493

ConocoPhillips RECEIVED

ConocoPhillips Company PO Box 4289 Farmington NM 87499-4289 505-326-9700

January 24, 2008

Bureau of Land Management (3) Attn: Mr. Wayne Townsend State of New Mexico 1235 La Plata Highway Farmington, NM 87401 Commissioner of Public Lands (2) Attn: Mr. Peter Martinez State of New Mexico P.O. Box 1148 Santa Fe, NM 87504-1148

State of New Mexico (2)
Oil Conservation Division
Energy & Minerals Department
Attn: Ms. Lori Wrotenbery
2040 South Pacheco
Santa Fe, NM 87505

RE:

SAN JUAN 30-6 UNIT 14-08-001-538

PICTURED CLIFFS PARTICIPATING AREA

6th Expansion - Effective 8/1/06 Rio Arriba County, New Mexico

Gentlemen:

Pursuant to Section 11(a) of the Unit Agreement for the referenced Unit, approved January 16, 1953, Burlington Resources Oil & Gas Company LP, as Unit Operator, has determined that the following well is capable of producing unitized substances in paying quantities from the Pictured Cliffs formation, thereby should be admitted into the Pictured Cliffs Participating Area. Pursuant to the BLM letter attached, the well has been deemed commercial.

SIXTH EXPANSION - EFFECTIVE 8/1/2006

Well Name San Juan 30-6 Unit #497S Section 29, T30N, R07W Tract/Acres Tr.7 / 320.00 Tr. Description

Compl. Date 7/11/06

The Expansion Schedule for the Sixth 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.

Burlington Resources 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 being furnished to the working interest owners.

Sincerely,

Dawn Howell

Staff Land Technician

Report Name: fuels_expansion_sch_recap.rep

Database:

Universe: Fed One

BURLINGTON RESOURCES O&G CO LP - OPERATOR

RECAPITULATION

THE 006 EXPANDED PARTICIPATING AREA FOR PICTURED CLIFFS FORMATION
SAN JUAN 30-6 UNIT AREA

30-6 UNIT AREA

Run Date: 01/24/2008
Run Time: 09:20:29 AM
User: HOWELDM

Page 1 of 1

LOT.4 17.62000	

Total Acres Committed: 24

030N 030N

007W 007W 007W

SEC.029 SEC.033

S/2

SEC.028

SW/4SW/4

030N

W200

SEC.034

%/2

030N

SEC.028

NW/4, N/2 SW/4, SE/4 SW/4

030N

2470.24000

User: HOWELDM Run Time: 09:12:30 AM

BURLINGTON RESOURCES O&G CO LP - Operator
The 006 Expanded Participating Area for Pictured Cliffs Formation

San Juan 30-6 Unit Area Rio Arriba, New Mexico Effective 08/01/2006

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Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWI Percentage	NRI Percentage	Prodn Prtcpn Pct
NM-012709		360.00		Tract: 007			14.57348300
	T-030N R-007W		ORRI:		0.00000000	5.00000000	
•	SEC.028 SW	SW/4 SW/4	ROYALTY:		0.00000000	12.50000000	
	SEC.029 S/2		WORKING INTEREST:	CONOCOPHILLIPS COMPANY	82.00000000	67.65000000	
				WILLIAMS PRODUCTION COMPANY	18.00000000	14.85000000	
Tract Remarks:	3207# TINII		TOTAL		100.0000000	100.00000000	
00 00 0 0 0 1 1 1 1 1 2 2 1 00 00 0 0 1 1 1 1	CMI #40/O						
Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWI Percentage	NRIPercentage	Prodn Prtcpn Pct
SF-079074		320.00		Tract 008A			12.95420700
	T-030N R-007W		ORRI:		0.00000000	2.50000000	
	SEC.027 W/2	2	ROYALTY:		0.00000000	12.50000000	
Tract Remarks:			WORKING INTEREST:	BURLINGTON RESOURCES O&G SJBT	12.50000000	10.31250000	
S.130-6 LINIT #144				SAN JUAN BASIN TRUST	37.50000000	30.93750000	
				TH MCELVAIN OIL AND GAS PROP	50.00000000	43.75000000	
			TOTAL		100.00000000	100.00000000	

User: HOWELDM Run Time: 09:12:30 AM

BURLINGTON RESOURCES O&G CO LP - Operator
The 006 Expanded Participating Area for Pictured Cliffs Formation

San Juan 30-6 Unit Area Rio Arriba, New Mexico Effective 08/01/2006

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891000538B

WORKING INTEREST: BURLINGTON RESOURCES O&G SJBT SAN JUAN BASIN TRUST TOTAL
ORAI:
Tract 023
Ownership Drilling Block
7
TOTAL
T H MCELVAIN OIL AND GAS PROP
MAYDELL MILLER MAST TRUST
LORRAYN GAY HACKER
J&M RAYMOND LTD
CONOCOPHILLIPS COMPANY
CHARLES W GAY
WORKING INTEREST: BURLINGTON RESOURCES 0&G CO LP
ROYALTY:
Tract: 010
Ownership Drilling Block

User: HOWELDM Run Time: 09:12:30 AM

> The 006 Expanded Participating Area for Pictured Cliffs Formation **BURLINGTON RESOURCES O&G CO LP - Operator**

San Juan 30-6 Unit Area Rio Arriba, New Mexico Effective 08/01/2006

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	SJ30-6 UNIT #92A. #93B. #93M	Tract Remarks:	***		NM-02151-B	Serial Num			SJ 30-6 UNIT #91R (IDB)	Tract Remarks:			NM-02151	Serial Num
•	#93M		SEC.033 ALL	T-030N R-007W		Description					SEC.028 E/2	T-030N R-007W		Description
					640.00	Number of Acres					Шаненный III паявані ваявані III III III III парадукі і ізідаравана		320.00	Number of Acres
TOTAL		WORKING INTEREST:	ROYALTY:	ORRI:		Ownership	TOTAL			WORKING INTEREST:	ROYALTY:	ORRI:		Ownership
	SAN JUAN BASIN TRUST	BURLINGTON RESOURCES 0&G SJBT			Tract: 023B	Drilling Block		TH MCELVAIN OIL AND GAS PROP	SAN JUAN BASIN TRUST	BURLINGTON RESOURCES O&G SJBT			Tract: 023A	Drilling Block
100.00000000	75.00000000	25.00000000	0.00000000	0.00000000		GWI Percentage	100.00000000	50.00000000	37.50000000	12.50000000	0.00000000	0.00000000		GWI Percentage
100.00000000	61.87500000	20.62500000	12.50000000	5.00000000		NRI Percentage	100.00000000	41.25000000	30.93750000	10.31250000	12.50000000	5.00000000		NRIPercentage
					25.90841400	Prodn Prtcpn Pct							12.95420700	Prodn Prtcpn Pct

User: HOWELDM Run Time: 09:12:30 AM

> The 006 Expanded Participating Area for Pictured Cliffs Formation **BURLINGTON RESOURCES 0&G CO LP - Operator**

San Juan 30-6 Unit Area

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Rio Arriba, New Mexico Effective 08/01/2006

							E-347-49	Serial Num
SEC.036 W/2 E/2	SEC.036 LOT.4	SEC.036 LOT.3	SEC.036 LOT.2		SEC.036 LOT.1 17.50	T-030N R-006W		Description
2E/2	Γ.4	Г.3	1.2	•	T.1		230.24	Number of Acres
	17.62	17.58	17.54		17.50			res
		Ž	TOTAL	WORKING INTEREST:	ROYALTY:	ORRI:		Ownership
				WORKING INTEREST: BURLINGTON RESOURCES O&G CO LP			Tract: 039	Drilling Block
			100 0000000	100.00000000	0.00000000	0.00000000		GWI Percentage
			100 0000000	65,62500000	12.50000000	21.87500000		NRI Percentage
							9.32055200	Prodn Prtcpn Pct

Tract Remarks:

SJ 30-6 UNIT #89A, #132



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 30-6 PC PA 3162.7 (21110)

January 15, 2008

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

RE:

San Juan 30-6 Unit

Commerciality Determination Pictured Cliffs Formation Rio Arriba County, NM

Dear Ms. Howell:

In response to your letter dated December 26, 2007, the Farmington Field Office has reviewed the data you submitted for a commerciality determination for the following well completed in the Pictured Cliffs formation.

Well Name & Number	Dedication	Lease	Completion Date	Determination
San Juan 30-6 Unit #497S	S/2 Sec. 29, T30N, R7W	NMNM012709	7/11/2006	Commercial

After completing our economic evaluation, we are in concurrence with the above determination.

The Pictured Cliffs formation in this well is determined to be commercial and is to be included in the Pictured Cliffs participating area. It is required that a revision be submitted to include this well in the San Juan 30-6 Unit Pictured Cliffs 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 30-6 UNIT PICTURED CLIFFS WORKING INTEREST OWNERS

BURLINGTON REOURCES OIL & GAS CO

CONOCOPHILLIPS

CHARLES W GAY

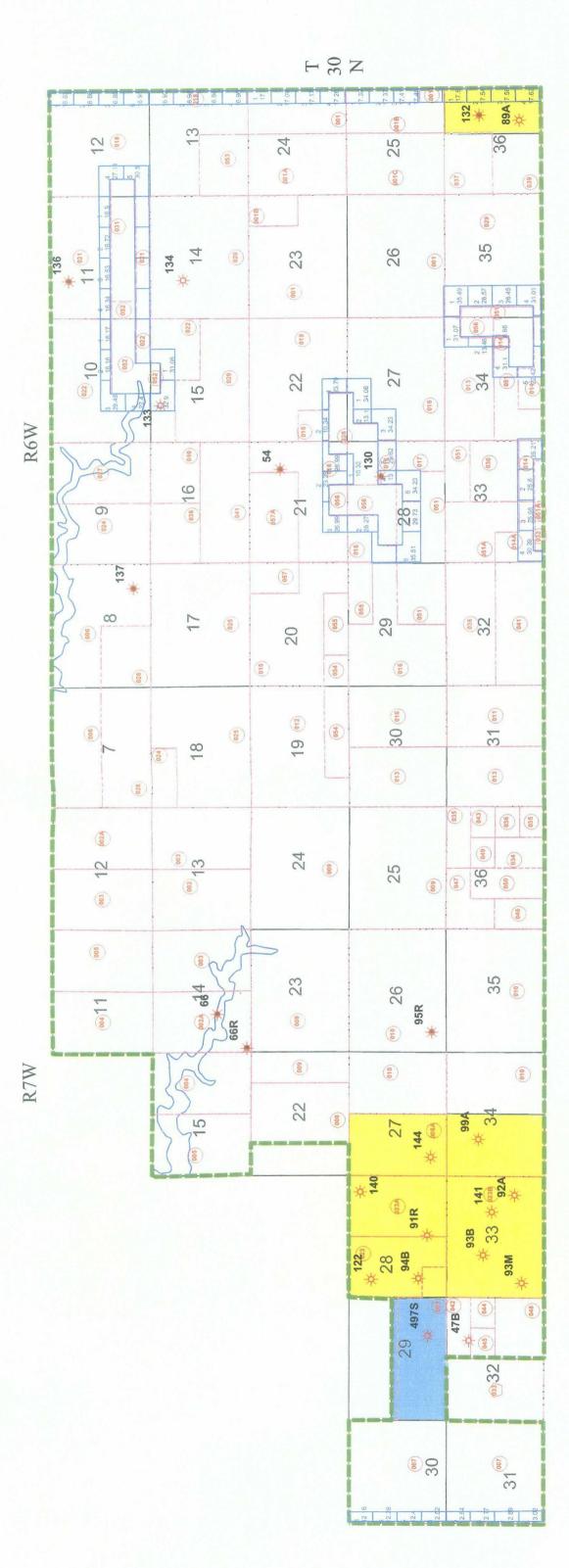
J&M RAYMOND

LORRAYN GAY HACKER

MAYDELL MILLER MAST

T H MCELVAIN OIL & GAS PROP

WILLIAMS PRODUCTION COMPANY



San Juan 30-6 Unit

Pictured Cliffs PA

- Approved 5th Expan., Effective 7/1/03
- Proposed 6th Expan., Effective 8/1/06

Well Formation

* ACTIVE *



Inventory Management San Juan Business Unit Farmington, New Mexico