

446
ConocoPhillips

RECEIVED

AUG 16

San Juan Business Unit

ConocoPhillips Company
P.O. Box 4289
Farmington, NM 87499-4289

August 11, 2006

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Bureau of Land Management (3)
Attn: Ms. Lucy Bee
1235 La Plata Highway
Farmington, NM 87401

State of New Mexico (2)
Commissioner of Public Lands
Attn: Mr. Pete Martinez
P.O. Box 1148
Santa Fe, NM 87501-1148

State of New Mexico (2)
Oil Conservation Division
Energy & Minerals Department
Attn: Ms. Lori Wrotenbery
1220 S. Saint Francis Drive
Santa Fe, NM 87505-4000

RE: **SAN JUAN 32-8 UNIT, #14-08-001-446**
Fruitland Participating Area
Thirty Second Expansion: Effective 12/1/2005
San Juan County, New Mexico

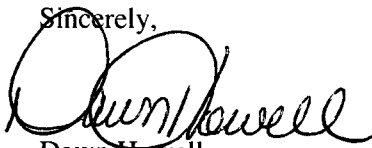
Dear Sir or Madam:

Pursuant to Section 11(a) of the above referenced Unit Agreement, approved October 21, 1952, **CONOCOPHILLIPS, as Unit Operator**, has determined that the following wells are capable of producing unitized substances in paying quantities from the Fruitland formation, thereby should be admitted to the Fruitland Participating Area. Pursuant to a BLM letter, attached is a list of the wells that have been deemed commercial.

The Expansion Schedule for the Thirty Second Expansion is enclosed. The schedule describes the Participating Area and shows the percentage of unitized substances allocated to the tracts according to the ownership within the tracts.

ConocoPhillips would appreciate consideration of this Expansion by written response. Please contact the undersigned at (505) 599-4030 if there are any questions regarding this matter. Copies of this letter and attachments are also being furnished to the working interest owners.

Sincerely,



Dawn Howell
Sr. Land Technician

San Juan 32-8 Unit, #14-08-001-446
San Juan County, New Mexico
Fruitland Participating Area

Thirty Second Expansion - Effective 12/1/2005
Total P/A acres= 17,519.12

Wells No./Description	Tract #	Tr. Description	Tr. acres	Comp. Date
San Juan 32-8 Unit #265	14A	NW/4	160.00	11/03/05
W/2 Sec. 14-T32N-R8W	15A	SW/4	160.00	
320.00 acres				
San Juan 32-8 Unit #266A	14A	NE/4	160.00	11/16/05
E/2 Sec. 14-T32N-R8W	15A	SE/4	160.00	
320.00 acres				
San Juan 32-8 Unit #263A	14A	NE/4	160.00	11/18/05
E/2 Sec. 15-T32N-R8W	15A	SE/4	160.00	
320.00 acres				



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 32-8 Unit FR PA
3162.7 (21110)

July 19, 2006

Mr. Jim Penney
ConocoPhillips Company
WL3 14072
600 North Dairy Ashford
Houston, TX 77079-1175

RE: San Juan 32-8 Unit
Commerciality Determination
Fruitland Coal Formation
San Juan County, NM

Dear Mr. Penney:

In response to your letter dated June 16, 2006, the Farmington Field Office has reviewed the data you submitted for a commerciality determination for the following wells completed in the Fruitland Coal formation.

Well Name & Number	Dedication	Lease	Effective Date	Determination
San Juan 32-8 Unit #263A	E/2 Sec. 15, T32N, R8W	NMSF079380	11/18/2005	Commercial
San Juan 32-8 Unit #265	W/2 Sec. 14, T32N, R8W	NMSF079380	11/3/2005	Commercial
San Juan 32-8 Unit #266A	E/2 Sec 14, T32N, R8W	NMSF079380	11/16/2005	Commercial

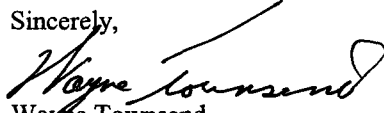
After completing our economic evaluations, we are in concurrence with the above determinations.

The wells were determined to be commercial in the Fruitland Coal formation and are to be included in the Fruitland participating area. It is required that a revision be submitted to include these wells in the San Juan 32-8 Unit Fruitland 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 (NM-92000), P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such requests 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
Branch of Petroleum Management

**SAN JUAN 32-8 UNIT
WORKING INTEREST OWNERS**

ANDREW B. KELLY, JR.
2575 SUNSET DR.
ATLANTA, GEORGIA 30345

CHARLES E KELLY
1648 ELLIS ST, SUITE 302
BOZEMAN, MONTANA 59715

FOUR STAR OIL & GAS COMPANY
NOJV MANAGER - SAN JUAN BASIN
P O BOX 36336
HOUSTON, TX 77236

SUSANNA P KELLY
ATTN STEVE WILLIAMSON
PO BOX 1865
BOZEMAN, MONTANA 59771

SUSANNA P KELLY JR
8383 CHAPMAN
BOZEMAN, MONTANA 59715

WILLIAMS PRODUCTION COMPANY
C/O ONE WILLIAMS CENTER
P O BOX 3102 MS 37 5
TULSA, OKLAHOMA 74101
ATTN: BARBARA BURNETT

WINTERGREEN ENERGY CORP
ATTN: ALICE J GARNER STE 125
P O BOX 820489
DALLAS, TEXAS 75382

CONOCOPHILLIPS COMPANY
P O BOX 2197
HOUSTON, TX 77522-2197

PHILLIPS SAN JUAN PARTNERS
c/o CONOCOPHILLIPS
P O BOX 2197
HOUSTON, TX 77522-2197

PHILLIPS-NEW MEXICO PTNERS LP c/o
c/o CONOCOPHILLIPS COMPANY
P O BOX 2197
HOUSTON, TX 77522-2197

RECAPITULATION

THE 032 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
SAN JUAN 32-8 UNIT AREA

DESCRIPTION OF COMMITTED LANDS IN PARTICIPATING AREA:

DESCRIPTION OF NON-COMMITTED LANDS IN PARTICIPATING AREA:

TOWNSHIP 031N, RANGE 008W

SEC. 003 S/2 N/2, S/2

LOT: 1 (40.300000 acres)

LOT: 2 (40.270000 acres)

LOT: 3 (40.250000 acres)

LOT: 4 (40.220000 acres)

SEC. 004 S/2 N/2, S/2

LOT: 1 (40.220000 acres)

LOT: 2 (40.250000 acres)

LOT: 3 (40.270000 acres)

LOT: 4 (40.300000 acres)

SEC. 009 ALL

SEC. 010 ALL

SEC. 011 S/2 NW/4, SW/4

SEC. 011 N/2 NW/4, E/2

SEC. 014 W/2

SEC. 014 E/2

SEC. 015 SW/4, SW/4 SE/4

SEC. 015 NW/4, NE/4, E/2 SE/4, NW/4 SE/4

SEC. 016 NW/4 NE/4, SE/4 NE/4, N/2 SE/4, NW/4, NE/4 SW/4, SW/4 SW/4

SEC. 016 SW/4 SE/4

SEC. 016 SW/4 NE/4

SEC. 016 NW/4 SW/4

SEC. 016 NE/4 NE/4

SEC. 016 SE/4 SW/4

SEC. 016 SE/4 SE/4

SEC. 021 N/2 N/2, N/2 S/2, SE/4 SE/4

SEC. 021 S/2 N/2, S/2 SW/4, SW/4 SE/4

SEC. 022 ALL

SEC. 023 W/2

SEC. 023 E/2

SEC. 024

LOT: 1 (38.210000 acres)

LOT: 2 (38.210000 acres)

LOT: 3 (38.780000 acres)

LOT: 6 (38.770000 acres)

LOT: 7 (38.210000 acres)

LOT: 8 (38.200000 acres)

LOT: 9 (2.380000 acres)

LOT: 10 (2.380000 acres)

LOT: 11 (2.380000 acres)

LOT: 12 (2.380000 acres)

LOT: 13 (2.380000 acres)

LOT: 14 (2.390000 acres)

RECAPITULATION

THE 032 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
SAN JUAN 32-8 UNIT AREA

DESCRIPTION OF COMMITTED LANDS IN PARTICIPATING AREA:

DESCRIPTION OF NON-COMMITTED LANDS IN PARTICIPATING AREA:

LOT: 15 (2.390000 acres)
LOT: 16 (2.390000 acres)
LOT: 33 (2.390000 acres)
LOT: 34 (2.390000 acres)
LOT: 35 (2.390000 acres)
LOT: 36 (2.390000 acres)
LOT: 37 (2.390000 acres)
LOT: 38 (2.390000 acres)
LOT: 39 (2.380000 acres)
LOT: 40 (2.380000 acres)
LOT: 41 (2.390000 acres)
LOT: 42 (2.390000 acres)
LOT: 43 (2.390000 acres)
LOT: 44 (2.390000 acres)
LOT: 65 (2.400000 acres)
LOT: 66 (2.400000 acres)
LOT: 67 (2.400000 acres)
LOT: 68 (2.400000 acres)
LOT: 69 (2.400000 acres)
LOT: 70 (2.400000 acres)
LOT: 71 (2.400000 acres)
LOT: 72 (2.390000 acres)
LOT: 73 (2.400000 acres)
LOT: 74 (2.400000 acres)
LOT: 75 (2.400000 acres)
LOT: 76 (2.400000 acres)
LOT: 77 (2.400000 acres)
LOT: 78 (2.400000 acres)
LOT: 79 (2.400000 acres)
LOT: 80 (2.410000 acres)
LOT: 97 (2.410000 acres)
LOT: 98 (2.410000 acres)
LOT: 99 (2.410000 acres)

Exception: LOTS 100-112=31.27 ACRES

SEC. 024

LOT: 4 (38.780000 acres)
LOT: 5 (38.770000 acres)
LOT: 17 (2.420000 acres)
LOT: 18 (2.420000 acres)
LOT: 19 (2.420000 acres)
LOT: 20 (2.420000 acres)
LOT: 21 (2.420000 acres)
LOT: 22 (2.420000 acres)
LOT: 23 (2.430000 acres)

RECAPITULATION

THE 032 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
SAN JUAN 32-8 UNIT AREA

DESCRIPTION OF COMMITTED LANDS IN PARTICIPATING AREA:

DESCRIPTION OF NON-COMMITTED LANDS IN PARTICIPATING AREA:

LOT: 24 (2.430000 acres)
LOT: 25 (2.430000 acres)
LOT: 26 (2.430000 acres)
LOT: 27 (2.430000 acres)
LOT: 28 (2.420000 acres)
LOT: 29 (2.430000 acres)
LOT: 30 (2.430000 acres)
LOT: 31 (2.430000 acres)
LOT: 32 (2.420000 acres)
LOT: 49 (2.420000 acres)
LOT: 50 (2.420000 acres)
LOT: 51 (2.420000 acres)
LOT: 52 (2.420000 acres)
LOT: 53 (2.420000 acres)
LOT: 54 (2.430000 acres)
LOT: 55 (2.430000 acres)
LOT: 56 (2.430000 acres)
LOT: 57 (2.430000 acres)
LOT: 58 (2.430000 acres)
LOT: 59 (2.430000 acres)
LOT: 60 (2.430000 acres)
LOT: 61 (2.430000 acres)
LOT: 62 (2.430000 acres)
LOT: 63 (2.430000 acres)
LOT: 64 (2.420000 acres)
LOT: 81 (2.420000 acres)
LOT: 82 (2.420000 acres)
LOT: 83 (2.420000 acres)
LOT: 84 (2.420000 acres)
LOT: 85 (2.420000 acres)
LOT: 86 (2.420000 acres)
LOT: 87 (2.420000 acres)
LOT: 88 (2.430000 acres)
LOT: 89 (2.430000 acres)
LOT: 90 (2.430000 acres)
LOT: 91 (2.430000 acres)
LOT: 92 (2.430000 acres)
LOT: 93 (2.430000 acres)
LOT: 94 (2.430000 acres)
LOT: 95 (2.430000 acres)
LOT: 96 (2.420000 acres)

Exception: LOTS 113-119; 120-126; AND 127-128=38.79

ACRES

TOWNSHIP 032N, RANGE 008W

RECAPITULATION

THE 032 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
SAN JUAN 32-8 UNIT AREA

DESCRIPTION OF COMMITTED LANDS IN PARTICIPATING AREA:

DESCRIPTION OF NON-COMMITTED LANDS IN PARTICIPATING AREA:

SEC. 009 W/2 SW/4
LOT: 2 (16.330000 acres)
LOT: 3 (16.390000 acres)
LOT: 4 (15.940000 acres)
LOT: 5 (17.030000 acres)
LOT: 6 (39.510000 acres)
LOT: 7 (39.940000 acres)
LOT: 8 (39.360000 acres)
LOT: 9 (39.370000 acres)
LOT: 10 (39.450000 acres)
LOT: 11 (39.520000 acres)
SEC. 014 N/2
SEC. 014 S/2
SEC. 015 W/2, NE/4
SEC. 015 SE/4
SEC. 017 ALL
SEC. 018 E/2 SW/4, SE/4
LOT: 3 (16.310000 acres)
LOT: 4 (16.640000 acres)
SEC. 019 SE/4 SW/4, SW/4 SE/4
LOT: 4 (15.140000 acres)
SEC. 019 E/2 NW/4, NE/4 SW/4, NE/4, N/2 SE/4, SE/4 SE/4
LOT: 1 (16.560000 acres)
LOT: 2 (16.090000 acres)
LOT: 3 (15.610000 acres)
SEC. 020 W/2, N/2 NE/4, SW/4 SE/4
SEC. 022 ALL
SEC. 023 ALL
SEC. 024 E/2
SEC. 025 E/2
SEC. 027 W/2 SW/4, SE/4 SW/4
SEC. 027 NW/4, NE/4 SW/4
SEC. 027 E/2
SEC. 028 W/2
SEC. 028 E/2
SEC. 029 ALL
SEC. 030 E/2 W/2, E/2
LOT: 1 (15.000000 acres)
LOT: 2 (15.200000 acres)
LOT: 3 (15.400000 acres)
LOT: 4 (15.600000 acres)
SEC. 033 W/2
SEC. 033 E/2
SEC. 034 ALL

RUN DATE 08/10/06
RUN TIME 15:28:19
CREATED BY: COPC

CONOCOPHILLIPS COMPANY - OPERATOR

R E C A P I T U L A T I O N

THE 032 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
SAN JUAN 32-8 UNIT AREA

DESCRIPTION OF COMMITTED LANDS IN PARTICIPATING AREA:

DESCRIPTION OF NON-COMMITTED LANDS IN PARTICIPATING AREA:

SEC. 035 ALL

TOTAL ACRES COMMITTED: 17519.12

TOTAL ACRES NON-COMMITTED: 0.00

TOTAL NUMBER OF ACRES IN PARTICIPATING AREA: 17519.12

EFFECTIVE DATE: 12/01/05

RUN DATE 08/10/06
RUN TIME 15:27:08
CREATED BY: COPC

CONOCOPHILLIPS COMPANY - OPERATOR
THE 032 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
SAN JUAN 32-8 UNIT AREA
SAN JUAN, NEW MEXICO
EFFECTIVE 12/01/2005

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
NM-013364	T-031N R-008W	360.00		TRACT: 003			2.054898
	-----						-----
	SEC. 021 N/2 N/2, N/2 S/2, SE/4 SE/4 (360.00 acres)		ORRI:		0.000000	1.294640	
			ROYALTY:		0.000000	12.500000	
	Tract Remarks:		WORKING INTEREST:				
	SAN JUAN 32-8 UNIT #234, #235		KELLY SUSANNA PHILLIPS		1.785714	1.539380	
			WINTERGREEN ENERGY		11.718750	10.102190	
			WILLIAMS PRODUCTION		62.946429	54.263196	
			KELLY SUSANNA P JR		0.781250	0.673480	
			KELLY ANDREW JR		1.171875	1.010219	
			KELLY CHARLES		1.171875	1.010219	
			PHILLIPS-SAN JUAN PARTNERS		20.424107	17.606676	
					-----	-----	
	TOTAL				100.000000	100.000000	
SF-079004	T-031N R-008W	1720.00		TRACT: 004			9.817845
	-----						-----
	SEC. 009 ALL (640.00 acres)		ORRI:		0.000000	5.000000	
			ROYALTY:		0.000000	12.500000	
	SEC. 010 ALL (640.00 acres)		WORKING INTEREST:				
			FOUR STAR OIL & GAS		82.000000	67.650000	
			WILLIAMS PRODUCTION		18.000000	14.850000	
					-----	-----	
	TOTAL				100.000000	100.000000	
	Tract Remarks:						
	SAN JUAN 32-8 UNIT #221, #222, #223, # 224, #225, & #226						
SF-079013	T-032N R-008W	1720.00		TRACT: 005			9.817845
	-----						-----
	SEC. 017 ALL (640.00 acres)		ORRI:		0.000000	5.000000	
			ROYALTY:		0.000000	12.500000	
	SEC. 020 W/2, N/2 NE/4, SW/4 SE/4 (440.00 acres)		WORKING INTEREST:				
			WILLIAMS PRODUCTION		18.000000	14.850000	
			PHILLIPS-SAN JUAN PARTNERS		82.000000	67.650000	
					-----	-----	

RUN DATE 08/10/06
RUN TIME 15:27:08
CREATED BY: COPC

CONOCOPHILLIPS COMPANY - OPERATOR
THE 032 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
SAN JUAN 32-8 UNIT AREA
SAN JUAN, NEW MEXICO
EFFECTIVE 12/01/2005

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
	(640.00 acres)		TOTAL		100.000000	100.000000	
Tract Remarks: SAN JUAN 32-8 UNIT #208, #232, #229							
SF-079029	T-031N R-008W	1562.08		TRACT: 007			8.916430
	-----		ORRI:		0.000000	5.000000	-----
	SEC. 003 S/2 N/2, S/2 (480.00 acres)		ROYALTY:		0.000000	12.500000	
			WORKING INTEREST:				
	LOT 1 (40.300000 acres)		WILLIAMS PRODUCTION		18.000000	14.850000	
	LOT 2 (40.270000 acres)		PHILLIPS-SAN JUAN PARTNERS		82.000000	67.650000	
	LOT 3 (40.250000 acres)				-----	-----	
	LOT 4 (40.220000 acres)		TOTAL		100.000000	100.000000	
	SEC. 004 S/2 N/2, S/2 (480.00 acres)						
	LOT 1 (40.220000 acres)						
	LOT 2 (40.250000 acres)						
	LOT 3 (40.270000 acres)						
	LOT 4 (40.300000 acres)						
	SEC. 021 S/2 N/2, S/2 SW/4, SW/4 SE/4 (280.00 acres)						
Tract Remarks: SAN JUAN 32-8 UNIT #234, #235, #240, # 241, #242, & #249							
SF-079047	T-031N R-008W	880.00		TRACT: 008			5.023083
	-----		ORRI:		0.000000	5.000000	-----
	SEC. 011 S/2 NW/4, SW/4 (240.00 acres)		ROYALTY:		0.000000	12.500000	
	SEC. 014 W/2 (320.00 acres)		WORKING INTEREST:				
			WILLIAMS PRODUCTION		18.000000	14.850000	
	SEC. 023 W/2		PHILLIPS-SAN JUAN PARTNERS		82.000000	67.650000	
					-----	-----	

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
	(320.00 acres)		TOTAL		100.000000	100.000000	
Tract Remarks: SAN JUAN 32-8 UNIT #238, #243, #245							
SF-079341-A	T-032N R-008W	861.20		TRACT: 011			4.915772
	-----		ORRI:		0.000000	5.000000	-----
	SEC. 028 W/2 (320.00 acres)		ROYALTY:		0.000000	12.500000	
	SEC. 030 E/2 W/2, E/2 (480.00 acres)		WORKING INTEREST:				
			WILLIAMS PRODUCTION		18.000000	14.850000	
			PHILLIPS-SAN JUAN PARTNERS		82.000000	67.650000	
					-----	-----	
	LOT 1 (15.000000 acres)		TOTAL		100.000000	100.000000	
	LOT 2 (15.200000 acres)						
	LOT 3 (15.400000 acres)						
	LOT 4 (15.600000 acres)						
Tract Remarks: SAN JUAN 32-8 UNIT #231, #233, #239							
	T-032N R-008W	95.14		TRACT: 011A			0.543064
	-----		ORRI:		0.000000	5.000000	-----
	SEC. 019 SE/4 SW/4, SW/4 SE/4 (80.00 acres)		ROYALTY:		0.000000	12.500000	
	LOT 4 (15.140000 acres)		WORKING INTEREST:				
			CONOCOPHILLIPS COMPANY		82.000000	67.650000	
			WILLIAMS PRODUCTION		18.000000	14.850000	
					-----	-----	
	Tract Remarks: SAN JUAN 32-8 UNIT #247, #257		TOTAL		100.000000	100.000000	
SF-079351	T-031N R-008W	383.89		TRACT: 013			2.191263
	-----		ORRI:		0.000000	2.500000	-----
	SEC. 024 (323.74 acres)		ROYALTY:		0.000000	12.500000	
	LOT 1 (38.210000 acres)		WORKING INTEREST:				

RUN DATE 08/10/06
RUN TIME 15:27:08
CREATED BY: COPC

CONOCOPHILLIPS COMPANY - OPERATOR
THE 032 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
SAN JUAN, NEW MEXICO
EFFECTIVE 12/01/2005

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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
	LOT 2 (38.210000 acres)		PHILLIPS-NEW MEXICO		100.000000	85.000000	
	LOT 3 (38.780000 acres)				-----	-----	
	LOT 6 (38.770000 acres)				100.000000	100.000000	
	LOT 7 (38.210000 acres)						
	LOT 8 (38.200000 acres)						
	LOT 9 (2.380000 acres)						
	LOT 10 (2.380000 acres)						
	LOT 11 (2.380000 acres)						
	LOT 12 (2.380000 acres)						
	LOT 13 (2.380000 acres)						
	LOT 14 (2.390000 acres)						
	LOT 15 (2.390000 acres)						
	LOT 16 (2.390000 acres)						
	LOT 33 (2.390000 acres)						
	LOT 34 (2.390000 acres)						
	LOT 35 (2.390000 acres)						
	LOT 36 (2.390000 acres)						
	LOT 37 (2.390000 acres)						
	LOT 38 (2.390000 acres)						
	LOT 39 (2.380000 acres)						
	LOT 40 (2.380000 acres)						
	LOT 41 (2.390000 acres)						
	LOT 42 (2.390000 acres)						
	LOT 43 (2.390000 acres)						
	LOT 44 (2.390000 acres)						
	LOT 65 (2.400000 acres)						
	LOT 66 (2.400000 acres)						
	LOT 67 (2.400000 acres)						
	LOT 68 (2.400000 acres)						
	LOT 69 (2.400000 acres)						
	LOT 70 (2.400000 acres)						
	LOT 71 (2.400000 acres)						
	LOT 72 (2.390000 acres)						
	LOT 73 (2.400000 acres)						
	LOT 74 (2.400000 acres)						

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891000446B

T-032N R-008W	1521.21	TRACT: 014A	8.683142

SEC. 014 N/2		ORRI:	0.000000
(320.00 acres)		ROYALTY:	0.000000
SEC. 015 W/2, NE/4		WORKING INTEREST:	12.500000
(480.00 acres)		CONOCOPHILLIPS COMPANY	82.000000
SEC. 018 E/2 SW/4, SE/4		WILLIAMS PRODUCTION	18.000000
(240.00 acres)			14.850000

TOTAL			100.000000
			100.000000

RUN DATE 08/10/06
RUN TIME 15:27:08
CREATED BY: COPC

CONOCOPHILLIPS COMPANY - OPERATOR
THE 032 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
SAN JUAN 32-8 UNIT AREA
SAN JUAN, NEW MEXICO
EFFECTIVE 12/01/2005

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891000446B

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SF-079381	T-032N R-008W	1920.00		TRACT: 016			10.959454
	SEC. 025 E/2 (320.00 acres)		ORRI:		0.000000	5.000000	-----
	SEC. 033 E/2 (320.00 acres)		ROYALTY:		0.000000	12.500000	
	SEC. 034 ALL (640.00 acres)		WORKING INTEREST:				
			PHILLIPS-NEW MEXICO		66.667500	55.000690	
			BURLINGTON RESOURCES O&G CO LP		18.746198	15.465613	
			BURLINGTON RESOURCES O&G CO LP		14.586302	12.033697	
			TOTAL		100.000000	100.000000	-----
	Tract Remarks: SAN JUAN 32-8 UNIT #36, #203, #204, #2 05, #218, & #219						
SF-079381	T-032N R-008W	320.00		TRACT: 016A			1.826576
	SEC. 024 E/2 (320.00 acres)		ORRI:		0.000000	5.000000	-----
			ROYALTY:		0.000000	12.500000	
			WORKING INTEREST:				
			CONOCOPHILLIPS COMPANY		66.667500	55.000687	
			BURLINGTON RESOURCES O&G CO LP		33.332500	27.499313	
			TOTAL		100.000000	100.000000	-----
SF-079717	T-032N R-008W	120.00		TRACT: 017			0.684966
	SEC. 027 W/2 SW/4, SE/4 SW/4 (120.00 acres)		ORRI:		0.000000	5.000000	-----
			ROYALTY:		0.000000	12.500000	
			WORKING INTEREST:				
			WILLIAMS PRODUCTION		18.000000	14.850000	
			PHILLIPS-SAN JUAN PARTNERS		82.000000	67.650000	
	Tract Remarks: SAN JUAN 32-8 UNIT #202						-----
			TOTAL		100.000000	100.000000	-----

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CONOCOPHILLIPS COMPANY - OPERATOR
THE 032 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
SAN JUAN 32-8 UNIT AREA
SAN JUAN, NEW MEXICO
EFFECTIVE 12/01/2005

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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
NM-84809	T-032N R-008W ----- SEC. 027 NW/4, NE/4 SW/4 (200.00 acres) Tract Remarks: SAN JUAN 32-8 UNIT #202	200.00	ORRI: ROYALTY: WORKING INTEREST: PHILLIPS-NEW MEXICO TOTAL	TRACT: 018	0.000000 0.000000 100.000000 ----- 100.000000	2.500000 12.500000 85.000000 ----- 100.000000	1.141610 -----
SF-080412A	T-032N R-008W ----- SEC. 027 E/2 (320.00 acres) Tract Remarks: SAN JUAN 32-8 UNIT #253	320.00	ORRI: ROYALTY: WORKING INTEREST: CONOCOPHILLIPS COMPANY TOTAL	TRACT: 018A	0.000000 0.000000 100.000000 ----- 100.000000	2.500000 12.500000 85.000000 ----- 100.000000	1.826576 -----
NM-84809	T-032N R-008W ----- SEC. 009 W/2 SW/4 (80.00 acres) LOT 2 (16.330000 acres) LOT 3 (16.390000 acres) LOT 4 (15.940000 acres) LOT 5 (17.030000 acres) LOT 6 (39.510000 acres) LOT 7 (39.940000 acres) LOT 8 (39.360000 acres) LOT 9 (39.370000 acres) LOT 10 (39.450000 acres) LOT 11 (39.520000 acres)	382.84	ORRI: ROYALTY: WORKING INTEREST: CONOCOPHILLIPS COMPANY TOTAL	TRACT: 018B	0.000000 0.000000 100.000000 ----- 100.000000	2.500000 12.500000 85.000000 ----- 100.000000	2.185269 -----
SF-080854	T-031N R-008W	952.76		TRACT: 019			5.438401

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SAN JUAN 32-8 UNIT AREA
SAN JUAN, NEW MEXICO
EFFECTIVE 12/01/2005

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SEC. 011	N/2 NW/4, E/2 (400.00 acres)		ORRI:		0.000000	5.000000	-----
			ROYALTY:		0.000000	12.500000	
			WORKING INTEREST:				
SEC. 014	E/2 (320.00 acres)		WILLIAMS PRODUCTION		18.000000	14.850000	
			PHILLIPS-SAN JUAN PARTNERS		82.000000	67.650000	-----
SEC. 024	(193.97 acres)						
LOT 4	(38.780000 acres)		TOTAL		100.000000	100.000000	
LOT 5	(38.770000 acres)						
LOT 17	(2.420000 acres)						
LOT 18	(2.420000 acres)						
LOT 19	(2.420000 acres)						
LOT 20	(2.420000 acres)						
LOT 21	(2.420000 acres)						
LOT 22	(2.420000 acres)						
LOT 23	(2.430000 acres)						
LOT 24	(2.430000 acres)						
LOT 25	(2.430000 acres)						
LOT 26	(2.430000 acres)						
LOT 27	(2.430000 acres)						
LOT 28	(2.420000 acres)						
LOT 29	(2.430000 acres)						
LOT 30	(2.430000 acres)						
LOT 31	(2.430000 acres)						
LOT 32	(2.420000 acres)						
LOT 49	(2.420000 acres)						
LOT 50	(2.420000 acres)						
LOT 51	(2.420000 acres)						
LOT 52	(2.420000 acres)						
LOT 53	(2.420000 acres)						
LOT 54	(2.430000 acres)						
LOT 55	(2.430000 acres)						
LOT 56	(2.430000 acres)						
LOT 57	(2.430000 acres)						
LOT 58	(2.430000 acres)						
LOT 59	(2.430000 acres)						

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THE 032 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
SAN JUAN 32-8 UNIT AREA
SAN JUAN, NEW MEXICO
EFFECTIVE 12/01/2005

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
	LOT 60 (2.430000 acres)						
	LOT 61 (2.430000 acres)						
	LOT 62 (2.430000 acres)						
	LOT 63 (2.430000 acres)						
	LOT 64 (2.420000 acres)						
	LOT 81 (2.420000 acres)						
	LOT 82 (2.420000 acres)						
	LOT 83 (2.420000 acres)						
	LOT 84 (2.420000 acres)						
	LOT 85 (2.420000 acres)						
	LOT 86 (2.420000 acres)						
	LOT 87 (2.420000 acres)						
	LOT 88 (2.430000 acres)						
	LOT 89 (2.430000 acres)						
	LOT 90 (2.430000 acres)						
	LOT 91 (2.430000 acres)						
	LOT 92 (2.430000 acres)						
	LOT 93 (2.430000 acres)						
	LOT 94 (2.430000 acres)						
	LOT 95 (2.430000 acres)						
	LOT 96 (2.420000 acres)						
	38.79 acres, Exception:						
	LOTS 113-119; 120-126; AND						
	127-128=38.79 ACRES						
	Tract Remarks:						
	SAN JUAN 32-8 UNIT #220, #243, #244, & #248						

SF-081089	T-031N R-008W	320.00	TRACT: 020				1.826576
	-----						-----
	SEC. 023 E/2		ORRI:		0.000000	5.000000	
	(320.00 acres)		ROYALTY:		0.000000	12.500000	
			WORKING INTEREST:				
	Tract Remarks:		WILLIAMS PRODUCTION		18.000000	14.850000	

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CONOCOPHILLIPS COMPANY - OPERATOR
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 SAN JUAN 32-8 UNIT AREA
 SAN JUAN, NEW MEXICO
 EFFECTIVE 12/01/2005

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	GW/ PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
NM-03402	SAN JUAN 32-8 UNIT #237		PHILLIPS-SAN JUAN PARTNERS		82.000000	67.650000	
			TOTAL		100.000000	100.000000	
	T-031N R-008W	840.00		TRACT: 021			4.794761
	SEC. 015 SW/4, SW/4 SE/4		ORRI:		0.000000	5.000000	
	(200.00 acres)		ROYALTY:		0.000000	12.500000	
	SEC. 022 ALL		WORKING INTEREST:				
	(640.00 acres)		WILLIAMS PRODUCTION		18.000000	14.850000	
			PHILLIPS-SAN JUAN PARTNERS		82.000000	67.650000	
	Tract Remarks:						
	SAN JUAN 32-8 UNIT #207, #225, #226, & #236		TOTAL		100.000000	100.000000	
E-1204-3	T-031N R-008W	400.00		TRACT: 024			2.283220
	SEC. 016 NW/4 NE/4, SE/4 NE/4, N/2 SE/4, NW/4, NE/4 SW/4, SW/4 SW/4		ORRI:		0.000000	5.000000	
	(400.00 acres)		ROYALTY:		0.000000	12.500000	
	Tract Remarks:		WORKING INTEREST:				
	SAN JUAN 32-8 UNIT #227, #228		FOUR STAR OIL & GAS		82.000000	67.650000	
			WILLIAMS PRODUCTION		18.000000	14.850000	
			TOTAL		100.000000	100.000000	
E-3704-4	T-031N R-008W	40.00		TRACT: 026			0.228322
	SEC. 016 SW/4 SE/4		ORRI:		0.000000	5.000000	
	(40.00 acres)		ROYALTY:		0.000000	12.500000	
	Tract Remarks:		WORKING INTEREST:				
	SAN JUAN 32-8 UNIT #228		WILLIAMS PRODUCTION		18.000000	14.850000	
			PHILLIPS-SAN JUAN PARTNERS		82.000000	67.650000	
			TOTAL		100.000000	100.000000	

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THE 032 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
SAN JUAN 32-8 UNIT AREA
SAN JUAN, NEW MEXICO
EFFECTIVE 12/01/2005

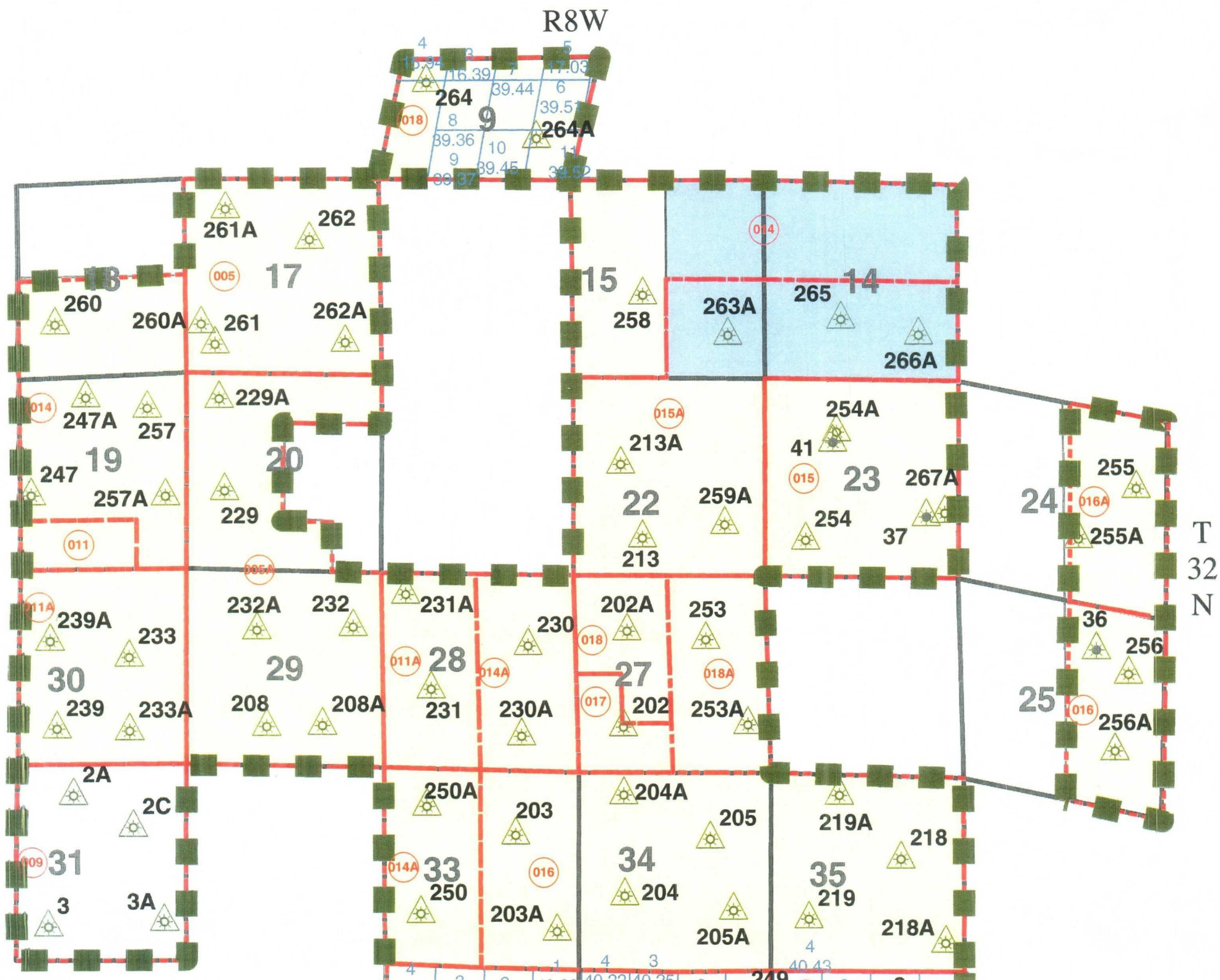
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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	GW PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
E-3868-4	T-031N R-008W ----- SEC. 016 SW/4 NE/4 (40.00 acres) Tract Remarks: SAN JUAN 32-8 UNIT #228	40.00	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION PHILLIPS-SAN JUAN PARTNERS	TRACT: 028	0.000000 0.000000 18.000000 82.000000 -----	5.000000 12.500000 14.850000 67.650000 -----	0.228322 -----
	TOTAL				100.000000	100.000000	
E-5113-6	T-031N R-008W ----- SEC. 016 NW/4 SW/4 (40.00 acres) Tract Remarks: SAN JUAN 32-8 UNIT #227	40.00	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION PHILLIPS-SAN JUAN PARTNERS	TRACT: 031	0.000000 0.000000 18.000000 82.000000 -----	6.000000 12.500000 14.670000 66.830000 -----	0.228322 -----
	TOTAL				100.000000	100.000000	
E-5382	T-031N R-008W ----- SEC. 016 NE/4 NE/4 (40.00 acres) Tract Remarks: SAN JUAN 32-8 UNIT #228	40.00	ORRI: ROYALTY: WORKING INTEREST: FOUR STAR OIL & GAS	TRACT: 034	0.000000 0.000000 100.000000 -----	0.000000 12.500000 87.500000 -----	0.228322 -----
	TOTAL				100.000000	100.000000	
B-11240-85	T-031N R-008W ----- SEC. 016 SE/4 SW/4 (40.00 acres) Tract Remarks: SAN JUAN 32-8 UNIT #227	40.00	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION PHILLIPS-SAN JUAN PARTNERS	TRACT: 038	0.000000 0.000000 18.000000 82.000000 -----	2.500000 12.500000 15.300000 69.700000 -----	0.228322 -----
	TOTAL				100.000000	100.000000	

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THE 032 EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION
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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	GW PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
B-11240-84	T-031N R-008W	40.00		TRACT: 038A			0.228322
	-----		ORRI:		0.000000	5.000000	-----
	SEC. 016 SE/4 SE/4		ROYALTY:		0.000000	12.500000	
	(40.00 acres)		WORKING INTEREST:				
	Tract Remarks:		WILLIAMS PRODUCTION		18.000000	14.850000	
	SAN JUAN 32-8 UNIT #228		PHILLIPS-SAN JUAN PARTNERS		82.000000	67.650000	
					-----	-----	
	TOTAL				100.000000	100.000000	



Well Formation

-  ACTIVE
-  INACTIVE

San Juan 32-8 Unit
Operated By
ConocoPhillips
Fruitland Coal PA

Approved 31st Expan., Effective 10/01/2002
 Proposed 32nd Expan., Effective 12/1/2005



ConocoPhillips
 Inventory Management
 San Juan Business Unit
 Farmington, New Mexico
 August, 2006