579579

THE 005 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
 SAN JUAN 31-6 UNIT AREA
 RIO ARRIBA COUNTY, NEW MEXICO

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-347-40	T30N - R6W ----- SEC. 2 N/2 SE/4 SJ 31-6 UT W210 (1DB) 4TH-01-01-90 (E/2)	80.00		TRACT: 13	4.750000 12.500000 14.895000 67.855000	4.750000 12.500000 14.895000 67.855000	1.824842
	TOTAL				100.000000	100.000000	
E-347-41	T30N - R6W ----- SEC. 2 S/2 SE/4 SJ 31-6 UT W210 (1DB) 4TH-01-01-90 (E/2)	80.00		TRACT: 13A	5.000000 12.500000 82.500000	5.000000 12.500000 82.500000	1.824842
	TOTAL				100.000000	100.000000	
E-347-38	T30N - R6W ----- SEC. 2 SW/4 SJ 31-6 UT W211 3RD-12-01-89 (H/2)	160.00		TRACT: 13B	2.500000 12.500000 85.000000	2.500000 12.500000 85.000000	3.649685
	TOTAL				100.000000	100.000000	
E-347-39	T30N - R6W ----- SEC. 2 LOTS 5,6,7,8, S/2 N/2 SJ 31-6 UT W211 4TH-01-01-90 (E/2)	319.96		TRACT: 13C	5.000000 12.500000 82.500000	5.000000 12.500000 82.500000	7.298458
	TOTAL				100.000000	100.000000	

TOTAL 4383.94

100.000000

SCHEDULE VI

Fifth Expanded Participating Area For the Fruitland Formation
San Juan 31-6 Unit
Rio Arriba County, N.M.

RECAPITULATION

Description of Lands in Participating Area

Township 30 North, Range 6 West N.M.P.M.

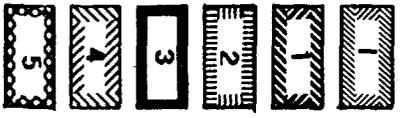
Section - 1: Lots 5, 6, 7, 8, 9, 10, 11, S/2 NW/4, SW/4 NE/4, W/2 SE/4	546.30 acres
Section - 2: Lots 5, 6, 7, 8, S/2 N/2, S/2	639.96 acres
Section - 3: Lots 5, 6, 7, 8, S/2 N/2, S/2	640.48 acres
Section - 4: Lots 5, 6, 7, 8, S/2 N/2, S/2	639.84 acres
Section - 5: Lots 5, 6, 7, 8, S/2 N/2, S/2	639.16 acres
Section - 6: Lots 8, 9, 10, 11, S/2 N/2, S/2	639.40 acres

Township 30 North, Range 7 West N.M.P.M.

Section - 1: Lots 5, 6, 7, 8, S/2 N/2, S/2	638.80 acres
--------------------------------------------	--------------

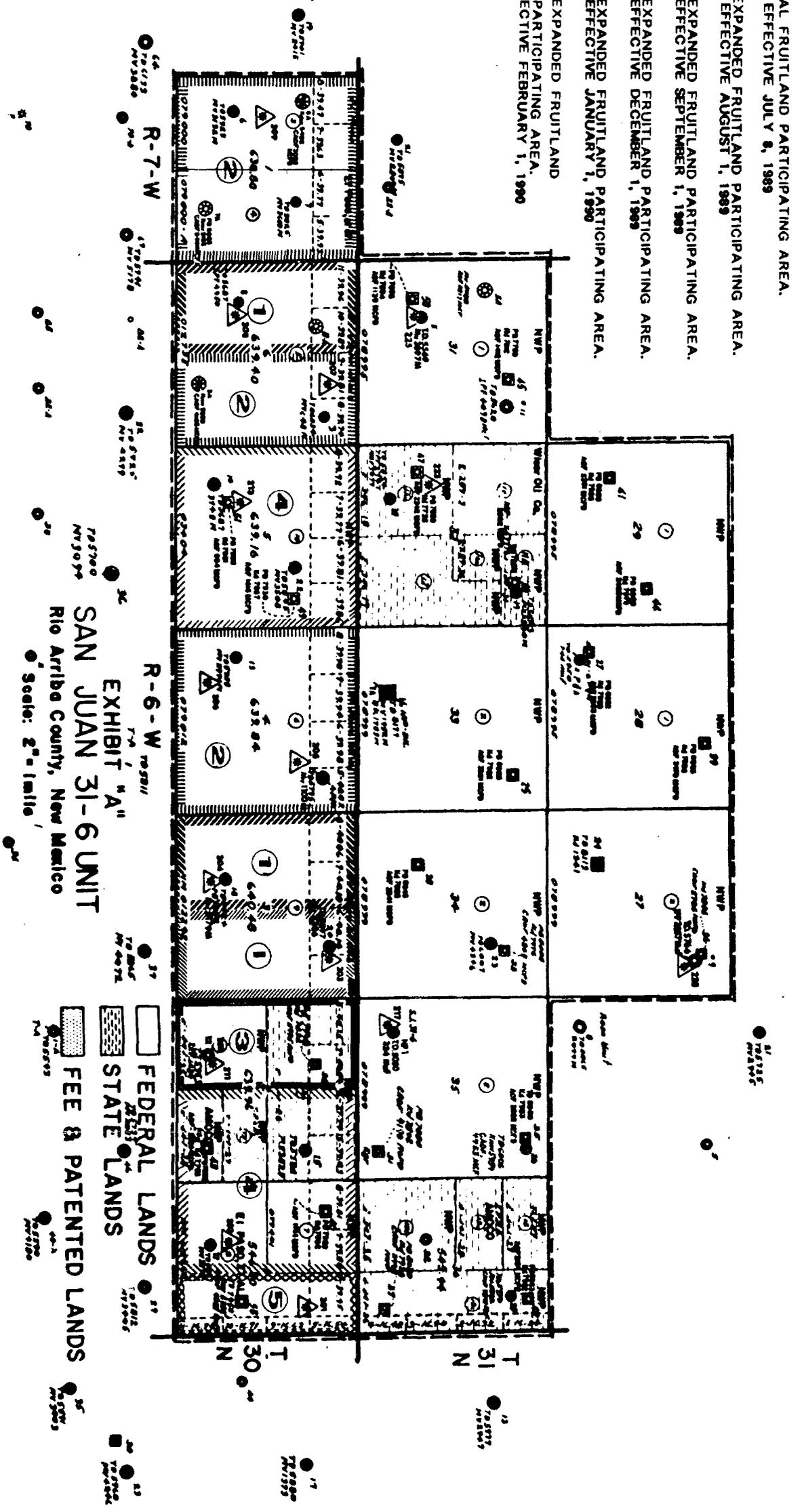
Total Number of Acres in Participating Area 4383.94

Total Number of Committed Acres in Participating Area 4383.94



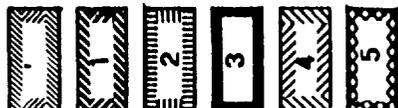
- INITIAL FRUITLAND PARTICIPATING AREA.
EFFECTIVE JULY 8, 1989
- 1st. EXPANDED FRUITLAND PARTICIPATING AREA.
EFFECTIVE AUGUST 1, 1989
- 2nd. EXPANDED FRUITLAND PARTICIPATING AREA.
EFFECTIVE SEPTEMBER 1, 1989
- 3rd. EXPANDED FRUITLAND PARTICIPATING AREA.
EFFECTIVE DECEMBER 1, 1989
- 4th. EXPANDED FRUITLAND PARTICIPATING AREA.
EFFECTIVE JANUARY 1, 1990
- 5th. EXPANDED FRUITLAND PARTICIPATING AREA.
EFFECTIVE FEBRUARY 1, 1990

- ▲ Fruitland
- * Patented Oil
- Oases
- Meadows
- ◇ Gullies
- Ditches



SAN JUAN 31-6 UNIT
 EXHIBIT "A"
 Rio Arriba County, New Mexico

Scale: 2" = 1 mile



- INITIAL FRUITLAND PARTICIPATING AREA.
EFFECTIVE JULY 8, 1969
- 1st. EXPANDED FRUITLAND PARTICIPATING AREA.
EFFECTIVE AUGUST 1, 1969
- 2nd. EXPANDED FRUITLAND PARTICIPATING AREA.
EFFECTIVE SEPTEMBER 1, 1969
- 3rd. EXPANDED FRUITLAND PARTICIPATING AREA.
EFFECTIVE DECEMBER 1, 1969
- 4th. EXPANDED FRUITLAND PARTICIPATING AREA.
EFFECTIVE JANUARY 1, 1970
- 5th. EXPANDED FRUITLAND PARTICIPATING AREA.
EFFECTIVE FEBRUARY 1, 1970

● 21
705735
MT 5285

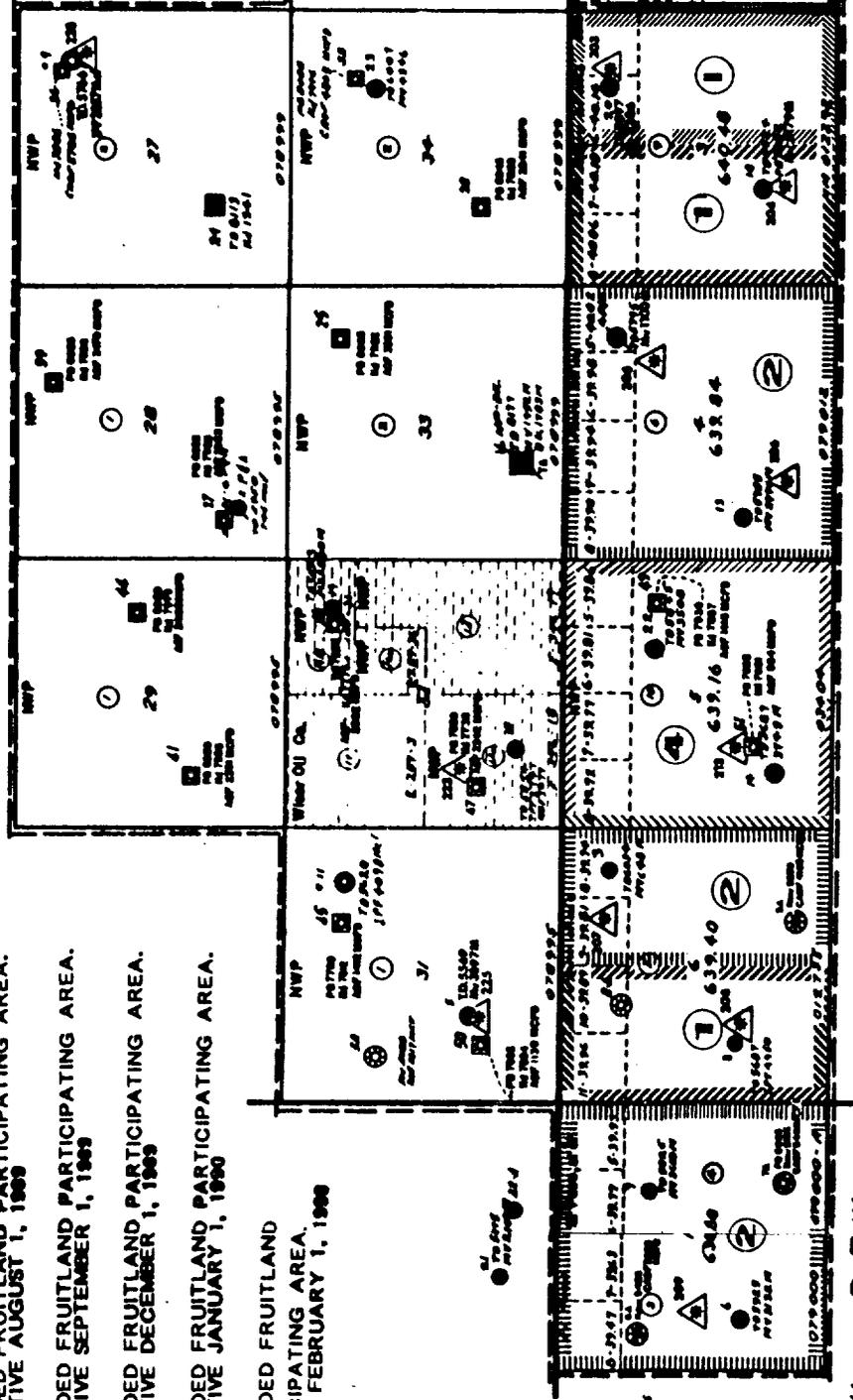
● 22
705735
MT 5285

● 23
705735
MT 5285

● 24
705735
MT 5285

● 25
705735
MT 5285

● 26
705735
MT 5285



- FEDERAL LANDS
- ▨ STATE LANDS
- ▩ FEE & PATENTED LANDS

R-6-W TO 5911
EXHIBIT "A"
SAN JUAN 31-6 UNIT
Rio Arriba County, New Mexico
● Sects: 2" = 1 mile

● 27
705735
MT 5285

● 28
705735
MT 5285

● 29
705735
MT 5285

● 30
705735
MT 5285

● 31
705735
MT 5285

● 32
705735
MT 5285

- ▲ Patented
- * Patented Oil
- Check
- Incomplete
- ◇ Check
- District



DIVISION
United States Department of the Interior



14 AM 10 08

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
1235 LAPLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401

IN REPLY REFER TO:

San Juan 31-6 Unit (POD)
3180 (019)

SEP. 13 1990

Phillips Petroleum Company
Attn: A. J. Kieke
300 W. Arrington, Suite 200
Farmington, NM 87401

Gentlemen:

One approved copy of your first Supplemental 1990 Plan of Development for the San Juan 31-6 Unit area, San Juan County, New Mexico is enclosed. Such plan, proposing ten (10) additional Fruitland Coal wells, was approved on this date (subject to like approval by the appropriate officials of the State of New Mexico).

The possibility of drainage by wells outside of the unit boundary may exist. You will be contacted at a later date about this possibility.

If you have any questions, please contact Kenny Howell, Petroleum Engineer, at the above address or telephone (505) 327-5344.

Sincerely,

/s/ John L. Keller

John L. Keller, Chief
Branch of Mineral Resources

Enclosure

cc: New Mexico Oil Conservation Division, 310 Old Santa Fe Trail, Room 206,
Santa Fe, NM 87503
Commissioner of Public Lands, State of New Mexico, P. O. Box 1148, Santa
Fe, NM 87504



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
300 W. ARRINGTON, SUITE 200, PHONE: 505 599-3400

EXPLORATION AND PRODUCTION

September 12, 1990

DESIGNATION OF AGENT

Supervisor, Oil and Gas Operations:

The undersigned is, on the records of the Minerals Management Service, Suboperator of the Fruitland Formation, hereafter referred to as "Suboperator", under the San Juan 31-6 Unit Agreement, San Juan County, New Mexico No. I Sec. No.: 14-08-001-464 approved February 11, 1953 and hereby designates:

NAME: Northwest Pipeline Corporation

ADDRESS: 3539 E. 30th Street
Farmington, NM 87401

as its agent, with full authority to act in its behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to drilling, testing, completing and operating the unitized substances to a depth covering the top to the base of the Fruitland Coal Seam formation for the following wells:

San Juan 31-6 Unit #214	E/2 Sec. 36, T31N, R7W	Fruitland Coal
San Juan 31-6 Unit #216	E/2 Sec. 35, T31N, R7W	Fruitland Coal

It is understood that this Designation of Agent does not relieve the Suboperator of responsibility for compliance with the terms of the Unit Agreement and the Oil and Gas Operating Regulations. It is also understood that this Designation of Agent does not constitute an assignment of any interest under the Unit Agreement or any lease committed thereto.

APPROVED

OCT 24 1990
[Signature]
AREA MANAGER

Designation of Agent
San Juan 31-6 Unit
Wells 214 & 216
September 12, 1990
Page No. 2

In case of default on the part of the designated agent, the Suboperator will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representatives.

The Suboperator agrees promptly to notify the oil and gas supervisor of any change in the designated agent.

This Designation of Agent is deemed to be temporary and in no manner a permanent arrangement. This Designation of Agent is limited to field operations only and does not cover administrative action which shall require the specific authorization of the Suboperator. This Designation of Agent shall be effective on a well by well basis until each well has been drilled, completed and connected to the gas sales pipeline, but in no event later than March 31, 1991. Northwest shall give Suboperator 30 days written notice prior to connecting each such well to the gas sales pipeline. Suboperator will assume operatorship upon termination of this Designation of Agent.

This Designation of Agent is also subject to the terms and conditions contained in Exhibit "A" attached hereto.

Phillips Petroleum Company
Suboperator

9/13/90

Date

BY:

J. E. Carlton

9

rs

#2 - DESFAGNT.JAY

ACKNOWLEDGMENT

STATE OF TEXAS

SS.

COUNTY OF ECTOR

The foregoing instrument was acknowledged before me this 13th day of September 1990 by J. E. Carlton, as attorney-in-Fact of Phillips Petroleum Company, a Delaware corporation on behalf of the corporation.

My Commission Expires:

1-27-91

Marianne Bishop
Notary Public

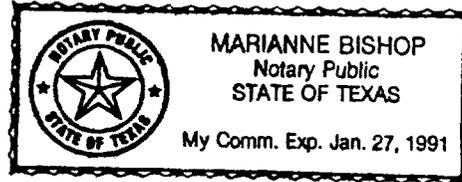


EXHIBIT "A"

DESIGNATION OF AGENT

SAN JUAN 31-6 UNIT WELLS
214 & 216

Northwest Pipeline Corporation ("Agent") indicates its acceptance of this Designation of Agent by placing its authorized signature in the space provided below and agrees to drill, complete, or plug and abandon said Fruitland Coal wells as a reasonable and prudent operator in accordance with the terms and conditions of the San Juan 31-6 Unit Agreement and the San Juan 31-6 Unit Operating Agreement, and also agrees to the following conditions. Agent shall:

- 1.) Submit to Suboperator's representative for approval all casing programs and equipment specifications prior to the drilling of any well.
- 2.) Notify Suboperator when drilling Operations are commenced.
- 3.) Furnish Suboperator with complete daily driller's tour report, at Agent's expense.
- 4.) Furnish Suboperator with daily reports by telephone call or facsimile at Agent's expense, as to the formation or formations penetrated during the previous day's drilling, the depth at which each formation is encountered, and the depth at which the report is made.
- 5.) Allow representatives of Suboperator access to the derrick floor at all times at their sole risk and expense.
- 6.) Notify Suboperator of intentions to core, drill stem test, stimulate, or run well surveys in sufficient time to enable Suboperator's representatives to be present; and also notify Suboperator in sufficient time in order that Suboperator may attend and witness any and all potential tests and packer leakage test.
- 7.) Cause all cores having shows of oil and gas to be analyzed by a competent core analysis laboratory. Three preliminary and three final copies of any conventional core analysis will be furnished to Suboperator. Any special core analysis performed at the request of Agent will be considered proprietary information and will be paid for solely by Agent.

- 8.) Furnish Suboperator three field prints and five final prints of all well surveys made during drilling or upon completion of wells.
- 9.) Furnish Suboperator a representative and adequate cut of all cores and ditch samples taken during the drilling of wells.
- 10.) Provide Suboperator with copies of drilling time records, hole deviation tests and all records required by the governmental agencies having jurisdiction of the wells.
- 11.) Notify Suboperator of any intention to plug and abandon wells and allow Suboperator forty-eight (48) hours in which to concur.
- 12.) Furnish the Bureau of Land Management and the Oil Conservation Commission of the State of New Mexico all proper and necessary reports and well data in the required numbers and time periods as specified by the Bureau of Land Management and the Oil Conservation Commission of the State of New Mexico, with a copy to Suboperator at the addresses hereinafter provided.
- 13.) Provide the Commissioner of Public Lands of the State of New Mexico with copies of all reports and other well data submitted in accordance with the preceding paragraph.
- 14.) Comply with all regulations of the Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA) as such may be amended from time to time, and pay any costs, fees, and claims including attorneys fees and penalties imposed because of Agent's failure to comply with FOGRMA regulations.

Agent agrees to indemnify and defend Suboperator and all of Suboperator's affiliated and subsidiary companies and the agents, servants and employees of Suboperator and all of its affiliated and subsidiary companies and to save and hold them harmless from and against any and all claims or liability (including court costs and attorney fees) for damage or loss of property of all character; from and against any and all claims for death, or injury to persons, including, but not limited to, employees or agents of Agent resulting from or arising out of the operations conducted or caused or permitted to be conducted by Agent in connection with the wells described hereinabove; and from and against any and all claims for labor and materials and any other costs and expense in connection with Agent's operations hereunder.

Such indemnity by Agent shall apply to any loss or damage or personal injury or death:

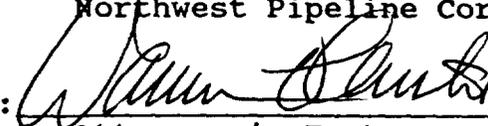
- (i) which arises directly, indirectly or incident to the Agent's operations;
- (ii) without regard to cause or causes thereof, including, without limitation, strict liability, breach of warranty (express or implied), imperfection of materials, condition of any premises or transport to or from such premises;
- (iii) whether the claim therefor is based on common law, civil law or statute.

However, such indemnity by Agent shall not apply and may not be relied upon by Suboperator to the extent that any claim or liability is found by a court or other tribunal of competent jurisdiction to have been caused by the gross negligence or willful misconduct of Suboperator.

All notices, samples or other information required to be furnished shall be sent to :

Phillips Petroleum Company
Attn: Ralph Hawks
300 W. Arrington, Suite 200
Farmington, New Mexico 87401
Telephone (505) 599-3421 or 334-2073
Fax No. (505) 599-3442

Northwest Pipeline Corporation

By: 
Attorney-in-Fact

Approved as
to Form


Legal Department

10 / 11 / 90
Date

A C K N O W L E D G M E N T

STATE OF UTAH

ss.

COUNTY OF SALT LAKE

The foregoing instrument was acknowledged before me this 11th day of Oct. 1990 by Warren D. Curtis, as attorney-in-Fact of Northwest Pipeline Corporation, a Delaware corporation on behalf of the corporation.

My Commission Expires:

6-11-92

Jan M. Smith
Notary Public





PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
300 W. ARRINGTON, SUITE 200, PHONE: 505 599-3400

EXPLORATION AND PRODUCTION

RECEIVED DIVISION
SEP 14 1990
'90 SEP 14 AM 10 04

September 6, 1990

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, N. M. 87401
(4 Copies Enclosed)

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, N. M. 87504-1148
(2 Copies Enclosed)

State of New Mexico
Oil Conservation Commission
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, N. M. 87503
(2 Copies Enclosed)

Re: San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
Second Supplemental 1990
Drilling Program
GF-5469

Gentlemen:

By letter dated February 26, 1990, Northwest Pipeline Corporation, as Unit Operator, filed the 1990 Plan of Development for the San Juan 31-6 Unit. By letter dated July 20, 1990, Phillips Petroleum company, as Unit Sub-operator of the Fruitland formation, filed the First Supplemental 1990 Plan of Development.

Subsequent to filing the original 1990 and First Supplemental Drilling Program, it has been proposed that (1) one additional Fruitland Coal well be drilled under the 1990 Drilling Program as a replacement well for the San Juan 31-6 #225 and that said #225 well be converted to a pressure observation well. Phillips Petroleum Company, as Suboperator of the Fruitland Formation, for the San Juan 31-6 Unit has contacted all Working Interest Owners in accordance with Section 7 of the Unit Operating Agreement.

San Juan 31-6 Unit
Second Supplemental 1990
Drilling Program
September 6, 1990
Page 2 of 3

The proposed Fruitland Coal Well is as follows:

<u>Well Number</u>	<u>Drilling Block</u>
San Juan 31-6 #225R	E/2 Section 36-31N-6W

If this Second Supplemental 1990 Drilling Program for the San Juan 31-6 Unit meets your approval, please signify by signing in the space provided below and return an approved copy to the attention of the undersigned.

Copies of this letter are being sent to the Working Interest Owners as shown on the attached list.

Very truly yours,

Phillips Petroleum Company



A. J. Kieke
Area Landman
San Juan Basin

#1 - pd231-6.jay

San Juan 31-6 Unit
Second Supplemental 1990
Drilling Program
September 6, 1990
Page 3 of 3

APPROVED: _____

DATE: _____

ASSISTANT DISTRICT MANAGER, MINERALS
BUREAU OF LAND MANAGEMENT
Subject to like approval by the
Commissioner of Public Lands and
the Oil Conservation Commission

APPROVED: _____

DATE: _____

COMMISSIONER OF PUBLIC LANDS
Subject to like approval by the
Area Oil and Gas Supervisor, BLM
and the Oil Conservation Commission

APPROVED:  _____

DATE: 9-17-90

OIL CONSERVATION COMMISSION
Subject to like approval by
the Area Oil and Gas Supervisor, BLM
and the Commissioner of Public Lands

The foregoing approvals are for the Second Supplemental 1990 Drilling
Program for the San Juan 31-6 Unit. #14-08-001-464.



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
300 W. ARRINGTON, SUITE 200, PHONE: 505 599-3400

EXPLORATION AND PRODUCTION

July 20, 1990

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, N. M. 87401
(4 Copies Enclosed)

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, N. M. 87504-1148
(2 Copies Enclosed)

State of New Mexico
Oil Conservation Commission
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, N. M. 87503
(2 Copies Enclosed)

Re: San Juan 31-6 Unit
#14-08-001-464
Rio Arriba County, New Mexico
First Supplemental 1990
Drilling Program
GF-5469

Gentlemen:

By letter dated February 26, 1990, Northwest Pipeline Corporation, as Unit Operator, filed the 1990 Plan of Development for the San Juan 31-6 Unit.

Subsequent to filing the original 1990 Drilling Program, it has been proposed that (10) ten additional Fruitland Coal wells be drilled under the 1990 Drilling Program. Phillips Petroleum Company, as Suboperator of the Fruitland Formation, for the San Juan 31-6 Unit has contacted all Working Interest Owners in accordance with Section 7 of the Unit Operating Agreement.

San Juan 31-6 Unit
First Supplemental 1990
Drilling Program
July 20, 1990
Page 2 of 3

The proposed Fruitland Coal Wells are as follows:

<u>Well Number</u>	<u>Drilling Block</u>
San Juan 31-6 #214	E/2 Section 36-31N-6W
San Juan 31-6 #216	E/2 Section 35-31N-6W
San Juan 31-6 #220	E/2 Section 33-31N-6W
San Juan 31-6 #222	E/2 Section 32-31N-6W
San Juan 31-6 #224	E/2 Section 31-31N-6W
San Juan 31-6 #228	E/2 Section 28-31N-6W
San Juan 31-6 #229	W/2 Section 28-31N-6W
San Juan 31-6 #231	W/2 Section 27-31N-6W
San Juan 31-6 #233	E/2 Section 29-31N-6W
San Juan 31-6 #234	W/2 Section 29-31N-6W

If this First Supplemental 1990 Drilling Program for the San Juan 31-6 Unit meets your approval, please signify by signing in the space provided below and return an approved copy to the attention of the undersigned.

Copies of this letter are being sent to the Working Interest Owners as shown on the attached list.

Very truly yours,

Phillips Petroleum Company



A. J. Kieke
Area Landman
San Juan Basin

#1 - pd1s31-6.jay

San Juan 31-6 Unit
First Supplemental 1990
Drilling Program
July 20, 1990
Page 3 of 3

APPROVED: _____

DATE: _____

ASSISTANT DISTRICT MANAGER, MINERALS
BUREAU OF LAND MANAGEMENT
Subject to like approval by the
Commissioner of Public Lands and
the Oil Conservation Commission

APPROVED: _____

DATE: _____

COMMISSIONER OF PUBLIC LANDS
Subject to like approval by the
Area Oil and Gas Supervisor, BLM
and the Oil Conservation Commission

APPROVED:  _____

DATE: 7-25-90

OIL CONSERVATION COMMISSION
Subject to like approval by
the Area Oil and Gas Supervisor, BLM
and the Commissioner of Public Lands

The foregoing approvals are for the First Supplemental 1990 Drilling
Program for the San Juan 31-6 Unit. #14-08-001-464.

U56N2650
02/19/90

WORKING INTEREST OWNERS
SAN JUAN 31-8 UNIT

AMOCO PRODUCTION COMPANY
SOUTHERN DIVISION, PRODUCTION MGR.
1670 BROADWAY
P.O. BOX 800
DENVER, CO 80201

CONOCO, INC.
P.O. BOX 460
HOBBS, NM 88241-0460

GLOBAL NATURAL RESOURCES OF NEVADA
ATTENTION: STUART SCARBOROUGH
P.O. BOX 4682
HOUSTON, TX 77210

MERIDIAN OIL PRODUCTION INC.
LAND DEPARTMENT
P.O. BOX 4289
FARMINGTON, NM 87401

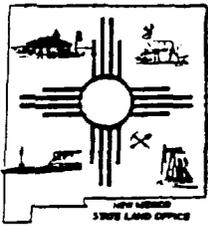
PHILLIPS PETROLEUM COMPANY
ATTN: JAY KIEKE
300 WEST ARRINGTON, SUITE 200
FARMINGTON, NM 87401

PWG PARTNERSHIP
P.O. BOX 451
ALBUQUERQUE, NM 87103

TEXACO, INC.
JOINT INTEREST OPERATIONS
P.O. BOX 46555
DENVER, CO 80201-6555

THE WISER OIL COMPANY
700 PETROLFUM BUILDING
WICHITA FALLS, TX 76301

Northwest Pipeline Corporation
3539 E. 30th Street
Farmington, NM 87401
Attn: Jeff Vaughn



State of New Mexico
Commissioner of Public Lands

W. R. Humphries
COMMISSIONER

Advisory Board

George Clark
Chairman

Kristin Conniff
Vice Chairman

Melvin Cordova

Joe Kelly

Robert Portillos

Nancy Lynch Vigil

Rex Wilson

April 16, 1990

Northwest Pipeline Corporation
P.O. Box 8900
Salt Lake City, Utah 84108-0899

ATTN: Mr. Darrell L. Gillen

RE: Designation of Suboperator
San Juan 31-6 Unit
Rio Arriba County, New Mexico

Gentlemen:

We received your letter, dated March 21, 1990, regarding the Designation of Phillips Petroleum Company as the Suboperator of the Fruitland Formation of the above captioned unit in Rio Arriba County, New Mexico.

The Commissioner of Public Lands hereby grants approval to the designation of Phillips Petroleum Company as Suboperator of the Fruitland Formation for the above captioned unit. The approval of Designation of Suboperator does not modify, amend or supercede the terms of the Unit Agreement.

If you have any questions, please contact Susan Howarth at (505) 827-5791.

Very truly yours,

W.R. HUMPHRIES,
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5749



State of New Mexico
Commissioner of Public Lands

31-6

#467

W. R. Humphries
COMMISSIONER

Advisory Board

George Clark
Chairman

Kristin Conniff
Vice Chairman

Melvin Cordova

Joe Kelly

Robert Portillos

Nancy Lynch Vigil

Rex Wilson

April 2, 1990

Northwest Pipeline Corporation
P.O. Box 8900
Salt Lake City, Utah 84108-0899

ATTN: Mr. Darrell L. Gillen

RE: Designation of Suboperator
San Juan 29-5 Unit
San Juan 29-6 Unit
San Juan 30-5 Unit
San Juan 31-6 Unit
San Juan 32-7 Unit
San Juan 32-8 Unit
San Juan and Rio Arriba Counties, New Mexico

Gentlemen:

We received your letters, dated March 21, 1990, regarding the Designation of Phillips Petroleum Company as the Suboperator of the Fruitland Formation of the above captioned units in San Juan and Rio Arriba Counties, New Mexico. At this time we must reserve approval of these Designation of Suboperator because the language of the designation agreement conflicts with that of the Unit Agreement.

Under F. Term, the designation agreement states:

"Upon termination of this Designation of Suboperator, Phillips will immediately resign as suboperator and Northwest will resume as Unit Operator of this Unit unless Phillips has been appointed as Unit Operator for all formations within this unit by the working interest owners and approved by the BLM."

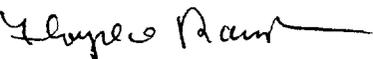
However, according to Section 6 of the Unit Agreements, both the Commissioner of Public Lands and the BLM must approve a Successor Unit Operator.

In order to grant our approval, the language of the Designation of Suboperator forms must be ammended.

If you have any questions, please contact Susan Howarth at (505) 827-5791.

Very truly yours,

W.R. HUMPHRIES,
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5749

REGISTRATION DIVISION

90 APR 5 AM 9 04

NORTHWEST PIPELINE CORPORATION
ONE OF THE WILLIAMS COMPANIES

212-90

LAND DEPARTMENT

P.O. BOX 8900
SALT LAKE CITY, UTAH 84108-0899
801-584-7215

March 29, 1990

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P.O. Box 1148
Santa Fe, NM 87504-1148

State of New Mexico
Oil Conservation Commission
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

Re: San Juan 31-6 Unit #14-08-001-464
Rio Arriba County, New Mexico
1990 Plan of Development

Gentlemen:

The 1990 Plan of Development filed by letter dated February 26, 1990 for the San Juan 31-6 Unit has been approved by the regulatory agencies as follows:

Bureau of Land Management	3/15/90
Oil Conservation Commission	3/6/90

Copies of this letter are being sent to the Working Interest Owners shown on the attached sheet.

Sincerely,

NORTHWEST PIPELINE CORPORATION


Darrell L. Gillen
Land Manager

DLG:cg
Attachment

cc: Working Interest Owners
W. O. Curtis
P. C. Thompson

U56N2650
03/29/90

WORKING INTEREST OWNERS
SAN JUAN 31-6 UNIT

AMOCO PRODUCTION COMPANY
SOUTHERN DIVISION, PRODUCTION MGR.
1670 BROADWAY
P.O. BOX 800
DENVER, CO 80201

CONOCO, INC.
P.O. BOX 460
HOBBS, NM 88241-0460

GLOBAL NATURAL RESOURCES OF NEVADA
ATTENTION: STUART SCARBOROUGH
P.O. BOX 4682
HOUSTON, TX 77210

MERIDIAN OIL PRODUCTION INC.
LAND DEPARTMENT
P.O. BOX 4289
FARMINGTON, NM 87401

PHILLIPS PETROLEUM COMPANY
ATTN: JAY KIEKE
300 WEST ARRINGTON, SUITE 200
FARMINGTON, NM 87401

PWG PARTNERSHIP
P.O. BOX 451
ALBUQUERQUE, NM 87103

TEXACO, INC.
JOINT INTEREST OPERATIONS
P.O. BOX 46555
DENVER, CO 80201-6555

THE WISER OIL COMPANY
P.O. BOX 192
SISTERSVILLE, WV 26175

LAND DEPARTMENT

P.O. BOX 8900
SALT LAKE CITY, UTAH 84108-0899
801-584-7215

March 21, 1990

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P.O. Box 1148
Santa Fe, NM 87504-1148

State of New Mexico
Oil Conservation Commission
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

Re: Designation of Suboperator
San Juan 31-6 Unit, Fruitland Formation
Rio Arriba County, New Mexico

Gentlemen:

Attached for your consideration and approval is the Designation of Suboperator, designating Phillips Petroleum Company as Suboperator of the Fruitland formation within the San Juan 31-6 Unit.

Northwest Pipeline Corporation, as Unit Operator, has polled the Working Interest Owners, pursuant to Section 7 of the Unit Operating Agreement, and has received approval of the Designation of Suboperator from the majority of working interests of the Fruitland formation within the unit. The results of that poll are as follows:

<u>Working Interest Owner</u>	<u>W.I. Percentage Approved</u>	<u>W.I. Percentage Disapproved</u>	<u>W.I. Percentage No Response</u>
Northwest Pipeline Corp.	68.305209%		
Amoco Production Company			2.386714%
Conoco Inc.			1.590645%
Global Natural Resources			1.500371%

Assistant District Manager, Minerals
Commissioner of Public Lands
Oil Conservation Commission
March 21, 1990
Page 2

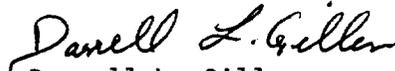
<u>Working Interest Owner</u>	<u>W.I. Percentage Approved</u>	<u>W.I. Percentage Disapproved</u>	<u>W.I. Percentage No Response</u>
Meridian Oil Inc.	24.624923%		
The Wiser Oil Company	1.592138%		
TOTAL	94.522270%	- 0 -	5.477730%

If this Designation of Suboperator is acceptable, please signify your approval in the space provided on the attached sheet and return an approved copy to Northwest Pipeline Corporation.

Copies of this letter are being sent to the Working Interest Owners as shown on the attached sheet.

Sincerely,

NORTHWEST PIPELINE CORPORATION


Darrell L. Gillen
Land Manager

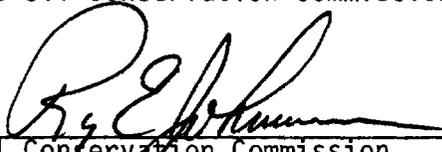
DLG:cg
Attachment

cc: Working Interest Owners
W. O. Curtis
P. C. Thompson
Jay Kieke - Phillips

Assistant District Manager, Minerals
Commissioner of Public Lands
Oil Conservation Commission
March 21, 1990
Page 3

APPROVED _____ DATE _____
Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Commission

APPROVED _____ DATE _____
Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor and
the Oil Conservation Commission

APPROVED  _____ DATE 4-2-90
Oil Conservation Commission
Subject to like approval by the
Area Oil and Gas Supervisor and
the Commissioner of Public Lands

The foregoing approvals are for the Designation of Suboperator for the San Juan 31-6 Unit, Fruitland formation.

U56N2650
02/27/90

WORKING INTEREST OWNERS
SAN JUAN 31-6 UNIT FR

AMOCO PRODUCTION COMPANY
SOUTHERN DIVISION, PRODUCTION MGR.
1670 BROADWAY
P.O. BOX 800
DENVER, CO 80201

CONOCO, INC.
P.O. BOX 460
HOBBS, NM 88241-0460

GLOBAL NATURAL RESOURCES OF NEVADA
ATTENTION: STUART SCARBOROUGH
P.O. BOX 4682
HOUSTON, TX 77210

MERIDIAN OIL PRODUCTION INC.
LAND DEPARTMENT
P.O. BOX 4289
FARMINGTON, NM 87401

PHILLIPS PETROLEUM COMPANY
ATTN: JAY KIEKE
300 WEST ARRINGTON, SUITE 200
FARMINGTON, NM 87401

THE WISER OIL COMPANY
700 PETROLIUM BUILDING
WICHITA FALLS, TX 76301

APPENDIX "4"

DESIGNATION OF SUBOPERATOR
dated February 19, 1990, by and between
NORTHWEST PIPELINE CORPORATION
and
PHILLIPS PETROLEUM COMPANY

THIS designation is made and entered into this 19 day of February, 1990, by and between NORTHWEST PIPELINE CORPORATION (hereinafter referred to as "Northwest"), a Delaware corporation, whose address is 295 Chipeta Way, P.O. Box 58900, Salt Lake City, Utah 84158-0900; and PHILLIPS PETROLEUM COMPANY (hereinafter referred to as "Phillips"), a Delaware corporation, whose address is 300 West Arrington, Suite 200, Farmington, New Mexico 87401; and all other working interest owners in the San Juan 31-6 Fruitland formation (hereinafter referred to as "working interest owners").

WHEREAS, Northwest is Unit Operator for the San Juan 31-6 Unit, created by that certain Unit Agreement for the Development and Operation of the San Juan 31-6 Unit Area, I. Sec. No. 14-08-001-464, Rio Arriba County, New Mexico (hereinafter referred to as "Unit Agreement"); and

WHEREAS, Phillips desires to takeover as suboperator of unitized substances from the Fruitland formation within the subject Unit (the lands therein shall hereafter be referred to as the "Suboperated Premises"); and

WHEREAS, Northwest hereto intends to relinquish its rights as Unit Operator for the Fruitland formation within the subject Unit to Phillips; and

WHEREAS, Northwest pursuant to the terms of the Unit Agreement will request the working interest owners of the Fruitland formation to execute this designation in order that the Suboperated Premises may be suboperated by Phillips.

NOW, THEREFORE, in consideration of the mutual covenants and other valuable consideration hereby acknowledged the parties hereto hereby agree as follows:

A. Designation

In order to permit Phillips to suboperate the Suboperated Premises, Northwest, as Unit Operator, and a working interest owner in the Suboperated Premises, hereby designates Phillips, suboperator of the Suboperated Premises only.

B. Notices

Phillips indicates its acceptance of this designation by placing its signature in the space provided below and agrees to develop and operate the Suboperated Premises as a reasonable and prudent operator in accordance with the terms and conditions of the Unit Agreement and Unit Operating Agreement, and also agrees to:

- (1) Furnish the Bureau of Land Management (BLM), the Commissioner of Public Lands and the Oil Conservation Commission of the State of New Mexico all proper and necessary reports and well data in the required numbers and time period as specified by the BLM, the Commissioner of Public Lands and the Oil Conservation Commission of the State of New Mexico, with a copy to Northwest at the addresses hereinafter provided.
- (2) Copies of all notices or other information required to be furnished shall be sent by Phillips to:

Northwest Pipeline Corporation
Attn: Manager, Administration
295 Chipeta Way
P.O. Box 58900
Salt Lake City, UT 84158-0900

With copies to:

Northwest Pipeline Corporation
Attn: Manager, Production
3539 East 30th Street
Farmington, NM 87401

C. Indemnity

With regard to risks of loss and liability due to personal injury, property damage and the like, while providing services under this Designation of Suboperator, Phillips shall assume all duties of indemnification, liabilities and costs and be entitled to the same privileges and reimbursements applicable to Northwest as operator pursuant to the Unit Agreement and Unit Operating Agreement for the San Juan 31-6 Federal Unit. Phillips will indemnify Northwest for any liabilities and costs arising out of the duties assumed in the above referenced agreements.

D. Unit Agreement

The parties hereto agree that Phillips shall develop the Suboperated Premises in conformity with the provisions of the Unit Agreement, and the Unit Operating Agreement for the subject Unit.

E. Jurisdiction

Development of the Suboperated Premises is subject to the jurisdiction of the Oil Conservation Commission of the State of New Mexico as to privately owned lands, the Commissioner of Public Lands of the State of New Mexico as to state lands, and the Assistant District Manager, Minerals of the BLM, Farmington, New Mexico, as to Federal and/or Indian Lands.

F. Term

Upon the BLM's approval and the majority of the Fruitland formation working interest owners execution of this agreement, this agreement shall remain in full force and effect for a term through September 31, 1990 and from month to month until (a) cancelled by Northwest or Phillips upon thirty (30) days advance written notice, or (b) superseded or terminated by another agreement between Northwest and Phillips. Upon termination of this Designation of Suboperator, Phillips will immediately resign as suboperator and Northwest will resume as Unit Operator of this unit unless Phillips has been appointed as Unit Operator for all formations within this unit by the working interest owners and approved by the BLM.

G. Assignment

This designation is personal and cannot be assigned in whole or in part by Phillips without the written consent of all the other parties hereto having first been obtained.

H. Counterparts

This designation may be executed in any number of counterparts with the same force and effect as if all parties has signed the same document.

IN WITNESS WHEREOF, this designation is executed as of the day and year first hereinabove written.

NORTHWEST PIPELINE CORPORATION

Date: 12/19/90

By: Warren O. Curtis

Warren O. Curtis
Attorney-in-Fact

Approved as
to Form

M.G.C.
O.G.C.

PHILLIPS PETROLEUM COMPANY

Date: _____

By: _____
Attorney-in-Fact

AMOCO PRODUCTION COMPANY

ATTEST:

Date: _____

By: _____

CONOCO, INC.

ATTEST:

Date: _____

By: _____

G. Assignment

This designation is personal and cannot be assigned in whole or in part by Phillips without the written consent of all the other parties hereto having first been obtained.

H. Counterparts

This designation may be executed in any number of counterparts with the same force and effect as if all parties has signed the same document.

IN WITNESS WHEREOF, this designation is executed as of the day and year first hereinabove written.

NORTHWEST PIPELINE CORPORATION

Date: 2/19/90

By: Warren O. Curtis

Warren O. Curtis
Attorney-in-Fact

Approved as to Form

MGM
Clerk

PHILLIPS PETROLEUM COMPANY

Date: 3/12/90

By: R. M. Mow

Attorney-in-Fact

AMOCO PRODUCTION COMPANY

ATTEST:

Date: _____

By: _____

CONOCO, INC.

ATTEST:

Date: _____

By: _____

ATTEST:

GLOBAL NATURAL RESOURCES OF NEVADA

Date: _____

By: _____

ATTEST:

MERIDIAN OIL PRODUCTION INC. AND
EL PASO PRODUCTION COMPANY

Date: March 19, 1990

By:  (initials)

ATTEST:

THE WISER OIL COMPANY

Date: _____

By: _____

ATTEST:

GLOBAL NATURAL RESOURCES OF NEVADA

Date: _____

By: _____

ATTEST:

MERIDIAN OIL PRODUCTION INC.

Date: _____

By: _____

ATTEST:

Richard L. Starkey
Richard L. Starkey, Secretary

THE WISER OIL COMPANY

Date: 3-9-90

By: Charles P. LaRue
Charles P. LaRue, Vice President

STATE OF _____)
COUNTY OF _____) ss.

Before me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared _____ known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said _____, and that he executed the same as the act of such corporation of the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this the _____ day of _____, 19 ____.

My Commission Expires:

Notary Public

STATE OF UTAH)
COUNTY OF SALT LAKE) ss.

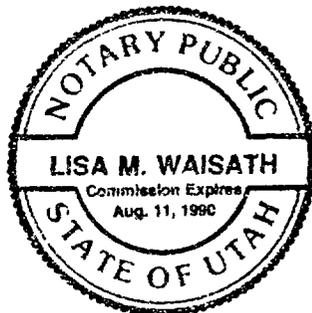
The foregoing instrument was acknowledged before me on this 19 day of February, 1990 by Warren O. Curtis, Attorney-in-Fact for NORTHWEST PIPELINE CORPORATION, a Delaware corporation, on behalf of said corporation.

Lisa M. Waisath

Notary Public

My Commission Expires:

8-11-90



STATE OF Texas)
COUNTY OF Harris) ss.

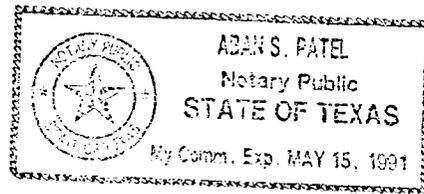
Before me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared J. P. Gregory, Attorney-in-Fact known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Millco Petroleum Company, and that he executed the same as the act of such corporation of the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this the 12th day of March, 19 90.

My Commission Expires:

3-15-91

Adan S. Patel
Notary Public



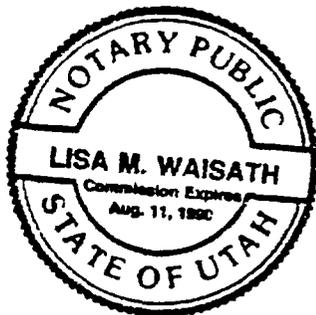
STATE OF UTAH)
COUNTY OF SALT LAKE) : ss.

The foregoing instrument was acknowledged before me on this 19 day of September, 1990 by Warren O. Curtis, Attorney-in-Fact for NORTHWEST PIPELINE CORPORATION, a Delaware corporation, on behalf of said corporation.

Lisa M. Waisath
Notary Public

My Commission Expires:

5-11-90



GLOBAL NATURAL RESOURCES INC.

RECEIVED - DIVISION
1990 MAR 9 13

VIA FEDERAL EXPRESS

March 1, 1990

UNITED STATES DEPARTMENT
OF THE INTERIOR
Office of the Secretary
Board of Land Appeals
4015 Wilson Boulevard
Arlington, Virginia 22203

Re: IBLA 89-335
San Juan 31-6 Unit
Additional Information

Gentlemen:

Attached for your consideration is further data to assist you in your commerciality determination on the San Juan 31-6 Unit #53 Dakota well located in Section 1, Township 30 North, Range 6 West, Rio Arriba County, New Mexico. This well has previously been deemed non-commercial and Global is contesting that it is a commercial well that only appears non-commercial due to extreme curtailment and gas balancing problems.

Attached are four letters from Northwest Pipeline, dated August 10, 1989, November 1, 1989, November 7, 1989 and November 20, 1989 which apply for a commerciality determination on the San Juan 31-6 #51 Dakota well. Also attached is a letter from Global, dated August 24, 1989 disapproving of this application. For your information, also are two geologic maps provided by Northwest Pipeline and Dwights production data on both the #53 Dakota and #51 Dakota wells. Finally, attached is a letter from Northwest Pipeline dated February 13, 1990 which shows that the #51 Dakota well was deemed commercial.

It is Global's argument that the #53 and #51 wells are comparable and if one is commercial, then the other should be also. At first glance the #53 looks uncommercial, but it has been considerably more curtailed than the #51 well. Looking at the structure map, the #53 looks to be in a more favorable structural position than the #51 and the net isopachous map shows the #53 to have 12 feet of net pay versus only 6 feet for the #51 well.

US Department of the Interior
1990
Re: IBLA 89-335

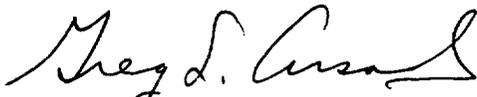
-2-

March 1,

We hope this additional information will assist you in making an equitable decision on this matter. If you have any questions, please call me at (713) 880-5464.

Sincerely,

GLOBAL NATURAL RESOURCES CORPORATION



Greg S. Cusack
Operations Engineer

bd

Attachments

cc: (w/o Attachments)

State of New Mexico
Commissioner of Public Lands
Post Office Box 1148
Santa Fe, New Mexico 87501
Attention: Mr. Floyd O. Prando

Bureau of Land Management
425 Montano, N.E.
Albuquerque, New Mexico 87107
Attention: Mr. Gary Stephens

State of New Mexico
Oil Conservation Commission
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

Northwest Pipeline Corporation
Post Office Box 8900
Salt Lake City, Utah 84108-0899
Attention: Mr. Darrell L. Gillen

Jim McReynolds
Kendall Kuiper

NORTHWEST PIPELINE CORPORATION
ONE OF THE WILLIAMS COMPANIES

104-90

LAND DEPARTMENT

P.O. BOX 8900
SALT LAKE CITY, UTAH 84108-0899
801-584-7215

104-90
90 MAR 5 AM 10 12

February 26, 1990

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P. O. Box 1148
Santa Fe, NM 87504-1148

State of New Mexico
Oil Conservation Commission
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

Re: San Juan 31-6 Unit, #14-08-001-464
Rio Arriba County, New Mexico
1990 Plan of Development

Gentlemen:

By letter dated March 3, 1989, and July 12, 1989, Northwest Pipeline Corporation, as Unit Operator, filed drilling programs for the referenced unit. The drilling programs indicated that thirteen Fruitland Coal wells and one Salt Water Disposal Facility would be drilled under the 1989 Plan of Development. The San Juan 31-6 Unit #201, #202, #203, #204, #205, #206, #207, #208, #209, #211, #213, #225, #230, and the San Juan 31-6 Unit #301 Salt Water Disposal Facility were drilled on a timely basis.

As of this date, the total number of wells drilled in the San Juan 31-6 Unit on acreage committed to the unit is as follows:

Fruitland Coal, undetermined	13
Entrada, Salt Water Disposal Facility	1
Mesaverde, commercial	25
Mesaverde, plugged and abandoned	2
Mesaverde, temporarily abandoned	2
Mesaverde/Dakota, (Mesaverde commercial, Dakota non-commercial)	1

Assistant District Manager, Minerals
 Commissioner of Public Lands
 Oil Conservation Commission
 February 26, 1990
 Page 2

Mesaverde/Dakota, (Mesaverde commercial, Dakota temporarily abandoned)	1
Dakota, commercial	21
Dakota, non-commercial	<u>1</u>
TOTAL	67

The Participating Areas which have been established in the San Juan 31-6 Unit are as follows:

<u>Formation</u>	<u>Revision</u>	<u>Effective</u>
Mesaverde	Sixteenth	January 1, 1986
Dakota	Tenth	February 1, 1984

There have been no changes to the Participating Areas during 1989.

Pursuant to Section 10 of the San Juan 31-6 Unit Agreement, Northwest Pipeline Corporation, as Unit Operator, has contacted all of the Working Interest Owners and has received the necessary concurrence to propose the drilling of the following wells during the calendar year 1990:

<u>Well No.</u>	<u>Drilling Block</u>	<u>Formation</u>
San Juan 31-6 Unit #210	E/2 Sec. 2, T30N, R6W	Fruitland Coal
San Juan 31-6 Unit #212	E/2 Sec. 5, T30N, R6W	Fruitland Coal
San Juan 31-6 Unit #215	W/2 Sec. 36, T31N, R6W	Fruitland Coal
San Juan 31-6 Unit #217	W/2 Sec. 35, T31N, R6W	Fruitland Coal
San Juan 31-6 Unit #218	E/2 Sec. 34, T31N, R6W	Fruitland Coal
San Juan 31-6 Unit #219	W/2 Sec. 34, T31N, R6W	Fruitland Coal
San Juan 31-6 Unit #221	W/2 Sec. 33, T31N, R6W	Fruitland Coal
San Juan 31-6 Unit #223	W/2 Sec. 32, T31N, R6W	Fruitland Coal
San Juan 31-6 Unit #232	E/2 Sec. 1, T30N, R7W	Fruitland Coal

Northwest Pipeline Corporation, as Unit Operator, will drill any offset wells that may be required to prevent drainage of unitized substances and any other wells deemed necessary or which are requested by the Unit Operator or the Working Interest Owners.

If this Plan of Development is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to Northwest Pipeline Corporation.

Assistant District Manager, Minerals
Commissioner of Public Lands
Oil Conservation Commission
February 26, 1990
Page 3

Copies of this Plan of Development are being sent to the Working Interest Owners as shown on the attached sheet.

Sincerely,

NORTHWEST PIPELINE CORPORATION

Darrell L. Gillen by D.H.
Darrell L. Gillen
Land Manager

DLG/cg
Attachment

cc: Working Interest Owners
W. O. Curtis
P. C. Thompson

Assistant District Manager, Minerals
Commissioner of Public Lands
Oil Conservation Commission
February 26, 1990
Page 4

APPROVED _____ DATE _____
Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Commission

APPROVED _____ DATE _____
Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor and
the Oil Conservation Commission

APPROVED  _____ DATE 3-6-90
Oil Conservation Commission
Subject to like approval by the
Area Oil and Gas Supervisor and
the Commissioner of Public Lands

The foregoing approvals are for the 1990 Plan of Development for the San Juan
31-6 Unit #14-08-001-464.

US6N2650
02/19/90

WORKING INTEREST OWNERS
SAN JUAN 31-6 UNIT

AMOCO PRODUCTION COMPANY
SOUTHERN DIVISION, PRODUCTION MGR.
1670 BROADWAY
P.O. BOX 800
DENVER, CO 80201

CONOCO, INC.
P.O. BOX 460
HOBBBS, NM 88241-0460

GLOBAL NATURAL RESOURCES OF NEVADA
ATTENTION: STUART SCARBOROUGH
P.O. BOX 4682
HOUSTON, TX 77210

MERIDIAN OIL PRODUCTION INC.
LAND DEPARTMENT
P.O. BOX 4289
FARMINGTON, NM 87401

PHILLIPS PETROLEUM COMPANY
ATTN: JAY KIEKE
300 WEST ARRINGTON, SUITE 200
FARMINGTON, NM 87401

PWG PARTNERSHIP
P.O. BOX 451
ALBUQUERQUE, NM 87103

TEXACO, INC.
JOINT INTEREST OPERATIONS
P.O. BOX 46555
DENVER, CO 80201-6555

THE WISER OIL COMPANY
700 PETROLIUM BUILDING
WICHITA FALLS, TX 76301

100-907
'90 FEB 26 AM 10 10

LAND DEPARTMENT

P.O. BOX 8900
SALT LAKE CITY, UTAH 84108-0900
801-584-6669
801-584-7215

February 13, 1990

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P.O. Box 1148
Santa Fe, NM 87501

State of New Mexico
Oil Conservation Commission
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

Re: San Juan 31-6 Unit #14-08-001-464
Rio Arriba County, New Mexico

APPROVAL OF THE ELEVENTH PARTICIPATING AREA
Dakota Formation
Effective November 1, 1984

Gentlemen:

The referenced approval of the Eleventh Participating Area Dakota formation was approved by the regulatory agencies as follows:

Bureau of Land Management	February 9, 1990
Oil Conservation Commission	January 23, 1990

Copies of this letter are being sent to the Working Interest Owners shown on the attached sheet.

Sincerely,

NORTHWEST PIPELINE CORPORATION


Darrell L. Gillen
Land Manager

Commissioner of Public Lands
Oil Conservation Commission
February 13, 1990
Page 2

DLG/cg
Attachment

cc: Working Interest Owners
W. O. Curtis
P. C. Thompson
L. G. Loving
C. N. Potter
R. L. Glenn
M. H. Johnson
J. K. Nielsen
L. L. Fullmer
P. A. Rodgers
D. B. Betenson
R. P. Gregory

U56N2650
02/13/90

WORKING INTEREST OWNERS
SAN JUAN 31-6 UNIT

AMOCO PRODUCTION COMPANY
SOUTHERN DIVISION, PRODUCTION MGR.
1670 BROADWAY
P.O. BOX 800
DENVER, CO 80201

CONOCO, INC.
P.O. BOX 460
HOBBS, NM 88241-0460

GLOBAL NATURAL RESOURCES OF NEVADA
ATTENTION: STUART SCARBOROUGH
P.O. BOX 4682
HOUSTON, TX 77210

MERIDIAN OIL PRODUCTION INC.
LAND DEPARTMENT
P.O. BOX 4289
FARMINGTON, NM 87401

PHILLIPS PETROLFUM COMPANY
ATTN: JAY KIEKE
300 WEST ARRINGTON, SUITE 200
FARMINGTON, NM 87401

PWG PARTNERSHIP
P.O. BOX 451
ALBUQUERQUE, NM 87103

TEXACO, INC.
JOINT INTEREST OPERATIONS
P.O. BOX 46555
DENVER, CO 80201-6555

THE WISER OIL COMPANY
700 PETROLEUM BUILDING
WICHITA FALLS, TX 76301



United States Department of the Interior

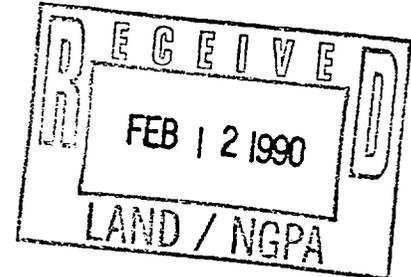
BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401



IN REPLY REFER TO:

San Juan 31-6 (PA)
3180 (019)

FEB. 09 1990



Northwest Pipeline Corporation
Attn: Darrell L. Gillen
P. O. Box 8900
Salt Lake City, UT 84108

Gentlemen:

We have received your letter of November 1, 1989, requesting the approval of the Eleventh Expanded Participating Area, Dakota Formation, San Juan 31-6 Unit, Rio Arriba County, New Mexico.

The application for approval of the Eleventh Expanded Participating Area seeks to add 319.49 acres described as the W/2 section 5, T. 30 N., R. 6 W., to the Dakota Participating Area. Contributing to this area is the completion of the San Juan 31-6 Unit well No. 51 (NE/4SW/4 section 5). The Eleventh Expanded Participating Area was approved on this date and is effective November 1, 1984.

If you have any questions, please contact Gail Keller at the above address or telephone (505) 327-5344.

Sincerely,

John Keller
Chief, Branch of Minerals

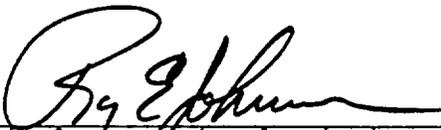
Enclosure

cc: Minerals Management Service, RMP, P. O. Box 25165, Denver, CO 80223
Commissioner of Public Lands, State of New Mexico, P. O. Box 1148,
Santa Fe, NM 87504

Bureau of Land Management
Commissioner of Public Lands
Oil Conservation Commission
November 1, 1989
Page 4

APPROVED _____ DATE _____
Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands
and the Oil Conservation Commission

APPROVED _____ DATE _____
Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor
and the Oil Conservation Commission

APPROVED  _____ DATE 1-23-90
Oil Conservation Commission
Subject to like approval by the
Area Oil and Gas Supervisor
and the Commissioner of Public Lands

The foregoing is the approval for the ELEVENTH PARTICIPATING AREA in the
Dakota formation of the San Juan 31-6 Unit #14-08-001-464.

LAND DEPARTMENT

P O BOX 8900
SALT LAKE CITY, UTAH 84108-0900
801-584-6663
801-584-7215

November 20, 1989

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P.O. Box 1148
Santa Fe, NM 87504-1148

State of New Mexico
Oil Conservation Commission
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

Re: San Juan 31-6 Unit #14-08-001-464
Rio Arriba County, New Mexico

APPLICATION FOR APPROVAL OF THE ELEVENTH PARTICIPATING AREA
Dakota formation
Effective November 1, 1984

Gentlemen:

By letter dated November 1, 1989 Northwest Pipeline submitted the referenced application. On page 2 of the application the well number for the well which prompted the application is incorrectly shown as the San Juan 31-6 Unit #53 well. The correct well number is San Juan 31-6 #51 well. All other information is correct.

Please replace page 2 of the application with the attached corrected page 2.

We apologize for any inconvenience this may have caused.

Bureau of Land Management
Commissioner of Public Lands
Oil Conservation Commission
November 20, 1989
Page 2

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

Sincerely,

NORTHWEST PIPELINE CORPORATION



Darrell L. Gillen
Land Manager

DLG/cg
Attachments

cc: Working Interest Owners
W. O. Curtis
L. L. Fullmer
R. P. Gregory
M. H. Johnson
L. G. Loving
B. E. Mortensen
J. K. Nielsen
C. N. Potter

U56N2650
11/20/89

WORKING INTEREST OWNERS
SAN JUAN 31-6 UNIT

AMOCO PRODUCTION COMPANY
SOUTHERN DIVISION, PRODUCTION MGR.
1670 BROADWAY
P.O. BOX 800
DENVER, CO 80201

THE WISER OIL COMPANY
700 PETROLEUM BUILDING
WICHITA FALLS, TX 76301

CONOCO, INC.
P.O. BOX 460
HOBBS, NM 88241-0460

GLOBAL NATURAL RESOURCES OF NEVADA
ATTENTION: STUART SCARBOROUGH
P.O. BOX 4682
HOUSTON, TX 77210

MATAGORDA OIL COMPANY 59677-01
TEXAS COMMERCE BANK N.A.
TRUST-ASSET MGMT. OPER.
P.O. BOX 2558
HOUSTON, TX 77001

MERIDIAN OIL PRODUCTION INC.
LAND DEPARTMENT
P.O. BOX 4289
FARMINGTON, NM 87401

PHILLIPS PETROLEUM COMPANY
ATTN: PARTNERSHIP OPERATIONS
P.O. BOX 1967
HOUSTON, TX 77251-1967

PWG PARTNERSHIP
P.O. BOX 451
ALBUQUERQUE, NM 87103

TEXACO, INC.
JOINT INTEREST OPERATIONS
P.O. BOX 46555
DENVER, CO 80201-6555

ELEVENTH PARTICIPATING AREA - Effective November 1, 1984

<u>Description of Land</u>	<u>No. of Acres</u>
<u>Township 30 North, Range 6 West, N.M.P.M.</u> <u>Section 5: W/2</u>	319.49

The well data is as follows:

The San Juan 31-6 Unit #51 well is located 1520 feet from the south line and 1670 feet from the west line, Section 5, Township 30 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico. This well was spudded on July 26, 1984 and completed in the Dakota formation on September 18, 1984. The plug back depth is 7806'. The Dakota formation was perforated with one shot per foot over the following interval:

7672'-7687'

The Dakota formation was hydraulically fractured with 1306 barrels of treated fluid carrying 20,000 pounds of 40/60 sand and 20,000 pounds of 20/40 sand. The well was tested on November 6, 1984 for three hours using a positive choke. During the test, the well produced 132 Mcf of gas flowing at a rate of 854 Mcfd with a calculated AOF of 858 Mcfd. The shut-in casing pressure prior to the test was 2900 psig.

In support of this application, the following listed Exhibits are made a part hereof:

Exhibit "A"

Ownership map reflecting the boundaries of the Unit and the Proposed Eleventh Expansion of the Participating Area of the Dakota formation within the San Juan 31-6 Unit.

Exhibit "B"

Geological Report on the above cited Participating Area of the Dakota formation within the San Juan 31-6 Unit.

Exhibit "C"

Figure No. 1: San Juan 31-6 Dakota Structure Map
Figure No. 2: San Juan 31-6 Dakota Isopach Map

645-89

'89 NOV 17 AM 8 56

LAND DEPARTMENT

P.O. BOX 8900
SALT LAKE CITY, UTAH 84108-0900
801-584-6669
801-584-7215

November 7, 1989

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P.O. Box 1148
Santa Fe, NM 87504-1148

State of New Mexico
Oil Conservation Commission
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

Re: San Juan 31-6 Unit #14-08-001-464
Rio Arriba County, New Mexico

Gentlemen:

Attached for your consideration is the "Application for Approval of the Eleventh Participating Area" San Juan 31-6 Unit Dakota formation. This application is based on the determination by Northwest Pipeline Corporation of the commercial status of the San Juan 31-6 Unit #51 Dakota well located in the W/2 Section 5, T-30-N, R-6-W.

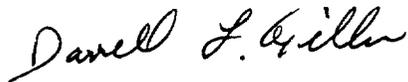
By letter dated August 10, 1989 Northwest submitted our determination of the San Juan 31-6 Unit #51 Dakota well and our proposal to revise the participating area accordingly to the working interest owners of the Dakota formation. Two working interest owners, Meridian Oil and Global Natural Resources did not agree with our determination and provided letters and data, copies of which are attached, supporting their positions. Therefore, Northwest Pipeline is submitting this data along with the attached participating area application for BLM to make the final decision as to the commercial status of the San Juan 31-6 Unit #51 Dakota well.

Bureau of Land Management
Commissioner of Public Lands
Oil Conservation Commission
November 7, 1989
Page 2

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

Sincerely,

NORTHWEST PIPELINE CORPORATION



Darrell L. Gillen
Land Manager

DLG/cg
Attachments

cc: Working Interest Owners
W. O. Curtis
P. C. Thompson
M. J. Turnbaugh

U56N2650
11/06/89

WORKING INTEREST OWNERS
SAN JUAN 31-6 UNIT

AMOCO PRODUCTION COMPANY
SOUTHERN DIVISION, PRODUCTION MGR.
1670 BROADWAY
P.O. BOX 800
DENVER, CO 80201

THE WISER OIL COMPANY
700 PETROLEUM BUILDING
WICHITA FALLS, TX 76301

CONOCO, INC.
P.O. BOX 460
HOBBS, NM 88241-0460

GLOBAL NATURAL RESOURCES OF NEVADA
ATTENTION: STUART SCARBOROUGH
P.O. BOX 4682
HOUSTON, TX 77210

MATAGORDA OIL COMPANY 59677-01
TEXAS COMMERCE BANK N.A.
TRUST-ASSET MGMT. OPER.
P.O. BOX 2558
HOUSTON, TX 77001

MERIDIAN OIL PRODUCTION INC.
LAND DEPARTMENT
P.O. BOX 4289
FARMINGTON, NM 87401

PHILLIPS PETROLEUM COMPANY
ATTN: PARTNERSHIP OPERATIONS
P.O. BOX 1967
HOUSTON, TX 77251-1967

PWG PARTNERSHIP
P.O. BOX 451
ALBUQUERQUE, NM 87103

TEXACO, INC.
JOINT INTEREST OPERATIONS
P.O. BOX 46555
DENVER, CO 80201-6555

GLOBAL NATURAL RESOURCES CORPORATION

August 24, 1989

TO: All Working Interest Owners
San Juan 31-6 Unit



Re: San Juan 31-6 Unit, #14-08-001-464
Rio Arriba County, New Mexico
PROPOSED ELEVENTH PARTICIPATING AREA DAKOTA FORMATION

Gentlemen:

Global Natural Resources Corporation does not approve of the proposed eleventh expansion to the Dakota Formation Participating Area. Northwest Pipeline Corporation, as Unit Operator of the San Juan 31-6 Unit, has failed to demonstrate that the San Juan 31-6 Unit #51 Dakota well is capable of producing unitized substances in paying quantities from the Dakota Formation. The support data mentioned in Northwest's application is a potential test and a reference to related geological data that was not disclosed. Based on the fact that the San Juan 31-6 Unit #53 Dakota well, located in Section 1, Township 30 North, Range 6 West, was deemed noncommercial by the State and Federal Regulatory agencies in November and December 1988, Global cannot give approval for commerciality of the #51 Dakota well which does not demonstrate itself to be more commercial than the #53 Dakota well.

The potential test shown for the #51 Dakota well was 858 MCFPD and the the noncommercial #53 Dakota well was 1317 MCFPD. As for geological support data the #53 Dakota well looks to be in a more favorable geologic position than the #51 Dakota well. The #53 Dakota well has 18 feet of net pay versus 12 feet of net pay for the #51 Dakota well. The greater net pay leads to a larger calculation of gas-in-place which in turn leads to more ultimate recoverable gas from the #53 Dakota versus the #51 Dakota well. Also, ignoring the effects of curtailment, the #53 Dakota well seems to have better producing capacity than the #51 Dakota well. The #53 Dakota well has been curtailed considerably more than the #51 Dakota well.

Therefore, based upon the above arguments between the #53 Dakota well and the #51 Dakota well, and the fact that the #53 Dakota well has already been approved as a noncommercial well, Global hereby recommends that the proposed eleventh expansion to the Dakota Participating Area be withdrawn and that an application be made to continue producing the #51 Dakota well on a lease basis as a noncommercial well.

Sincerely,

GLOBAL NATURAL RESOURCES CORPORATION

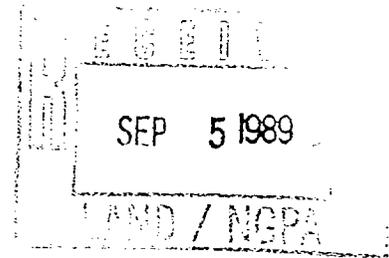
A handwritten signature in cursive script, appearing to read "Greg S. Cusack".

Greg S. Cusack
Operations Engineer
bd

cc: Jim McReynolds
Stuart Scarborough

MERIDIAN OIL

August 31, 1989



Northwest Pipeline Corporation
Attention: Mr. Darrell L. Gillen, MS 10311
P.O. Box 58900
Salt Lake City, Utah 84158-0900

Re: San Juan 31-6 Unit
Proposed Eleventh Dakota
Participating Area
Rio Arriba County, New Mexico

Dear Mr. Gillen:

This is to advise that we are not in agreement for the referenced proposed expansion.

The San Juan 31-6 Unit #51, W/2 Section 5, T30N, R6W will not recover "commercial" amounts of gas based upon a reserve evaluation. The attached production curve and pressure/cumulative production plot both describe a reserve level of 350-400 MMcf. Based on upon the existing capital investment, gas price and demand restrictions these reserve levels will not be commercial.

It is our recommendation that the San Juan 31-6 Unit #51 well be submitted to the regulatory agencies as a non-commercial well.

Please contact the undersigned at 505-326-9760 if there are any questions regarding this matter.

Yours very truly,

Linda Donohue
Landman

LD:jf

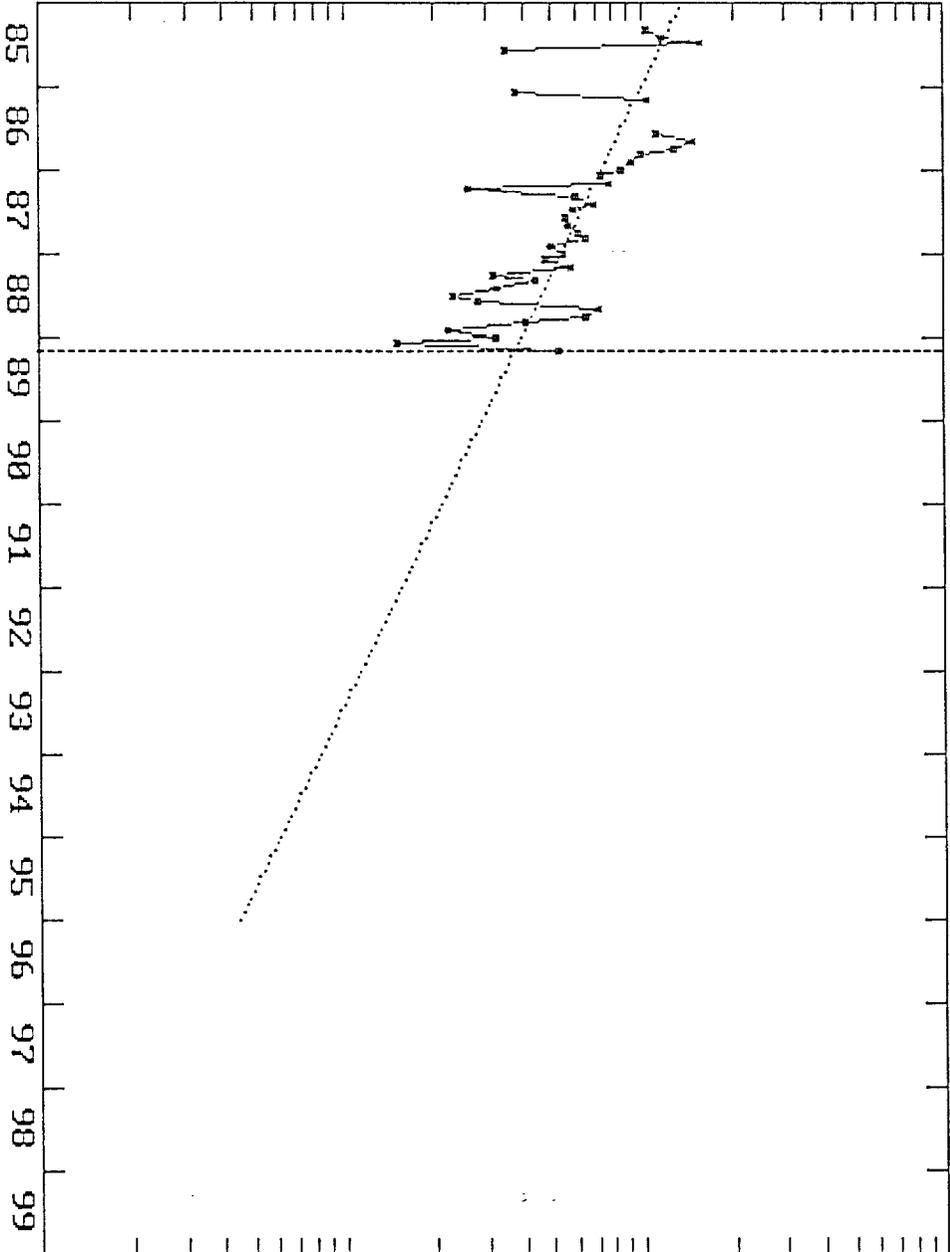
Attachments

Doc. 18+

San Juan 31-6, 4.3

SAN JUAN 31.6 UNIT : 000051

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 • OIL/GAS
 * GAS
 x OIL

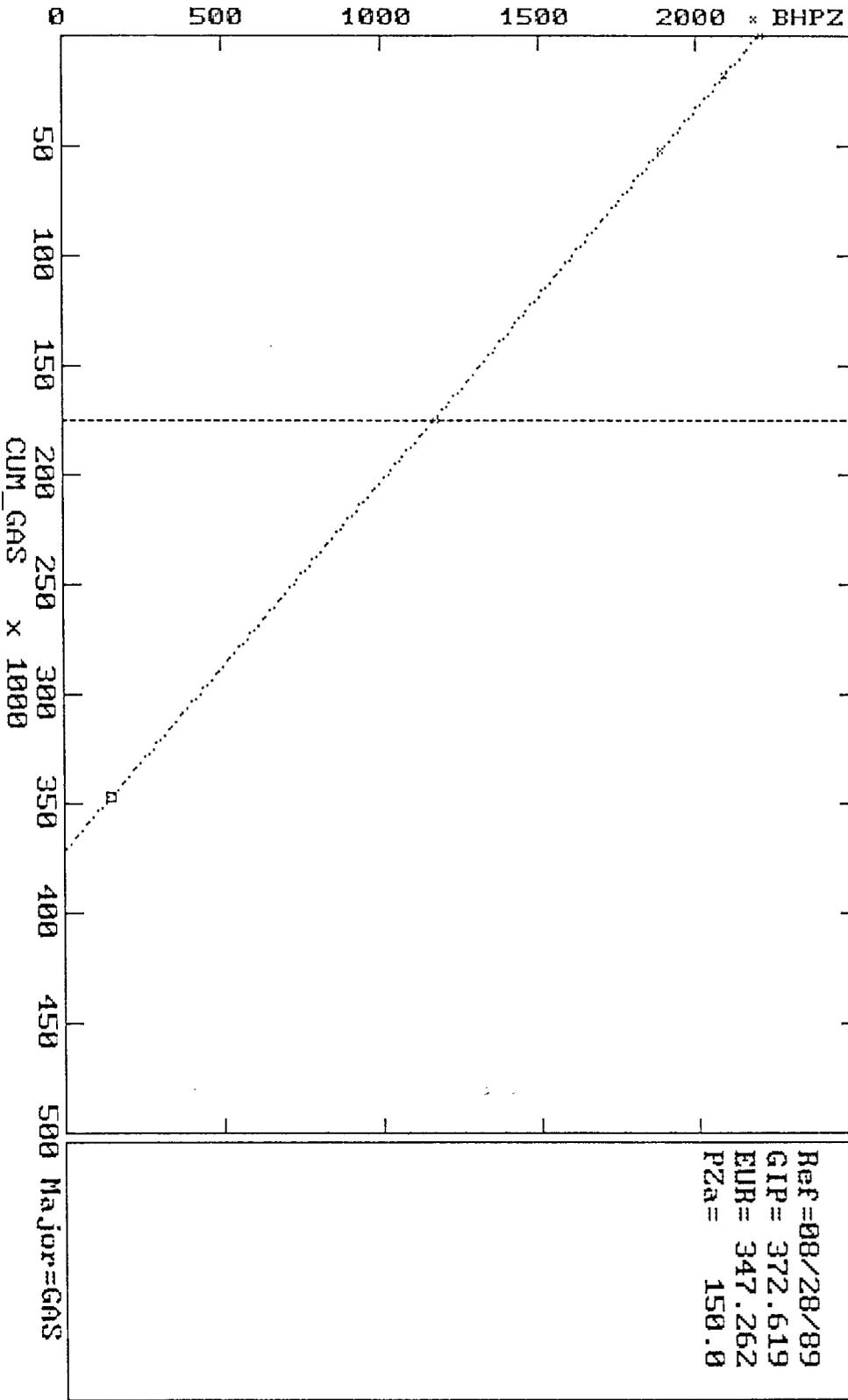


Case: 1

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Ref =	07/89
Cum=	264619
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n =	.000
De=	26.753
qab=	447.0
Rem=	116661
Yrs=	6.583
Qmo=	3429.4
Act=	.0
Major=GAS	

SAN JUAN 31 6 UNIT : 000051

Results



NOV 01 1989
RECEIVED
LAND DEPARTMENT

November 1, 1989

Assistant District Manager, Minerals
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Floyd O. Prando
P.O. Box 1148
Santa Fe, NM 87504-1148

State of New Mexico
Oil Conservation Commission
Attn: Mr. William J. LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

Re: San Juan 31-6 Unit #14-08-001-464
Rio Arriba County, New Mexico

APPLICATION FOR APPROVAL OF THE ELEVENTH PARTICIPATING AREA
Dakota formation
Effective November 1, 1984

Gentlemen:

Pursuant to the provisions of Section 11(b) of the San Juan 31-6 Unit Agreement #14-08-001-464, Northwest Pipeline Corporation, as Unit Operator, hereby respectfully requests approval of the Eleventh Participating Area for the Dakota formation.

This proposed revision of the participating area for the Dakota formation is predicated upon the determination by Northwest Pipeline Corporation, as Unit Operator, that the following San Juan 31-6 Unit Dakota well, which was completed outside the limits of the existing Dakota Participating Area, is capable of producing unitized substances in paying quantities from the Dakota formation.

Bureau of Land Management
Commissioner of Public Lands
Oil Conservation Commission
November 1, 1989
Page 2

ELEVENTH PARTICIPATING AREA - Effective November 1, 1984

<u>Description of Land</u>	<u>No. of Acres</u>
<u>Township 30 North, Range 6 West, N.M.P.M.</u> <u>Section 5: W/2</u>	319.49

The well data is as follows:

The San Juan 31-6 Unit #53 well is located 1520 feet from the south line and 1670 feet from the west line, Section 5, Township 30 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico. This well was spudded on July 26, 1984 and completed in the Dakota formation on September 18, 1984. The plug back depth is 7806'. The Dakota formation was perforated with one shot per foot over the following interval:

7672'-7687'

The Dakota formation was hydraulically fractured with 1306 barrels of treated fluid carrying 20,000 pounds of 40/60 sand and 20,000 pounds of 20/40 sand. The well was tested on November 6, 1984 for three hours using a positive choke. During the test, the well produced 132 Mcf of gas flowing at a rate of 854 Mcfd with a calculated AOF of 858 Mcfd. The shut-in casing pressure prior to the test was 2900 psig.

In support of this application, the following listed Exhibits are made a part hereof:

Exhibit "A"

Ownership map reflecting the boundaries of the Unit and the Proposed Eleventh Expansion of the Participating Area of the Dakota formation within the San Juan 31-6 Unit.

Exhibit "B"

Geological Report on the above cited Participating Area of the Dakota formation within the San Juan 31-6 Unit.

Exhibit "C"

Figure No. 1: San Juan 31-6 Dakota Structure Map
Figure No. 2: San Juan 31-6 Dakota Isopach Map

Bureau of Land Management
Commissioner of Public Lands
Oil Conservation Commission
November 1, 1989
Page 3

Exhibit "D"

Table No. I: Schedule of San Juan 31-6 Unit Dakota Production

Attached is Schedule XII showing the proposed expansion cited above for the Dakota formation in the San Juan 31-6 Unit area. The schedule describes the participating area, shows the percentage of unitized substances allocated to each unitized tract, and the percentage of ownership in the tracts.

If this application referenced above meets with your approval, please indicate such approval in the space provided on the attached sheet and return an approved copy for our files.

Copies of this letter, exhibits and schedule are being sent to the Working Interest Owners shown on the attached sheet.

Sincerely,

NORTHWEST PIPELINE CORPORATION



Darrell L. Gillen
Land Manager

DLG/cg
Attachments

cc: Working Interest Owners
W. O. Curtis
L. L. Fullmer
R. P. Gregory
M. H. Johnson
L. G. Loving
B. E. Mortensen
J. K. Nielsen
C. N. Potter

Bureau of Land Management
Commissioner of Public Lands
Oil Conservation Commission
November 1, 1989
Page 4

APPROVED _____ DATE _____
Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands
and the Oil Conservation Commission

APPROVED _____ DATE _____
Commissioner of Public Lands
Subject to like approval by the
Area Oil and Gas Supervisor
and the Oil Conservation Commission

APPROVED  _____ DATE 1-23-90
Oil Conservation Commission
Subject to like approval by the
Area Oil and Gas Supervisor
and the Commissioner of Public Lands

The foregoing is the approval for the ELEVENTH PARTICIPATING AREA in the
Dakota formation of the San Juan 31-6 Unit #14-08-001-464.

U56N2650
10/13/89

WORKING INTEREST OWNERS
SAN JUAN 31-6 UNIT

AMOCO PRODUCTION COMPANY
SOUTHERN DIVISION, PRODUCTION MGR.
1670 BROADWAY
P.O. BOX 800
DENVER, CO 80201

THE WISER OIL COMPANY
700 PETROLEUM BUILDING
WICHITA FALLS, TX 76301

CONOCO, INC.
P.O. BOX 460
HOBBS, NM 88241-0460

GLOBAL NATURAL RESOURCES OF NEVADA
ATTENTION: STUART SCARBOROUGH
P.O. BOX 4682
HOUSTON, TX 77210

MATAGORDA OIL COMPANY 59677-01
TEXAS COMMERCE BANK N.A.
TRUST-ASSET MGMT. OPER.
P.O. BOX 2558
HOUSTON, TX 77001

MERIDIAN OIL PRODUCTION INC.
LAND DEPARTMENT
P.O. BOX 4289
FARMINGTON, NM 87401

PHILLIPS PETROLEUM COMPANY
ATTN: PARTNERSHIP OPERATIONS
P.O. BOX 1967
HOUSTON, TX 77251-1967

PWG PARTNERSHIP
P.O. BOX 451
ALBUQUERQUE, NM 87103

TEXACO, INC.
JOINT INTEREST OPERATIONS
P.O. BOX 46555
DENVER, CO 80201-6555

SCHEDULE XII
ELEVENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 31-6 UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>DRILLING BLOCK OWNERSHIP</u>	<u>PERCENTAGE</u>	<u>PERCENTAGE COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
<u>TRACT 1</u>						
SF-078995	T-31-N, R-6-W Sec. 28: All Sec. 29: All Sec. 31: E/2	1600.00	Royalty Working Interest Phillips Petroleum ORRI Total	12.500000% 82.500000% 5.000000% <u>100.000000%</u> =====	12.500000% 82.500000% 5.000000% <u>100.000000%</u> =====	24.325832%
<u>TRACT 2</u>						
SF-078999	T-31-N, R-6-W Sec. 27: All Sec. 33: E/2 Sec. 34: All Sec. 35: All	2240.00	Royalty Working Interest Phillips Petroleum ORRI Total	12.500000% 82.500000% 5.000000% <u>100.000000%</u> =====	12.500000% 82.500000% 5.000000% <u>100.000000%</u> =====	34.056165%
<u>TRACT 7</u>						
SF-079401	T-30-N, R-6-W Sec. 1: Lots 7, 8, S/2NW/4	159.69	Royalty Working Interest Phillips Petroleum ORRI Total	12.500000% 83.000000% 4.500000% <u>100.000000%</u> =====	12.500000% 83.000000% 4.500000% <u>100.000000%</u> =====	2.427870%
<u>TRACT 8</u>						
NM-012299	T-30-N, R-6-W Sec. 1: Lots 5, 6, 9, SW/4NE/4	113.12	Royalty Working Interest Global Natural Resources Meridian Oil ORRI Total	12.500000% 65.910000% 18.590000% 3.000000% <u>100.000000%</u> =====	12.500000% 65.910000% 18.590000% 3.000000% <u>100.000000%</u> =====	1.719836%
<u>TRACT 10</u>						
NM-03404	T-30-N, R-6-W Sec. 5: Lots 5, 6, 7, 8, S/2N/2, S/2 (All)	639.16	Royalty Working Interest Phillips Petroleum ORRI Total	12.500000% 82.500000% 5.000000% <u>100.000000%</u> =====	12.500000% 82.500000% 5.000000% <u>100.000000%</u> =====	9.717562%

SCHEDULE XII
ELEVENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 31-6 UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>DRILLING BLOCK OWNERSHIP</u>	<u>PERCENTAGE</u>	<u>PERCENTAGE COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
<u>TRACT 11</u>						
E-289-3	T-31-N, R-6-W Sec. 32: NW/4	160.00	Royalty	12.500000%	12.500000%	2.432583%
			Working Interest			
			Wiser Oil Co.	87.500000%	87.500000%	
			ORRI	00.000000%	00.000000%	
			Total	<u>100.000000%</u>	<u>100.000000%</u>	
<u>TRACT 11-A</u>						
E-289-45	T-31-N, R-6-W Sec. 32: SW/4NE/4	40.00	Royalty	12.500000%	12.500000%	.608146%
			Working Interest			
			Phillips Petroleum	82.500000%	82.500000%	
			ORRI	5.000000%	5.000000%	
			Total	<u>100.000000%</u>	<u>100.000000%</u>	
<u>TRACT 11-B</u>						
E-289-43	T-31-N, R-6-W Sec. 32: N/2NE/4	80.00	Royalty	12.500000%	12.500000%	1.216292%
			Working Interest			
			Phillips Petroleum	82.500000%	82.500000%	
			ORRI	5.000000%	5.000000%	
			Total	<u>100.000000%</u>	<u>100.000000%</u>	
<u>TRACT 12</u>						
E-346-26	T-31-N, R-6-W Sec. 32: SE/4NE/4, SE/4	200.00	Royalty	12.500000%	12.500000%	3.040729%
			Working Interest			
			Phillips Petroleum	82.500000%	82.500000%	
			ORRI	5.000000%	5.000000%	
			Total	<u>100.000000%</u>	<u>100.000000%</u>	
<u>TRACT 12-A</u>						
E-346-25	T-31-N, R-6-W Sec. 32: SW/4	160.00	Royalty	12.500000%	12.500000%	2.432583%
			Working Interest			
			Phillips Petroleum	85.000000%	85.000000%	
			ORRI	2.500000%	2.500000%	
			Total	<u>100.000000%</u>	<u>100.000000%</u>	

SCHEDULE XII
ELEVENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 31-6 UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>DRILLING BLOCK OWNERSHIP</u>	<u>PERCENTAGE</u>	<u>PERCENTAGE COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
<u>TRACT 13</u>						
E-347-40	T-30-N, R-6-W Sec. 2: N/2NE/4 T-31-N, R-6-W Sec. 36: N/2NW/4	160.00	Royalty Working Interest Texaco ORRI Total	12.500000% 82.750000% 4.750000% <u>100.000000%</u> =====	12.500000% 82.750000% 4.750000% <u>100.000000%</u> =====	2.432583%
<u>TRACT 13-A</u>						
E-347-34	T-31-N, R-6-W Sec. 36: S/2NW/4	80.00	Royalty Working Interest Amoco ORRI Total	12.500000% 82.500000% 5.000000% <u>100.000000%</u> =====	12.500000% 82.500000% 5.000000% <u>100.000000%</u> =====	1.216292%
E-347-41	T-30-N, R-6-W Sec. 2: S/2SE/4	80.00	Royalty Working Interest Amoco ORRI Total	12.500000% 82.500000% 5.000000% <u>100.000000%</u> =====	12.500000% 82.500000% 5.000000% <u>100.000000%</u> =====	1.216292%
<u>TRACT 13-B</u>						
E-347-38	T-30-N, R-6-W Sec. 2: SW/4 T-31-N, R-6-W Sec. 36: SW/4	320.00	Royalty Working Interest Phillips Petroleum ORRI Total	12.500000% 85.000000% 2.500000% <u>100.000000%</u> =====	12.500000% 85.000000% 2.500000% <u>100.000000%</u> =====	4.865167%
<u>TRACT 13-C</u>						
E-347-39	T-30-N, R-6-W Sec. 2: Lots 5, 6, 7, 8, S/2N/2 T-31-N, R-6-W Sec. 36: Lots 1, 2, 3, 4, W/2E/2	545.40	Royalty Working Interest Phillips Petroleum ORRI Total	12.500000% 82.500000% 5.000000% <u>100.000000%</u> =====	12.500000% 82.500000% 5.000000% <u>100.000000%</u> =====	8.292068%

SCHEDULE XII
ELEVENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 31-6 UNIT AREA

R E C A P I T U L A T I O N

Description of lands in Dakota Participating Area:

Township 30 North, Range 6 West

Section 1: N/2

Section 2: All

Section 5: All

Township 31 North, Range 6 West

Section 27: All

Section 28: All

Section 29: All

Section 31: E/2

Section 32: All

Section 33: E/2

Section 34: All

Section 35: All

Section 36: All

Total Number of Acres in Participating Area: 6,577.37

Total Number of Acres Committed in Participating Area: 6,577.37

EXHIBIT "B"

SAN JUAN 31-6 UNIT
RIO ARriba COUNTY, NEW MEXICO

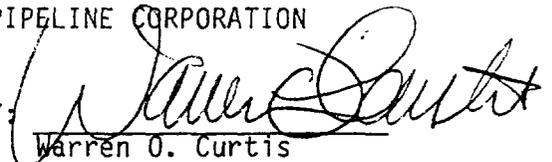
GEOLOGIC REPORT
DAKOTA PRODUCING INTERVAL

PROPOSED ELEVENTH EXPANSION
OF THE DAKOTA PARTICIPATING AREA

Prepared by Carolyn H. Firth

NORTHWEST PIPELINE CORPORATION

APPROVED BY:



Warren O. Curtis
Manager, Administration
Production Unit

EXHIBIT "B"

SAN JUAN 31-6 UNIT RIO ARRIBA COUNTY, NEW MEXICO

GEOLOGIC REPORT DAKOTA PRODUCING INTERVAL

PROPOSED ELEVENTH EXPANSION OF THE DAKOTA PARTICIPATING AREA

GENERAL INFORMATION

The San Juan 31-6 Unit is located in the northeast quadrant of the San Juan Basin, including parts of Townships 31 North, Range 6 West; 30 North, 6 West; and 30 North, 7 West. The unit covers a total of 10,039.28 acres.

Within the unit area, the "Dakota Producing Interval" has been tested in 24 wells, resulting in 3 noncommercial wells (No. 16, permanently disconnected, and Nos. 50 and 53), and 21 commercial wells.

The "Dakota Producing Interval" consists of the Graneros, Dakota, and Upper Morrison formations below the Greenhorn limestone. This interval has been defined and the lithology and stratigraphy have been discussed in geologic reports for adjacent units.

Included in this report as Exhibit "C" are two maps (Figures 1 and 2). Figure 1 shows the configuration of the subsurface structure of the Dakota interval using mean sea level as the datum plane and the base of the Greenhorn Limestone as the mapping horizon; the contour interval is 20 feet. Regional strike is generally east-west, with regional dip averaging 0.5 degrees to the north. Anticlinal flexuring has occurred across the unit, the folds plunging northward.

Figure 2 is an isopachous map contoured on the net productive upper Dakota sandstone as determined from radioactive and electric logs of wells drilled within the unit and the surrounding area; the contour interval is five feet. The thickest portion (greater than 10 feet) of the sand unit(s) covers a significant area within the San Juan 31-6 Unit, the sand trending approximately North 60° West across the unit.

Table 1 (Exhibit "D") is a tabulation of the Dakota gas production from the unit. The table shows monthly gas production of each well from November 1987 through October 1988. Cumulative production is also shown. The San Juan 31-6 Unit has produced 10,785,590 Mcf of gas from the Dakota Producing Interval as of November 1, 1988.

PROPOSED ELEVENTH EXPANSION OF THE DAKOTA PARTICIPATING AREA

Effective Date: November 1, 1984
Proposed Acreage: Township 30 North, Range 6 West, N.M.P.M.
Section 5: W/2 (319.49 acres)
Total Acres: 319.49

The Eleventh Expansion of the Dakota Participating Area is based on log interpretation, initial test results, and production history of the Northwest Pipeline Corporation San Juan 31-6 Unit well No. 51. From this data, it is inferred that the proposed acreage is capable of producing unitized substances in commercial quantities from the Dakota Producing Interval. The well is described as follows:

The San Juan 31-6 Unit well No. 51 is located 1520 feet from the South line and 1670 feet from the West line, Section 5, Township 30 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico. This well was spudded on July 26, 1984 and completed in the Dakota formation on September 18, 1984. The plug-back depth is 7806 feet. The Dakota formation was perforated with one shot per foot over the following interval:

7672-7687

The Dakota formation was hydraulically fractured with 1306 barrels of treated fluid carrying 20000 pounds of 40/60 sand and 20000 pounds of 20/40 sand. The well was tested on November 6, 1984 for three hours using a positive choke. During the test, the well produced 132 Mcf of gas flowing at a rate of 854 Mcfd with a calculated AOF of 858 Mcfd. The shut-in casing pressure prior to the test was 2900 psig.

On the basis of this well, the W/2 of Section 5 (319.49 acres) is recommended as the Eleventh Expansion of the Dakota Participating Area.

NORTHWEST PIPELINE CORPORATION
 GAS RESERVES DEPARTMENT ECONOMIC STUDY
 SJU 31-6 #51 DK

FRI OCTOBER 30, 1987
 4:51:56 PM

WORKING INT. B/PAYOUT.....%	100.0	ANNUAL COST INFLATION.....%	0.0
WORKING INT. A/PAYOUT.....%	100.0	ANNUAL PRICE INFLATION.....%	0.0
INCOME TAX.....%	36.0	NEG INC TAX OFFSET BY OTHER INCOME	
UNIT OF PRODUCTION DEPRECIATION			

GAS PRODUCTION FROM SJU 31-6 #51DK

LAND OWNER ROYALTY.....%	12.5	OVERRIDING ROYALTY.....	0.0
AD VALOREM AND SEV TAXES...%	10.4	OPERATING COSTS (\$/MO).....	300.0
MONTH OF CAPITAL EXPENSE....	10	OPERATING COSTS (% OF PROD).	0.0
DRILLING COSTS (\$1000).....	353.0	TANGIBLE \$ (% OF DRILLING \$)	42.1
SALVAGE VALUE (\$1000).....	0.0		

INITIAL MONTH	MCF/D	% DECLINE	TO MCF/D	ENDING MONTH
17	600.0	76.0	420.0	20
20	420.0	42.9	240.0	32
32	240.0	7.0	62.0	256
256	62.0	100.0	0.0	257

YEAR	BEG. YR \$/ MCF	AVG MCF/D	ANNUAL MCF	ROYALTY MCF	REVENUE AFTER ROYALTY \$1000
1984	2.54	0	0.	0.	0.
1985	2.54	294	107229.	13404.	238.
1986	2.54	268	97977.	12247.	167.
1987	1.16	225	82289.	10286.	110.
1988	1.70	210	76533.	9567.	114.
1989	1.70	195	71180.	8898.	106.
1990	1.70	181	66202.	8275.	98.
1991	1.70	169	61572.	7696.	91.
1992	1.70	157	57265.	7158.	85.
1993	1.70	146	53260.	6657.	79.
1994	1.70	136	49535.	6192.	74.
1995	1.70	126	46070.	5759.	68.
1996	1.70	117	42848.	5356.	64.
1997	1.70	109	39851.	4981.	59.
1998	1.70	101	37064.	4633.	55.
1999	1.70	94	34471.	4309.	51.
2000	1.70	88	32060.	4008.	48.
2001	1.70	82	29818.	3727.	44.
2002	1.70	76	27732.	3467.	41.
2003	1.70	71	25793.	3224.	38.
2004	1.70	66	23989.	2999.	36.
TOTAL.....			1062726.	132837.	1665.

WORKING INT. B/PAYOUT.....% 100.0 ANNUAL COST INFLATION.....% 0.0
 WORKING INT. A/PAYOUT.....% 100.0 ANNUAL PRICE INFLATION....% 0.0
 INCOME TAX.....% 36.0 NEG INC TAX OFFSET BY OTHER INCOME
 UNIT OF PRODUCTION DEPRECIATION

DISCOUNT *****PRESENT VALUE***** DISCOUNTED PROFIT TO**
 RATE ***** \$1000 ***** **INVESTMENT RATIO**
 *** % ** BEFORE TAX AFTER TAX BEFORE TAX AFTER TAX
 42.5 0. 0.00 RATE OF RETURN B.T.
 33.1 0. 0.0 RATE OF RETURN A.T.
 15.0 279. 151. 0.79 0.43

YEAR	**PROJECT EXPENSES IN \$1000*					*****CASH FLOW ANALYSIS IN \$1000*****				
	NET*	*** CAPI- *TAL*	***** DEPR.	***** AD.V. SEV. TAXES	***** PROD. COSTS	***** BEFORE *TAXES	***** BEFORE TAXES	***** TAXED INCOME	***** INCOME TAXES	***** AFTER TAXES
1984	0	353	0	0	0	-353	-353	-204	-74	-279
1985	238	0	15	25	2	211	-142	196	71	141
1986	167	0	14	17	4	146	4	132	47	98
1987	110	0	12	11	4	95	98	83	30	65
1988	114	0	11	12	4	98	196	87	31	67
1989	106	0	10	11	4	91	287	81	29	62
1990	98	0	9	10	4	84	372	75	27	57
1991	91	0	9	10	4	78	450	70	25	53
1992	85	0	8	9	4	73	523	65	23	49
1993	79	0	7	8	4	67	590	60	22	46
1994	74	0	7	8	4	62	652	55	20	42
1995	68	0	6	7	4	58	710	51	18	39
1996	64	0	6	7	4	53	763	47	17	36
1997	59	0	6	6	4	49	812	44	16	34
1998	55	0	5	6	4	46	858	40	15	31
1999	51	0	5	5	4	42	900	37	13	29
2000	48	0	4	5	4	39	939	35	12	27
2001	44	0	4	5	4	36	975	32	11	25
2002	41	0	4	4	4	33	1009	29	11	23
2003	38	0	4	4	4	31	1039	27	10	21
2004	36	0	3	4	4	28	1068	25	9	19
TOTAL	1665	353	149	173	71	1068	0	1067	384	683

PAYOUT DURING MONTH 12 OF YEAR 3

