



Jim Penney  
Staff Landman  
ConocoPhillips Company  
WL3 14072  
600 North Dairy Ashford  
Houston, TX 77079-1175  
phone 832.486.2355  
fax 832.486.2674

February 13, 2006

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

RE: SAN JUAN 30-5 UNIT  
#14-08-001-346  
RIO ARRIBA COUNTY, NEW MEXICO  
2006 PLAN OF DEVELOPMENT  
CONTRACT C40454

Ladies and Gentlemen:

By letter dated February 4, 2005, ConocoPhillips as Unit Operator filed the 2005 Plan of Development (POD). The POD indicated that twenty-four (27) wells were planned to be drilled or re-completed. The 2005 status is shown below:

The following wells were drilled in 2005:

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>	
San Juan 30-5 Unit #237R	E/2 Section 16-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #239A	W/2 Section 15-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #263A	E/2 Section 13-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #37M	W/2 Section 8-30N-5W	Mesaverde/Dakota	Drill

The San Juan 30-5 #237R well was drilled to the Fruitland Coal as an infill well on a drill block basis and the remaining Fruitland Coal wells were drilled as infill wells in the Fruitland Coal Participating Area. The Mesaverde/Dakota wells were drilled in the Mesaverde and Dakota Participating Areas. The San Juan 30-5 #37G, 39M, 205A, 211A, 220A, 241A, 247R, 248A, 249A, 255A, 257A, 258A, 259A, 261A, 267A, 268A, 269 wells will be carried over to the 2006 drilling program.

The following wells were re-completed in 2005:

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>	
San Juan 30-5 Unit #62	NE/4 Section 21-30N-5W	Pictured Cliffs	Recomplete

**2005 Summary** - There were five (5) wells drilled or re-completed in 2005. Seventeen (17) wells will be carried over to the 2006 drilling program. All operations were conducted in accordance with existing regulatory parameters.

Attached to this letter are unit production plats for each producing formation. The Participating Areas which have been established in the 30-5 Unit are listed below:

<u>Formation</u>	<u>Revision</u>	<u>Effective</u>
Fruitland Coal	Thirty-Fourth	8/1/2002
Pictured Cliffs	Third	11/1/81
Mesaverde	Thirty-Fifth	6/1/00
Dakota	Eighteenth	8/1/00
Dakota "A"	Initial	7/19/93

Pursuant to Section 10 of the San Juan 30-5 Unit Agreement, ConocoPhillips, as Unit Operator, hereby submits the following wells for the 2006 POD:

<u>Well Name</u>	<u>Dedicated Acreage</u>	<u>Formation</u>	<u>Operation</u>
San Juan 30-5 Unit #205A	W/2 Section 7-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #211A	E/2 Section 31-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #220A	W/2 Section 8-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #241A	W/2 Section 23-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #247R	E/2 Section 26-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #248A	W/2 Section 35-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #249A	E/2 Section 23-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #255A	W/2 Section 14-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #257A	W/2 Section 11-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #258A	E/2 Section 14-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #259A	W/2 Section 13-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #261A	E/2 Section 11-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #267A	E/2 Section 24-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #268A	W/2 Section 24-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #269	W/2 Section 25-30N-5W	Fruitland Coal	Drill
San Juan 30-5 Unit #37G	W/2 Section 8-30N-5W	Mesaverde/Dakota	Drill
San Juan 30-5 Unit #38M	E/2 Section 18-30N-5W	Mesaverde/Dakota	Drill
San Juan 30-5 Unit #39M	MV W/2 DK N/2 Sec 7-30N-5W	Mesaverde	Drill

The San Juan 30-5 Unit working interest owners are being provided with a copy of this letter. ConocoPhillips, 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,

Jim Penney

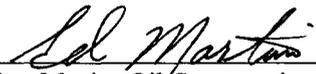
**SAN JUAN 30-5 UNIT #14-08-001-346  
 2006 INITIAL PLAN OF DEVELOPMENT**

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 Bureau of Land Management

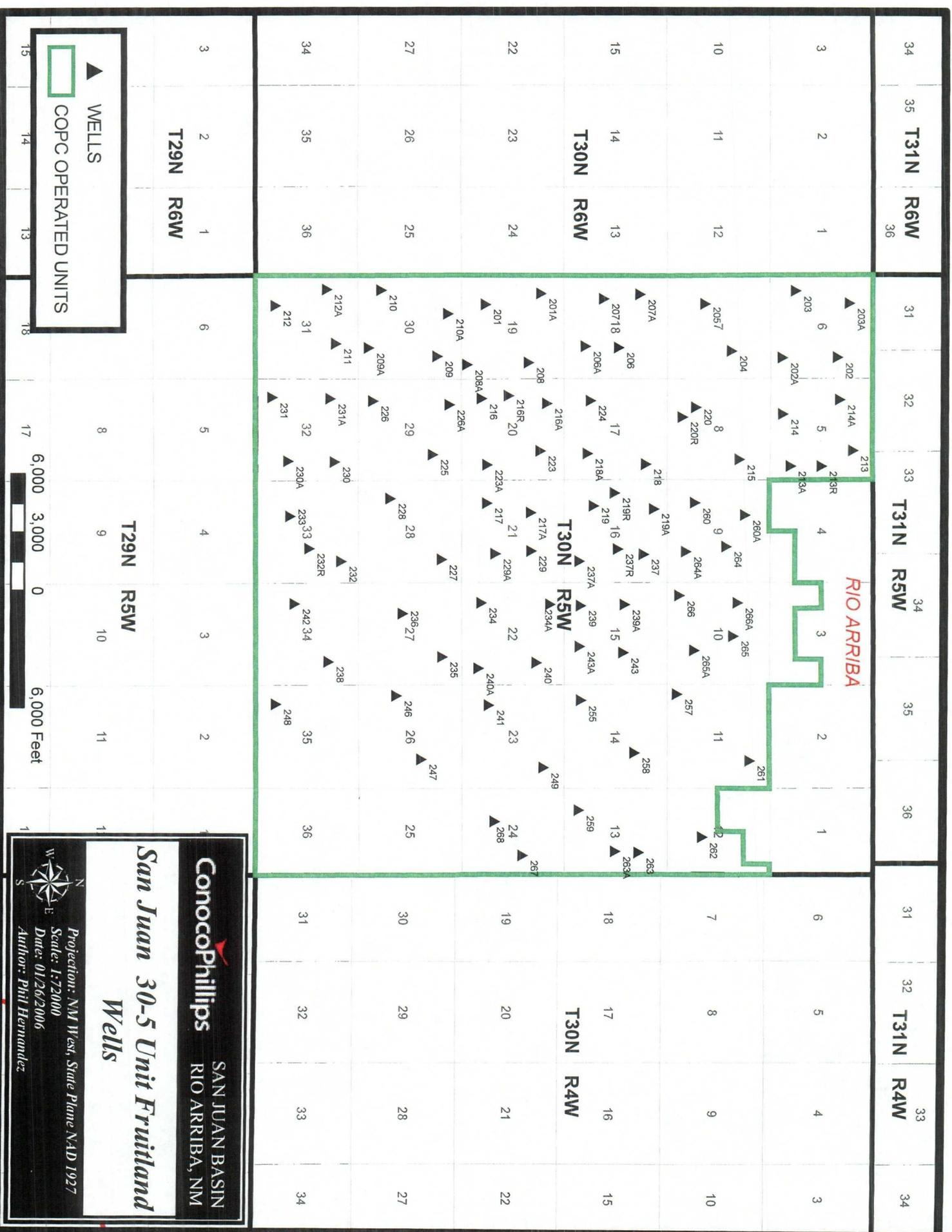
\_\_\_\_\_  
 Date

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 New Mexico Commissioner of Public Lands

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 Date

  
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 New Mexico Oil Conservation Division

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 6-26-06  
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 Date



34 35 T31N R6W 36 31 32 33 T31N R5W 34 35 36 31 32 T31N R4W 33 34

**RIO ARRIBA**

T29N R6W

T30N R6W

T29N R5W

T30N R5W

T30N R4W

WELLS

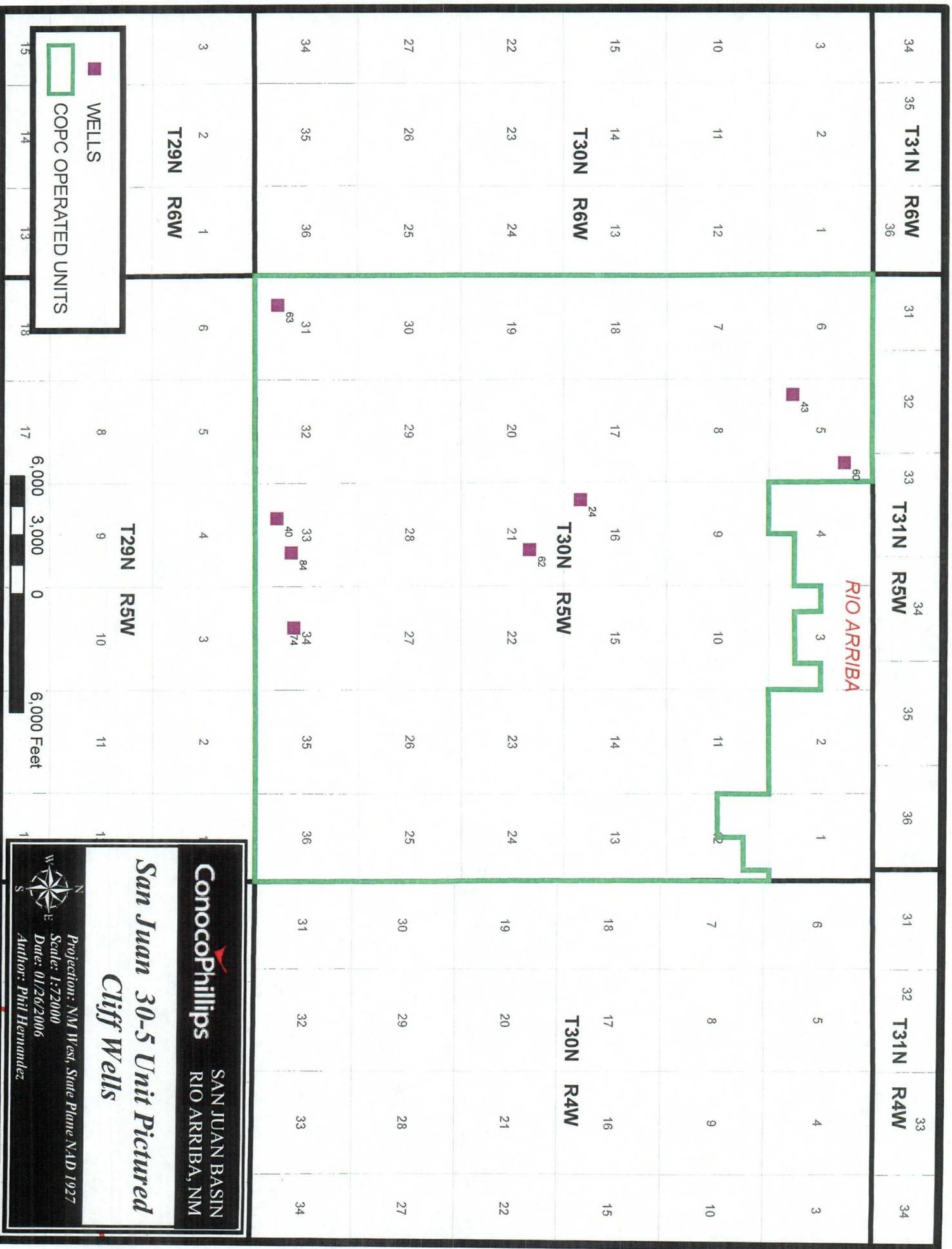
COPC OPERATED UNITS

6,000 3,000 0 6,000 Feet

**San Juan 30-5 Unit Fruitland Wells**

**ConocoPhillips** SAN JUAN BASIN  
RIO ARRIBA, NM

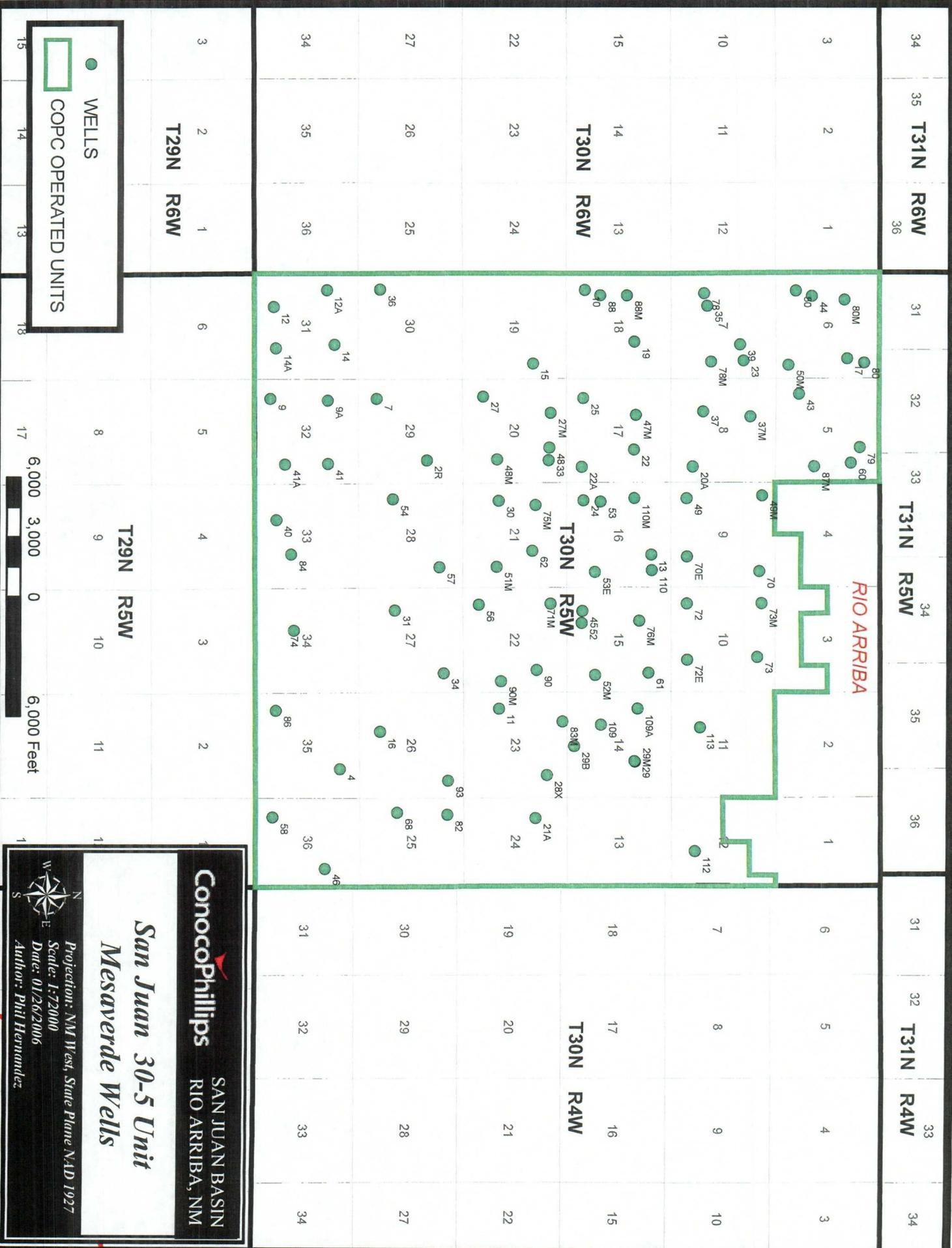
Projection: NM West, State Plane NAD 1927  
Scale: 1:72000  
Date: 01/26/2006  
Author: Phil Hernandez



 WELLS  
 COPC OPERATED UNITS



**ConocoPhillips**  
 SAN JUAN BASIN  
 RIO ARRIBA, NM  
*San Juan 30-5 Unit Pictured  
 Cliff Wells*  
 Projection: NM West, State Plane NAD 1927  
 Scale: 1:72000  
 Date: 01/26/2006  
 Auditor: Phil Hernandez



● WELLS  
 □ COPC OPERATED UNITS

6,000 3,000 0 6,000 Feet

**ConocoPhillips**  
 SAN JUAN BASIN  
 RIO ARRIBA, NM

**San Juan 30-5 Unit**  
**Mesaverde Wells**

Projection: NAD 83 West, State Plane NAD 1983  
 Scale: 1:72000  
 Date: 01/26/2006  
 Author: Phil Hernandez

