Jim Penney
Staff Landman

ConocoPhillips Company
WL3 5056
600 North Dairy Ashford
Houston, TX 77079-1175
phone 832.486.2355
fax 832.486.2674

ConocoPhillips

October 20, 2005

Bureau of Land Management
Farmington Resource Area
1235 LaPlata Highway
Farmington, New Mexico 87401
Attn: Mr. Wayne Townsend

RECEIVED
OCT 2 7 2005
OIL CONSERVATION DIVISION

Commissioner of Public Lands
State of New Mexico
P.O. Box 1148
Santa Fe, New Mexico 87501-1148
Attn: Mr. Patrick H. Lyons

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

RE: San Juan 32-7 Unit – No. 14-08-001-441
Commerciality Determination
Fruitland Coal Formation
San Juan County, New Mexico
Contract: 040463 Lease: A650115

Ladies and Gentlemen:

Pursuant to the provisions of Section 11(a) of the San Juan 32-7 Unit Agreement, ConocoPhillips Company ("ConocoPhillips"), as Unit Operator, has determined that the following wells are capable of producing unitized substances in paying quantities from the Fruitland Coal formation:

Well Name	Dedication	Lease No.	Completion Date	Operator's Determination
San Juan 32-7 Unit #214A	W/2 Sec. 34, T32N, R7W	SF 078542	09/21/2004	Commercial
San Juan 32-7 Unit #237A	E/2 Sec. 28, T32N, R7W	SF 078542	11/02/2004	Commercial
San Juan 32-7 Unit #245A	E/2 Sec. 17, T32N, R7W	SF 078460	12/03/2004	Commercial

ConocoPhillips respectfully requests agency confirmation of the enclosed paying well determinations. Also enclosed is an economic summary for each paying well determination, along with production data for each well.

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

Copies of this letter and enclosures are being sent to the 32-7 Unit Fruitland Coal PA working interest owners as listed below. Please contact Janet Stasney at (832) 486-2359 for any technical questions you may have, and direct all other questions to the undersigned at (832) 486-2355.

Respectfully yours,

Jim Penney

Jim Penney

Williams Production Company
One Williams Center
P.O. Box 3102 MS 37-5
Tulsa, Oklahoma 74101
Attention: Mr. Barbara Burnett, Landman

San Juan Basin Partnership
C/O EN Vantage Inc.
1415 North Loop West, Suite 1180
Houston, TX 77008

ConocoPhillips

Commerciality Determination

San Juan 32-7 Unit #245A
Fruitland Coal
SE, Sec 17, T32N, R7W
San Juan County, NM
API: 30-045-32465

This Fruitland Coal well was spud on 9/22/04 by ConocoPhillips and completed on 12/3/04.

Actual capital investment of $913,260 for open hole cavity completion of the San Juan 32-7 Unit #245A Fruitland coal well was used in this determination. Estimated operating costs for this well are $41,000/year.

Income was based on actual prices from 12/04 - 7/05 and a flat non-escalated value of $5.50/mcf and normal transportation costs for future production.

Recommend that this well be determined commercial.

Actual Production

Month	Production (MCFD)
Dec-04	96
Jan-05	1,165
Feb-05	141
Mar-05	327
Apr-05	1,230
May-05	3,275
Jun-05	3,274
Jul-05	3,242

US Summary Report
SJ 32-7 245A Commerciality Determination
Nominal

Case Description
Notes: Fruitland Coal Infill 2004 Drill
Actual drilling costs: $913.26M
Op Costs: $26000/yr base + 15,000/yr pumping unit = $41,000/yr. Well is producing 3.2 MMCFD. Used actual volumes 12/04-7/05 and forecasted volumes thereafter.

Case Parameters
Author	Janet Stasney
Linked Well	
Global Parameters	Escalate 2004 LRP (Yearly)
Model	ConocoPhillips
Oil Price File	
Gas Price File	
Oil Offset 1	
Gas Offset 1	

Net Present Values (Generic)::ConocoPhillips
Disc Rate (%)	Inc Before Res & Tax M$	Before Tax Cap. Inv M$	Before Tax Cash Flow M$	After Tax Cash Flow M$	Cash PI
0.0	12,542	913	11,629	7,094	10.98
8.0	9,372	879	8,494	5,151	8.53
10.0	8,792	871	7,921	4,796	8.08
11.0	8,524	867	7,657	4,633	7.87
13.0	8,030	859	7,171	4,331	7.48
15.0	7,583	852	6,732	4,059	7.12
18.0	6,989	841	6,148	3,697	6.65

Company WI
	Initial %	Final %
Working	100.0	100.0
Oil NRI	82.5	82.5
Gas NRI	82.5	82.5
Byprod. NRI	82.5	82.5
Capital	100.0	100.0

Scenarios
Oil	Base
Gas	Post Audit
Interests	Base
Opcosts	Base
Capital	Base

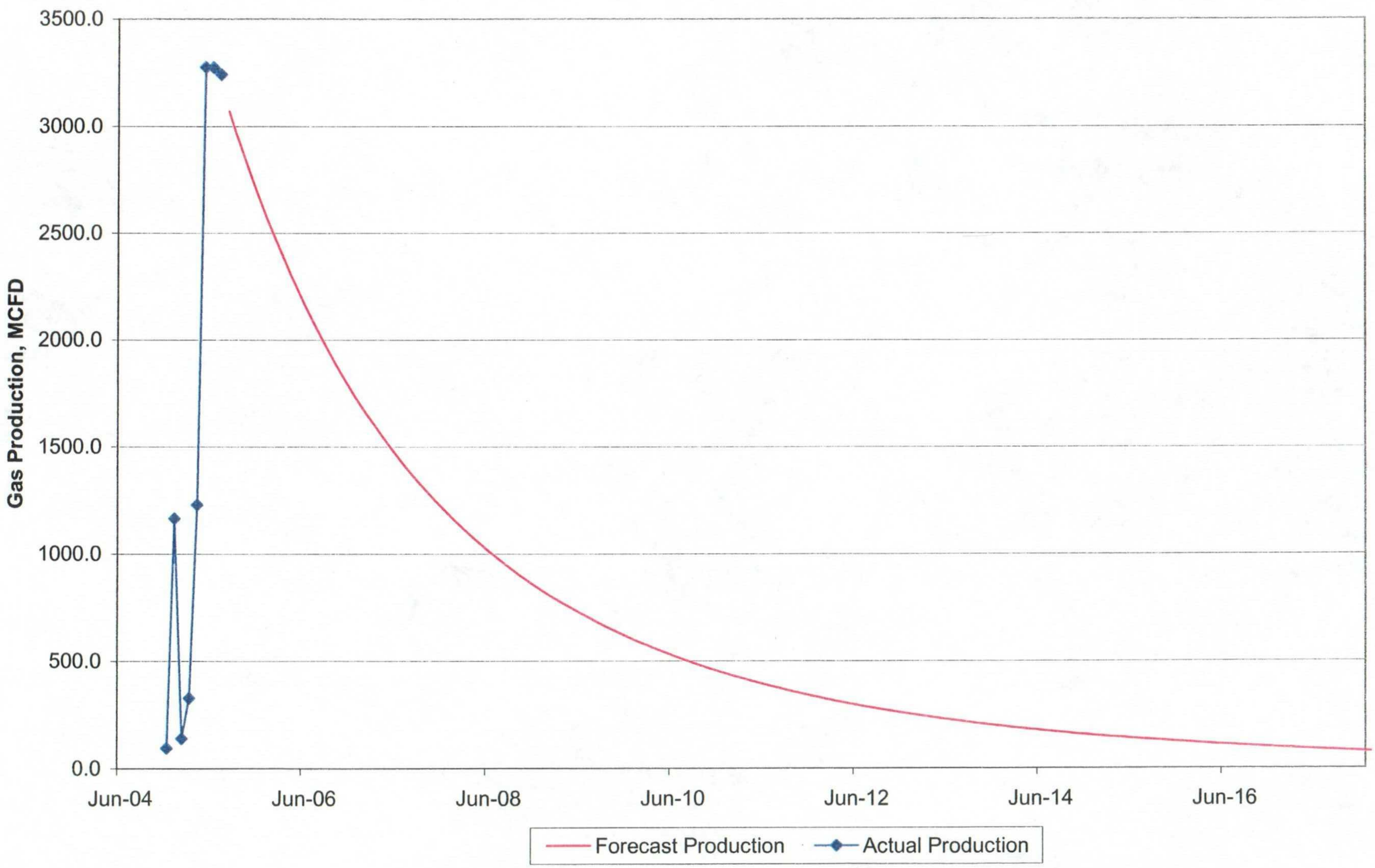
Economic Indicators (Generic)::ConocoPhillips
		BTax	ATax
AARR	%	331.3	259.0
Cash Breakeven	Years	0.8	0.83
NPV @ 13%	M$	7,171	4,331
13% PI (cash)	M$/M$		7.48
13% PI (capital)	M$/M$		6.04
NPV @ 10%	M$	7,921	4,796
10% PI (cash)	M$/M$		8.08
10% PI (capital)	M$/M$		6.51
Dev Cost/BOE	$/BOE	1.87	
Economic Limit Date		2023/01	
Last Scheduled Prod Date		2023/01	
Date of first production		2004/12	
Date of first investment		2004/09	
Discount Date		2004/09	
ROR		331	259

Products Recovery (US)::ConocoPhillips
		Gross	Gross Economic	WI	Roy	Net
Oil	MSTB	0	0	0	0	0
Gas-Raw	MMSCF	3,560	3,560	3,560	623	2,937
Gas-Sales	MMSCF	3,560	3,560	3,560	623	2,937
Ethane	MSTB	0	0	0	0	0
Propane	MSTB	0	0	0	0	0
Butane	MSTB	0	0	0	0	0
Cond.	MSTB	0	0	0	0	0
Sulphur	MLt	0	0	0	0	0
Other	MSTB	0	0	0	0	0

RESERVES AND ECONOMICS
PRODUCTION & REVENUE SUMMARY

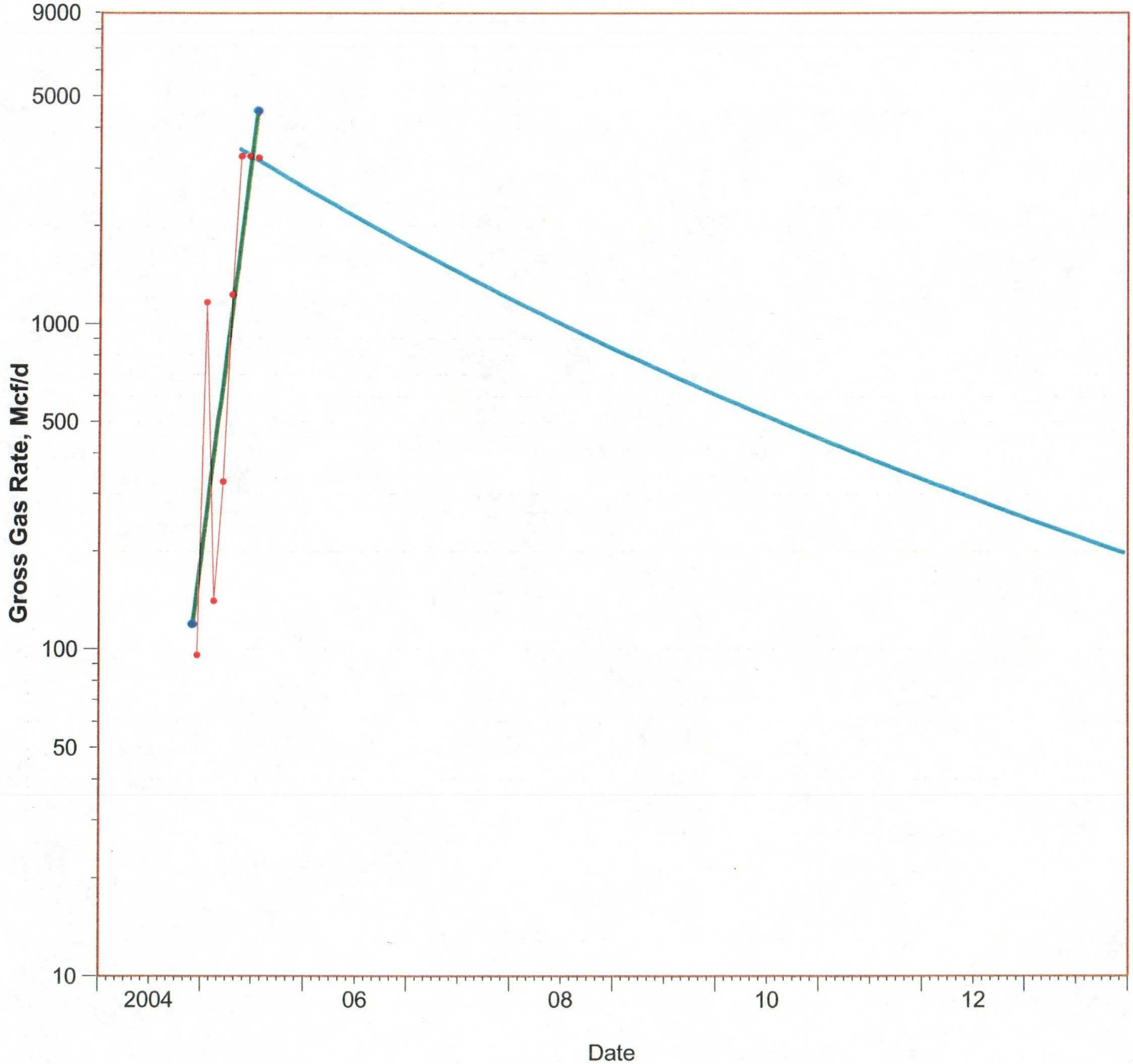
Date	Gross Oil/Cond Volume	Gross Gas Volume	NRI Oil	NRI Gas Sales	Oil Price	Gas Price	Gross # of Wells	Total NRI Revenue	Total Prod Taxes	Total Opcosts	Income Before Reserves & Taxes	Total Capital	BTAX Cash Flow	ATAX Cash Flow	ATAX Cash Flow Disc. 10%	ATAX Cash Flow Disc 13%
	MSTB	MMSCF	MSTB	MMSCF	$/Bbl	$/mcf		M$	M$	M$	M$	M$	M$	M$	M$	M$
2004(12)	0.00	2.98	0.00	2.46	0.00	1.39	1.0	13.65	1.64	3.42	8.60	913.26	-904.66	-710.75	-677.67	-668.61
2005(12)	0.00	825.02	0.00	680.64	0.00	5.25	1.0	3,591.46	430.98	41.00	3,119.48	0.00	3,119.48	1,943.86	1,684.91	1,618.26
2006(12)	0.00	780.78	0.00	644.15	0.00	5.10	1.0	3,285.14	394.22	41.00	2,849.92	0.00	2,849.92	1,771.95	1,396.27	1,305.44
2007(12)	0.00	527.45	0.00	435.15	0.00	5.10	1.0	2,219.25	266.31	41.00	1,911.94	0.00	1,911.94	1,194.44	855.64	778.74
2008(12)	0.00	367.50	0.00	303.19	0.00	5.10	1.0	1,546.27	185.55	41.00	1,319.71	0.00	1,319.71	829.37	540.11	478.51
2009(12)	0.00	261.03	0.00	215.35	0.00	5.10	1.0	1,098.28	131.79	41.00	925.49	0.00	925.49	582.16	344.65	297.24
2010(12)	0.00	190.06	0.00	156.80	0.00	5.10	1.0	799.68	95.96	41.00	662.72	0.00	662.72	413.79	222.71	186.97
2011(12)	0.00	141.04	0.00	116.36	0.00	5.10	1.0	593.44	71.21	41.00	481.22	0.00	481.22	298.31	145.96	119.29
2012(12)	0.00	106.69	0.00	88.02	0.00	5.10	1.0	448.89	53.87	41.00	354.02	0.00	354.02	215.95	96.06	76.42
2013(12)	0.00	81.48	0.00	67.22	0.00	5.10	1.0	342.83	41.14	41.00	260.68	0.00	260.68	159.02	64.30	49.80
2014(12)	0.00	63.28	0.00	52.20	0.00	5.10	1.0	266.23	31.95	41.00	193.28	0.00	193.28	117.90	43.34	32.67
2015(12)	0.00	49.74	0.00	41.03	0.00	5.10	1.0	209.28	25.11	41.00	143.16	0.00	143.16	87.33	29.18	21.42
2016(12)	0.00	39.62	0.00	32.69	0.00	5.10	1.0	166.72	20.01	41.00	105.71	0.00	105.71	64.48	19.59	13.99
2017(12)	0.00	31.72	0.00	26.17	0.00	5.10	1.0	133.46	16.01	41.00	76.44	0.00	76.44	46.63	12.88	8.96
2018(12)	0.00	25.70	0.00	21.20	0.00	5.10	1.0	108.14	12.98	41.00	54.16	0.00	54.16	33.04	8.30	5.62
2019(12)	0.00	21.01	0.00	17.33	0.00	5.10	1.0	88.38	10.61	41.00	36.77	0.00	36.77	22.43	5.12	3.37
2020(12)	0.00	17.35	0.00	14.31	0.00	5.10	1.0	73.00	8.76	41.00	23.24	0.00	23.24	14.18	2.94	1.89
2021(12)	0.00	14.35	0.00	11.84	0.00	5.10	1.0	60.38	7.25	41.00	12.13	0.00	12.13	7.40	1.40	0.87
2022(12)	0.00	11.99	0.00	9.89	0.00	5.10	1.0	50.44	6.05	41.00	3.39	0.00	3.39	2.07	0.35	0.22
2023(12)	0.00	0.92	0.00	0.76	0.00	5.10	1.0	3.89	0.47	3.42	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	3,559.72	0.00	2,936.77	---	---	---	15,098.82	1,811.86	744.91	12,542.06	913.26	11,628.80	7,093.57	4,796.03	4,331.05

San Juan 32-7 245A



Well ID: Z088019 API - 300453246500
SAN JUAN 32 7 UNIT 245A_FC
RMS Name: 650610 20028 WELL #245A

BASIN CB::FRUITLAND COAL NQ
Current Oil Cum. : 0.0 Mbbl Current Gas Cum. : 390.3 MMcf
RESFCST Gas Reserve Type = None



Database Forecast	Parameters
Phase	: Gas
Case Name	: RESFCST
b	: 0.2
Di	: 0.35 A.e.
qi	: 3500 Mcf/d
ti	: 04/30/2005
te	: 01/31/2023
Final Rate	: 29.5977 Mcf/d
Cum. Prod.	: 90.064 MMcf
Cum. Date	: 01/31/2023
Reserves	: 3473.93 MMcf
EUR	: 3563.99 MMcf
Forecast Ended By	: Rate
DB Forecast Date	: 06/21/2005

ConocoPhillips

Commerciality Determination

San Juan 32-7 Unit #237A
Fruitland Coal
SE, Sec 28, T32N, R7W
San Juan County, NM
API: 30-045-32438

This Fruitland Coal well was spud on 10/03/04 by ConocoPhillips and completed on 11/02/04.

Actual capital investment of $748,000 for open hole completion of the San Juan 32-7 Unit #237A Fruitland coal well was used in this determination. Estimated operating costs for this well are $65,000/year for base expenses, pumping unit, and compression expenses.

Income was based on actual prices from 11/04 - 7/05 and a flat non-escalated value of $5.50/mcf and normal transportation costs for future production.

Recommend that this well be determined commercial.

Actual Production

Month	Production (MCFD)
Mar-05	111
Apr-05	244
May-05	217
Jun-05	257
Jul-05	261
Aug-05	270

US Summary Report

SJ 32-7 237A Commerciality Determination

Nominal

Case Description

Notes: Fruitland Coal Infill 2004 Drill
Actual drilling costs: $748M.
Op Costs: $65,000/yr for base, pumping unit, and POD compression. Used actual volumes 3/05-8/05 and forecasted volumes thereafter.

Case Parameters

Author	Janet Stasney
Linked Well	
Global Parameters	Escalate 2004 LRP (Yearly)
Model	ConocoPhillips
Oil Price File	
Gas Price File	
Oil Offset 1	
Gas Offset 1	

Net Present Values (Generic)::ConocoPhillips

Disc Rate (%)	Inc Before Res & Tax M$	Before Tax Cap. Inv M$	Before Tax Cash Flow M$	After Tax Cash Flow M$	Cash PI
0.0	3,054	748	2,306	1,407	3.40
8.0	1,708	720	988	578	2.02
10.0	1,520	713	807	463	1.83
11.0	1,439	710	729	414	1.74
13.0	1,298	704	594	327	1.59
15.0	1,178	698	480	254	1.46
18.0	1,031	689	342	165	1.31

Company WI

	Initial %	Final %
Working	100.0	100.0
Oil NRI	82.5	82.5
Gas NRI	82.5	82.5
Byprod. NRI	82.5	82.5
Capital	100.0	100.0

Scenarios

Oil	Base
Gas	Post Audit
Interests	Base
Opcosts	Base
Capital	Base

Economic Indicators (Generic)::ConocoPhillips

		BTax	ATax
AARR	%	30.5	26.2
Cash Breakeven	Years	3.1	3.36
NPV @ 13%	M$	594	327
13% PI (cash)	M$/M$		1.59
13% PI (capital)	M$/M$		1.46
NPV @ 10%	M$	807	463
10% PI (cash)	M$/M$		1.83
10% PI (capital)	M$/M$		1.65
Dev Cost/BOE	$/BOE	4.11	
Economic Limit Date		2033/08	
Last Scheduled Prod Date		2043/07	
Date of first production		2005/03	
Date of first investment		2004/10	
Discount Date		2004/10	
ROR		31	26

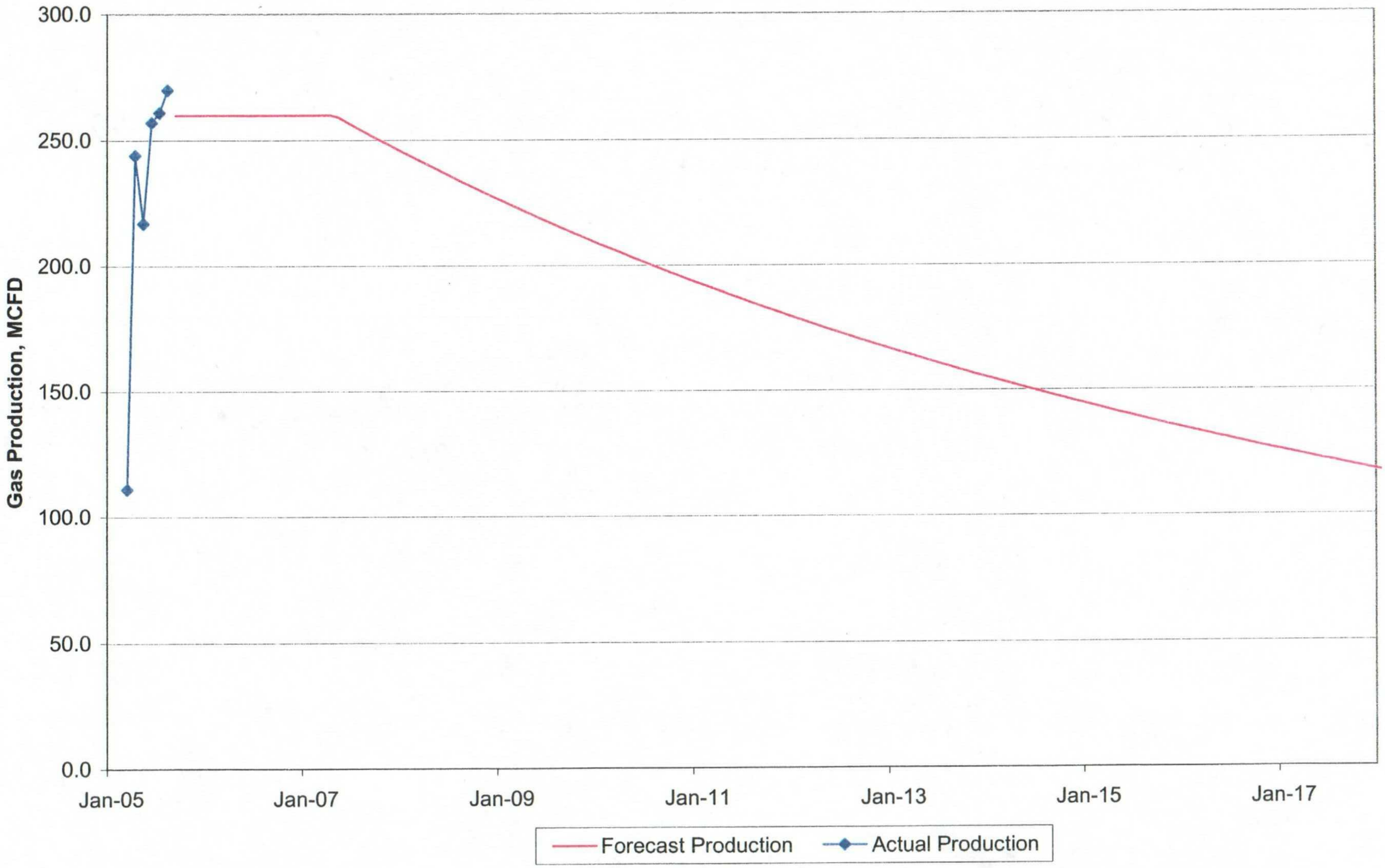
Products Recovery (US)::ConocoPhillips

		Gross	Gross Economic	WI	Roy	Net
Oil	MSTB	0	0	0	0	0
Gas-Raw	MMSCF	1,461	1,324	1,324	232	1,092
Gas-Sales	MMSCF	1,461	1,324	1,324	232	1,092
Ethane	MSTB	0	0	0	0	0
Propane	MSTB	0	0	0	0	0
Butane	MSTB	0	0	0	0	0
Cond.	MSTB	0	0	0	0	0
Sulphur	MLt	0	0	0	0	0
Other	MSTB	0	0	0	0	0

RESERVES AND ECONOMICS
PRODUCTION & REVENUE SUMMARY

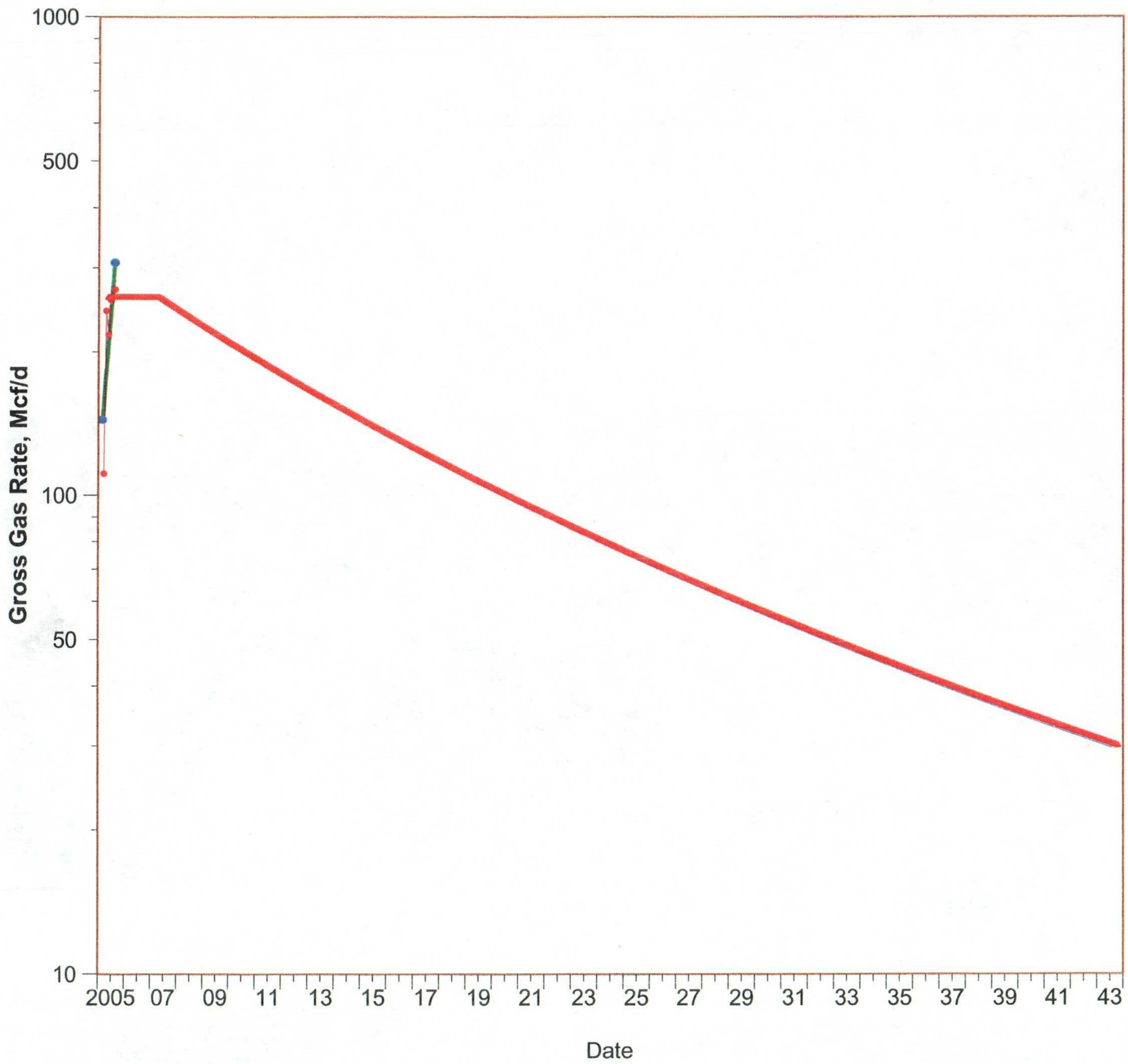
Date	Gross Oil/Cond Volume MSTB	Gross Gas Volume MMSCF	NRI Oil MSTB	NRI Gas Sales MMSCF	Oil Price $/Bbl	Gas Price $/mcf	Gross # of Wells	Total NRI Revenue M$	Total Prod Taxes M$	Total Opcosts M$	Income Before Reserves & Taxes M$	Total Capital M$	BTAX Cash Flow M$	ATAX Cash Flow M$	ATAX Cash Flow Disc. 10% M$	ATAX Cash Flow Disc 13% M$
2004(12)	0.00	0.00	0.00	0.00	0.00	0.00	1.0	0.00	0.00	0.00	0.00	748.00	-748.00	-586.43	-559.14	-551.67
2005(12)	0.00	73.38	0.00	60.54	0.00	4.35	1.0	316.33	37.96	54.17	224.20	0.00	224.20	170.32	147.63	141.79
2006(12)	0.00	94.90	0.00	78.29	0.00	5.10	1.0	399.29	47.92	65.00	286.37	0.00	286.37	202.13	159.27	148.91
2007(12)	0.00	93.16	0.00	76.85	0.00	5.10	1.0	391.95	47.03	65.00	279.91	0.00	279.91	193.81	138.84	126.36
2008(12)	0.00	86.41	0.00	71.29	0.00	5.10	1.0	363.57	43.63	65.00	254.94	0.00	254.94	175.45	114.26	101.23
2009(12)	0.00	79.51	0.00	65.59	0.00	5.10	1.0	334.53	40.14	65.00	229.38	0.00	229.38	154.35	91.38	78.81
2010(12)	0.00	73.50	0.00	60.64	0.00	5.10	1.0	309.24	37.11	65.00	207.13	0.00	207.13	134.16	72.21	60.62
2011(12)	0.00	68.08	0.00	56.17	0.00	5.10	1.0	286.44	34.37	65.00	187.07	0.00	187.07	118.02	57.74	47.19
2012(12)	0.00	63.32	0.00	52.24	0.00	5.10	1.0	266.44	31.97	65.00	169.46	0.00	169.46	103.37	45.98	36.58
2013(12)	0.00	58.68	0.00	48.41	0.00	5.10	1.0	246.89	29.63	65.00	152.26	0.00	152.26	92.88	37.56	29.09
2014(12)	0.00	54.62	0.00	45.06	0.00	5.10	1.0	229.83	27.58	65.00	137.24	0.00	137.24	83.72	30.77	23.20
2015(12)	0.00	50.92	0.00	42.01	0.00	5.10	1.0	214.24	25.71	65.00	123.53	0.00	123.53	75.35	25.18	18.48
2016(12)	0.00	47.66	0.00	39.32	0.00	5.10	1.0	200.51	24.06	65.00	111.45	0.00	111.45	67.98	20.65	14.75
2017(12)	0.00	44.42	0.00	36.65	0.00	5.10	1.0	186.90	22.43	65.00	99.47	0.00	99.47	60.67	16.76	11.65
2018(12)	0.00	41.59	0.00	34.31	0.00	5.10	1.0	174.98	21.00	65.00	88.98	0.00	88.98	54.28	13.63	9.23
2019(12)	0.00	38.98	0.00	32.16	0.00	5.10	1.0	163.99	19.68	65.00	79.31	0.00	79.31	48.38	11.04	7.28
2020(12)	0.00	36.67	0.00	30.26	0.00	5.10	1.0	154.30	18.52	65.00	70.78	0.00	70.78	43.18	8.96	5.75
2021(12)	0.00	34.36	0.00	28.35	0.00	5.10	1.0	144.57	17.35	65.00	62.22	0.00	62.22	37.95	7.16	4.47
2022(12)	0.00	32.32	0.00	26.66	0.00	5.10	1.0	135.98	16.32	65.00	54.66	0.00	54.66	33.34	5.72	3.48
2023(12)	0.00	30.43	0.00	25.11	0.00	5.10	1.0	128.05	15.37	65.00	47.68	0.00	47.68	29.09	4.53	2.68
2024(12)	0.00	28.77	0.00	23.73	0.00	5.10	1.0	121.04	14.53	65.00	41.52	0.00	41.52	25.32	3.59	2.07
2025(12)	0.00	27.07	0.00	22.33	0.00	5.10	1.0	113.89	13.67	65.00	35.22	0.00	35.22	21.48	2.77	1.55
2026(12)	0.00	25.57	0.00	21.10	0.00	5.10	1.0	107.60	12.91	65.00	29.69	0.00	29.69	18.11	2.12	1.16
2027(12)	0.00	24.18	0.00	19.95	0.00	5.10	1.0	101.73	12.21	65.00	24.52	0.00	24.52	14.96	1.59	0.85
2028(12)	0.00	22.94	0.00	18.93	0.00	5.10	1.0	96.52	11.58	65.00	19.94	0.00	19.94	12.16	1.18	0.61
2029(12)	0.00	21.67	0.00	17.87	0.00	5.10	1.0	91.16	10.94	65.00	15.22	0.00	15.22	9.28	0.82	0.41
2030(12)	0.00	20.55	0.00	16.95	0.00	5.10	1.0	86.45	10.37	65.00	11.07	0.00	11.07	6.76	0.54	0.26
2031(12)	0.00	19.49	0.00	16.08	0.00	5.10	1.0	82.01	9.84	65.00	7.17	0.00	7.17	4.37	0.32	0.15
2032(12)	0.00	18.56	0.00	15.31	0.00	5.10	1.0	78.07	9.37	65.00	3.70	0.00	3.70	2.26	0.15	0.07
2033(12)	0.00	11.81	0.00	9.74	0.00	5.10	1.0	49.68	5.96	43.34	0.39	0.00	0.39	0.24	0.01	0.01
Total	0.00	1,323.50	0.00	1,091.89	---	---	---	5,576.23	669.15	1,852.61	3,054.47	748.00	2,306.47	1,406.94	463.23	327.02

San Juan 32-7 237A



Well ID: Z090883 API - 300453243800
SAN JUAN 32 7 UNIT 237A_FC
RMS Name: 708979 20028 WELL #237A

BASIN CB::FRUITLAND COAL NQ
Current Oil Cum. : 0.0 Mbbl Current Gas Cum. : 41.7 MMcf
RESFCST Gas Reserve Type = None



Working Forecast	Parameters
Phase	: Gas
Case Name	: RESFCST
b	: 0
Di	: 0 A.e.
qi	: 260 Mcf/d
ti	: 04/30/2005
te	: 04/30/2007
Final Rate	: 29.9243 Mcf/d
Cum. Prod.	: 41.655 MMcf
Cum. Date	: 08/31/2005
Reserves	: 1427 MMcf
EUR	: 1468.65 MMcf
Forecast Ended By	: Rate
DB Forecast Date	: 06/21/2005

ConocoPhillips

Commerciality Determination

San Juan 32-7 Unit #214A
Fruitland Coal
NW, Sec 34, T32N, R7W
San Juan County, NM
API: 30-045-32437

This Fruitland Coal well was spud on 9/08/04 by ConocoPhillips and completed on 9/21/04.

Actual capital investment of $585,000 for open hole completion of the San Juan 32-7 Unit #214A Fruitland coal well was used in this determination. Estimated operating costs for this well are $26,000/year from 10/04 – 10/05. We are planning to install artificial lift in 11/05 for approximately $100M capital investment, and expect operating costs to increase to $41,000/year.

Income was based on actual prices from 11/04 - 7/05 and a flat non-escalated value of $5.50/mcf and normal transportation costs for future production.

Recommend that this well be determined commercial.

Actual Production

Month	Production (MCFD)
Nov-04	597
Dec-04	821
Jan-05	749
Feb-05	745
Mar-05	626
Apr-05	656
May-05	570
Jun-05	353
Jul-05	297
Aug-05	259
Sep-05	515

US Summary Report

SJ 32-7 214A Commerciality Determination

Nominal

Case Description

Notes: Fruitland Coal Infill 2004 Drill
Actual drilling costs: $583M. Install PU 11/05 $100M.
Op Costs: $26000/yr base until 11/05 when add 15,000/yr for pumping unit = $41,000/yr. Used actual volumes 11/04-10/05 and forecasted volumes thereafter. Well is having trouble producing into CDP pressure and is below lift. Plan to install pumping unit to get back on previous trend.

Case Parameters

Author	Janet Stasney
Linked Well	
Global Parameters	Escalate 2004 LRP (Yearly)
Model	ConocoPhillips
Oil Price File	
Gas Price File	
Oil Offset 1	
Gas Offset 1	

Net Present Values (Generic)::ConocoPhillips

Disc Rate (%)	Inc Before Res & Tax M$	Before Tax Cap. Inv M$	Before Tax Cash Flow M$	After Tax Cash Flow M$	Cash PI
0.0	3,031	683	2,348	1,432	5.07
8.0	2,229	650	1,579	942	3.78
10.0	2,086	643	1,444	856	3.55
11.0	2,021	639	1,382	816	3.45
13.0	1,901	632	1,270	745	3.25
15.0	1,794	625	1,170	681	3.08
18.0	1,653	615	1,039	597	2.84

Company WI

	Initial %	Final %
Working	100.0	100.0
Oil NRI	82.5	82.5
Gas NRI	82.5	82.5
Byprod. NRI	82.5	82.5
Capital	100.0	100.0

Scenarios

Oil	Base
Gas	Post Audit
Interests	Base
Opcosts	Base
Capital	Base

Economic Indicators (Generic)::ConocoPhillips

		BTax	ATax
AARR	%	122.6	88.1
Cash Breakeven	Years	0.8	1.10
NPV @ 13%	M$	1,270	745
13% PI (cash)	M$/M$		3.25
13% PI (capital)	M$/M$		2.18
NPV @ 10%	M$	1,444	856
10% PI (cash)	M$/M$		3.55
10% PI (capital)	M$/M$		2.33
Dev Cost/BOE	$/BOE	5.05	
Economic Limit Date		2021/01	
Last Scheduled Prod Date		2021/04	
Date of first production		2004/11	
Date of first investment		2004/09	
Discount Date		2004/09	
ROR		123	88

Products Recovery (US)::ConocoPhillips

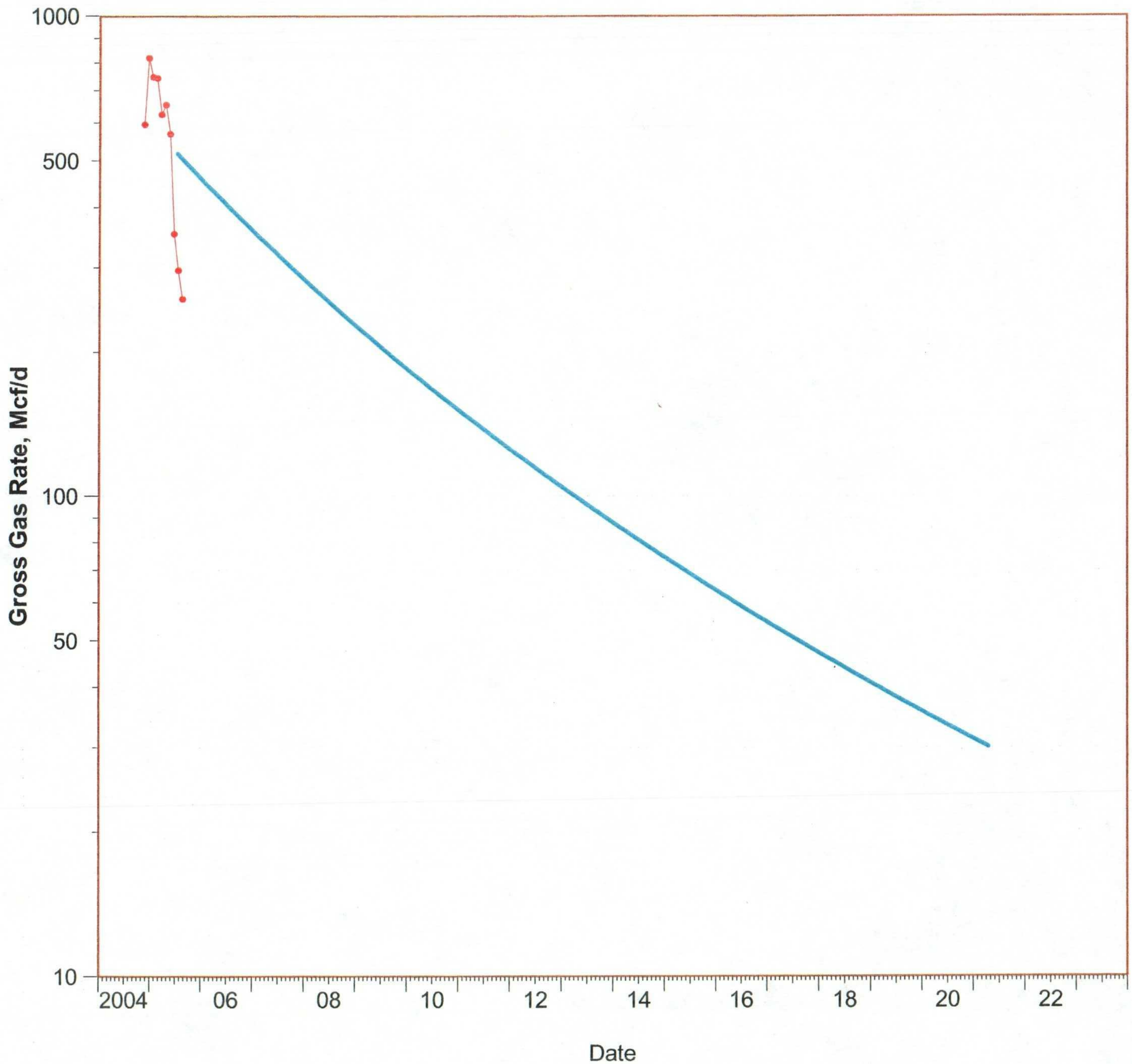
		Gross	Gross Economic	WI	Roy	Net
Oil	MSTB	0	0	0	0	0
Gas-Raw	MMSCF	987	984	984	172	812
Gas-Sales	MMSCF	987	984	984	172	812
Ethane	MSTB	0	0	0	0	0
Propane	MSTB	0	0	0	0	0
Butane	MSTB	0	0	0	0	0
Cond.	MSTB	0	0	0	0	0
Sulphur	MLt	0	0	0	0	0
Other	MSTB	0	0	0	0	0

RESERVES AND ECONOMICS
PRODUCTION & REVENUE SUMMARY

Date	Gross Oil/Cond Volume MSTB	Gross Gas Volume MMSCF	NRI Oil MSTB	NRI Gas Sales MMSCF	Oil Price $/Bbl	Gas Price $/mcf	Gross # of Wells	Total NRI Revenue M$	Total Prod Taxes M$	Total Opcosts M$	Income Before Reserves & Taxes M$	Total Capital M$	BTAX Cash Flow M$	ATAX Cash Flow M$	ATAX Cash Flow Disc. 10% M$	ATAX Cash Flow Disc 13% M$
2004(12)	0.00	43.36	0.00	35.77	0.00	2.78	1.0	198.90	23.87	2.17	172.86	583.00	-410.14	-351.62	-335.26	-330.78
2005(12)	0.00	181.10	0.00	149.41	0.00	5.25	1.0	786.97	94.44	28.50	664.03	100.00	564.03	359.69	311.77	299.44
2006(12)	0.00	148.26	0.00	122.32	0.00	5.10	1.0	623.82	74.86	41.00	507.96	0.00	507.96	333.56	262.84	245.74
2007(12)	0.00	116.57	0.00	96.17	0.00	5.10	1.0	490.48	58.86	41.00	390.62	0.00	390.62	258.57	185.23	168.58
2008(12)	0.00	93.14	0.00	76.84	0.00	5.10	1.0	391.89	47.03	41.00	303.86	0.00	303.86	203.21	132.34	117.25
2009(12)	0.00	74.93	0.00	61.82	0.00	5.10	1.0	315.27	37.83	41.00	236.43	0.00	236.43	157.79	93.41	80.56
2010(12)	0.00	61.12	0.00	50.43	0.00	5.10	1.0	257.18	30.86	41.00	185.31	0.00	185.31	120.39	64.79	54.40
2011(12)	0.00	50.36	0.00	41.55	0.00	5.10	1.0	211.88	25.43	41.00	145.45	0.00	145.45	91.77	44.90	36.70
2012(12)	0.00	41.97	0.00	34.62	0.00	5.10	1.0	176.57	21.19	41.00	114.38	0.00	114.38	69.77	31.03	24.69
2013(12)	0.00	35.07	0.00	28.93	0.00	5.10	1.0	147.55	17.71	41.00	88.84	0.00	88.84	54.19	21.91	16.97
2014(12)	0.00	29.61	0.00	24.43	0.00	5.10	1.0	124.58	14.95	41.00	68.63	0.00	68.63	41.86	15.39	11.60
2015(12)	0.00	25.18	0.00	20.77	0.00	5.10	1.0	105.93	12.71	41.00	52.21	0.00	52.21	31.85	10.64	7.81
2016(12)	0.00	21.60	0.00	17.82	0.00	5.10	1.0	90.87	10.90	41.00	38.96	0.00	38.96	23.76	7.22	5.16
2017(12)	0.00	18.53	0.00	15.28	0.00	5.10	1.0	77.95	9.35	41.00	27.59	0.00	27.59	16.83	4.65	3.23
2018(12)	0.00	16.03	0.00	13.23	0.00	5.10	1.0	67.45	8.09	41.00	18.35	0.00	18.35	11.19	2.81	1.90
2019(12)	0.00	13.95	0.00	11.51	0.00	5.10	1.0	58.69	7.04	41.00	10.64	0.00	10.64	6.49	1.48	0.98
2020(12)	0.00	12.22	0.00	10.08	0.00	5.10	1.0	51.40	6.17	41.00	4.23	0.00	4.23	2.58	0.54	0.34
2021(12)	0.00	0.96	0.00	0.79	0.00	5.10	1.0	4.04	0.49	3.42	0.14	0.00	0.14	0.09	0.02	0.01
Total	0.00	983.95	0.00	811.76	---	---	---	4,181.42	501.77	649.15	3,030.50	683.00	2,347.50	1,431.98	855.72	744.58

Well ID: Z090882 API - 300453243700
SAN JUAN 32 7 UNIT 214A_FC
RMS Name: 708987 20028 32-7 #214A

BASIN CB::FRUITLAND COAL NQ
Current Oil Cum. : 0.0 Mbbl Current Gas Cum. : 172.0 MMcf
RESFCST Gas Reserve Type = None



Database Forecast	Parameters
Phase	: Gas
Case Name	: RESFCST
b	: 0.25
Di	: 0.225609 A.e.
qi	: 523.319 Mcf/d
ti	: 06/30/2005
te	: 04/30/2021
Final Rate	: 29.9173 Mcf/d
Cum. Prod.	: 154.743 MMcf
Cum. Date	: 04/30/2021
Reserves	: 852.414 MMcf
EUR	: 1007.16 MMcf
Forecast Ended By	: Rate
DB Forecast Date	: 08/02/2005