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February 2, 2010

ConocoPhillips
San Juan Business Unit
P.O. Box 4289
Farmington, NM 87499-4289

Bureau of Land Management (3)
Attn: Mr. Wayne Townsend
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**
Mesaverde Participating Area
Revised Twenty Second Expansion: Effective 12/1/2008
San Juan County, New Mexico

Dear Sir or Madam:

Please find enclosed revised schedules for the Twenty Second Expansion. This expansion was originally submitted to the Agencies and owners in January and subsequently approved. But do to an oversight regarding the exclusion of 40.00 acres, ConocoPhillips is resubmitting the revised schedules for approval. We are sorry for any confusion this may cause.

Pursuant to Section 11(a) of the above referenced Unit Agreement, approved October 21, 1952, **CONOCOPHILLIPS, as Unit Operator**, has determined that the referenced wells are capable of producing unitized substances in paying quantities from the Mesaverde formation, thereby should be admitted to the Mesaverde Participating Area.

TWENTY-SECOND EXPANSION - EFFECTIVE 12/1/2008

<u>Well Name</u>	<u>Tract/Acres</u>	<u>Tr. Description</u>	<u>Compl. Date</u>
San Juan 32-8 Unit #18M	Tr. 8 / 200.00	*S/2NW/4, N/2SW/4,	11/7/08
Section 11, T31N, R08W		SW/4SW/4	
280.00 acres	Tr 19 / 80.00	N/2NW/4	

*Please note that the SE/4/SW/4, containing 40.00 acres, is eliminated pursuant to Section 11 of the Unit Agreement, therefore the remaining 280.00 acres are being admitted. The schedule for the Twenty-Second expansion is enclosed. The schedule describes the Participating Area and show 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, CPLTA
Land Analyst

SJ 32-8 Unit 4.2

2/2/2010

891000446A

CONOCOPHILLIPS COMPANY - Operator
The 22nd Expanded Participating Area for MESAVERDE FORMATION
San Juan 32-8 Unit
San Juan County, NM
Effective 12/1/2008

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-013364		360.00		Tract: 003			2.874922
	T-031N R-008W						
	SEC.021	N/2 N/2, N/2 S/2, SE/4 SE/4					
	ORRI:				0.000000	5.000000	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST:	ANDREW B KELLY JR			1.171885	0.966805	
		CHARLES E KELLY			1.171885	0.966805	
		CONOCOPHILLIPS COMPANY			20.424095	16.849878	
		SUSANNA PHILLIPS KELLY, AS HER			1.785714	1.473214	
		SUSANNA P KELLY JR			0.781246	0.644528	
		WILLIAMS PRODUCTION COMPANY			62.946430	51.930805	
		WINTERGREEN ENERGY CORP			11.718745	9.667965	
	TOTAL				100.000000	100.000000	
SF-079004		1,720.00		Tract: 004			13.735737
	T-031N R-008W						
	SEC.009	ALL			0.000000	5.000000	
	SEC.010	ALL			0.000000	12.500000	
	SEC.015	N/2, N/2 SE/4, SE/4 SE/4			82.000000	67.650000	
					18.000000	14.850000	
	TOTAL				100.000000	100.000000	
SF-079013		960.00		Tract: 005			7.666457
	T-032N R-008W						
	SEC.017	W/2			0.000000	5.000000	
	SEC.020	W/2			0.000000	12.500000	
	SEC.029	W/2			82.000000	67.650000	
					18.000000	14.850000	
	TOTAL				100.000000	100.000000	

2/2/2010

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Effective 12/1/2008

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
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SF-079013

120.00

Tract: 005A

0.958307

<u>T-032N R-008W</u>							
SEC.020	N/2 NE/4, SW/4 SE/4		ORRI:		0.000000	5.000000	
			ROYALTY:		0.000000	12.500000	
			WORKING INTEREST: CONOCOPHILLIPS COMPANY		100.000000	82.500000	
			TOTAL		100.000000	100.000000	

NM-33056

200.00

Tract: 006

0.000000

<u>T-032N R-008W</u>							
SEC.020	S/2 NE/4, N/2 SE/4, SE/4 SE/4		TOTAL				

Tract Remarks:
NON-COMMITTED TRACT

SF-079029

1,522.08

Tract: 007

12.155169

<u>T-031N R-008W</u>							
SEC.003	LOT.1		ORRI:		0.000000	5.000000	
SEC.003	LOT.2		ROYALTY:		0.000000	12.500000	
SEC.003	LOT.3		WORKING INTEREST: CONOCOPHILLIPS COMPANY		82.000000	67.650000	
SEC.003	LOT.4		WILLIAMS PRODUCTION COMPANY		18.000000	14.850000	
SEC.003	S/2 N/2, S/2		TOTAL		100.000000	100.000000	
SEC.004	LOT.1						
SEC.004	LOT.2						
SEC.004	LOT.3						
SEC.004	LOT.4						
SEC.004	S/2 N/2, SE/4, E/2 SW/4, SW/4 SW/4						
SEC.021	S/2 N/2, S/2 SW/4, SW/4 SE/4						

2/2/2010

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CONOCOPHILLIPS COMPANY - Operator
The 22nd Expanded Participating Area for MESAVERDE FORMATION
San Juan 32-8 Unit
San Juan County, NM
Effective 12/1/2008

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
SF-079047		840.00		Tract: 008			6.708151
	T-031N R-008W						
	SEC.011	S/2NW/4, N/2SW/4, SW/4SW/4	ORRI: ROYALTY: WORKING INTEREST: CONOCOPHILLIPS COMPANY		0.000000 0.000000 82.000000	5.000000 12.500000 67.650000	
	SEC.014	W/2	WILLIAMS PRODUCTION COMPANY		18.000000	14.850000	
	SEC.023	W/2			100.000000	100.000000	
	TOTAL						
SF-079341-A		360.00		Tract: 011			2.874922
	T-032N R-008W						
	SEC.019	SW/4 SE/4	ORRI: ROYALTY: WORKING INTEREST: CONOCOPHILLIPS COMPANY		0.000000 0.000000 82.000000	5.000000 12.500000 67.650000	
	SEC.030	E/2	WILLIAMS PRODUCTION COMPANY		18.000000	14.850000	
	TOTAL				100.000000	100.000000	
SF-079351		400.00		Tract: 013			3.194357
	T-031N R-008W						
	SEC.024	E/2, E/2 NW/4	ORRI: ROYALTY: WORKING INTEREST: CONOCOPHILLIPS COMPANY		0.000000 0.000000 100.000000	2.500000 12.500000 85.000000	
	TOTAL				100.000000	100.000000	
SF-079353		1,400.00		Tract: 014			11.180251
	T-032N R-008W						
	SEC.014	N/2	ORRI: ROYALTY: WORKING INTEREST: CONOCOPHILLIPS COMPANY		0.000000 0.000000 82.000000	5.000000 12.500000 67.650000	
	SEC.019	NE/4, N/2 SE/4, SE/4 SE/4	WILLIAMS PRODUCTION COMPANY		18.000000	14.850000	
	SEC.033	W/2			100.000000	100.000000	
	TOTAL						

2/2/2010

CONOCOPHILLIPS COMPANY- Operator

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The 22nd Expanded Participating Area for MESAVERDE FORMATION

San Juan 32-8 Unit
San Juan County, NM
Effective 12/1/2008

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
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SF-079380

800.00

Tract: 015

6.388715

T-032N R-008W
SEC.014 S/2
SEC.015 SE/4
SEC.022 W/2

ORRI: 0.000000 5.000000
ROYALTY: 0.000000 12.500000
WORKING INTEREST: BURLINGTON RESOURCES O&G CO L 33.332500 27.499312
CONOCOPHILLIPS COMPANY 66.667500 55.000688
TOTAL 100.000000 100.000000

Tract Remarks:

SF-079381

960.00

Tract: 016

7.666458

T-032N R-008W
SEC.033 E/2
SEC.034 W/2
SEC.035 E/2

ORRI: 0.000000 5.000000
ROYALTY: 0.000000 12.500000
WORKING INTEREST: BURLINGTON RESOURCES O&G CO L 33.332500 27.499312
CONOCOPHILLIPS COMPANY 66.667500 55.000688
TOTAL 100.000000 100.000000

Tract Remarks:

SF-079717

120.00

Tract: 017

0.956307

T-032N R-008W
SEC.027 W/2 SW/4, SE/4 SW/4

ORRI: 0.000000 5.000000
ROYALTY: 0.000000 12.500000
WORKING INTEREST: CONOCOPHILLIPS COMPANY 82.000000 67.650000
WILLIAMS PRODUCTION COMPANY 18.000000 14.850000
TOTAL 100.000000 100.000000

2/2/2010

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CONOCOPHILLIPS COMPANY- Operator
The 22nd Expanded Participating Area for MESAVERDE FORMATION
San Juan 32-8 Unit
San Juan County, NM
Effective 12/1/2008

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
NM-84809		200.00		Tract: 018			1.597179
	T-032N R-008W						
	SEC.027	NW/4, NE/4 SW/4					
	ORRI:				0.000000	2.500000	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST: CONOCOPHILLIPS COMPANY				100.000000	85.000000	
	TOTAL				100.000000	100.000000	
SF-080854		960.00		Tract: 019			7.666458
	T-031N R-008W						
	SEC.011	E/2, N/2NW/4					
	SEC.014	E/2					
	SEC.024	W/2 NW/4, SW/4					
	ORRI:				0.000000	5.000000	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST: CONOCOPHILLIPS COMPANY				82.000000	67.650000	
	WILLIAMS PRODUCTION COMPANY				18.000000	14.850000	
	TOTAL				100.000000	100.000000	
SF-081089		320.00		Tract: 020			2.555486
	T-031N R-008W						
	SEC.023 E/2						
	ORRI:				0.000000	5.000000	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST: CONOCOPHILLIPS COMPANY				82.000000	67.650000	
	WILLIAMS PRODUCTION COMPANY				18.000000	14.850000	
	TOTAL				100.000000	100.000000	
NM-03402		840.00		Tract: 021			6.708151
	T-031N R-008W						
	SEC.015	SW/4, SW/4 SE/4					
	SEC.022	ALL					
	ORRI:				0.000000	5.000000	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST: CONOCOPHILLIPS COMPANY				82.000000	67.650000	
	WILLIAMS PRODUCTION COMPANY				18.000000	14.850000	
	TOTAL				100.000000	100.000000	

2/2/2010

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CONOCOPHILLIPS COMPANY - Operator
The 22nd Expanded Participating Area for MESAVERDE FORMATION
San Juan 32-8 Unit
San Juan County, NM
Effective 12/1/2008

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-1204-3	T-031N R-008W SEC.016 NW/4 NE/4, SE/4 NE/4, NW/4, NE/4 SW/4, SW/4 SW/4, N/2 SE/4	400.00		Tract: 024			3.194357
	ORRI:				0.000000	5.000000	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST: FOUR STAR OIL & GAS COMPANY				82.000000	67.650000	
	WILLIAMS PRODUCTION COMPANY				18.000000	14.850000	
	TOTAL				100.000000	100.000000	
E-3704-4	T-031N R-008W SEC.016 SW/4 SE/4	40.00		Tract: 026			0.319436
	ORRI:				0.000000	5.000000	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST: CONOCOPHILLIPS COMPANY				82.000000	67.650000	
	WILLIAMS PRODUCTION COMPANY				18.000000	14.850000	
	TOTAL				100.000000	100.000000	
E-3868-4	T-031N R-008W SEC.016 SW/4 NE/4	40.00		Tract: 028			0.319436
	ORRI:				0.000000	5.000000	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST: CONOCOPHILLIPS COMPANY				82.000000	67.650000	
	WILLIAMS PRODUCTION COMPANY				18.000000	14.850000	
	TOTAL				100.000000	100.000000	
E-5113-6	T-031N R-008W SEC.016 NW/4 SW/4	40.00		Tract: 031			0.319436
	ORRI:				0.000000	6.000000	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST: CONOCOPHILLIPS COMPANY				82.000000	66.830000	
	WILLIAMS PRODUCTION COMPANY				18.000000	14.670000	
	TOTAL				100.000000	100.000000	

2/2/2010

891000446A

CONOCOPHILLIPS COMPANY - Operator
The 22nd Expanded Participating Area for MESAVERDE FORMATION

San Juan 32-8 Unit
San Juan County, NM
Effective 12/1/2008

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PERCENT ACTUAL PARTICIPATION
E-5382	T-031N R-008W SEC.016	40.00		Tract: 034			0.319436
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST: FOUR STAR OIL & GAS COMPANY				100.000000	87.500000	
	TOTAL				100.000000	100.000000	
B-11240-85	T-031N R-008W SEC.016	40.00		Tract: 038			0.319436
	ORRI:				0.000000	2.500000	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST: CONOCOPHILLIPS COMPANY				82.000000	69.700000	
	WILLIAMS PRODUCTION COMPANY				18.000000	15.300000	
	TOTAL				100.000000	100.000000	
B-11240-84	T-031N R-008W SEC.016	40.00		Tract: 038A			0.319436
	ORRI:				0.000000	5.000000	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST: CONOCOPHILLIPS COMPANY				82.000000	67.650000	
	WILLIAMS PRODUCTION COMPANY				18.000000	14.850000	
	TOTAL				100.000000	100.000000	

CONOCOPHILLIPS COMPANY - OPERATOR
RECAPITULATION
THE 022 EXPANDED PARTICIPATING AREA FOR MESAVERDE FORMATION
SAN JUAN 32-8 UNIT AREA

Description of Committed Lands in PA					Description of Non-Committed Lands in PA						
Township	Range	Section	Description	Lot	Acreage	Township	Range	Section	Description	Lot	Acreage
031N	008W	SEC.003	S/2 N/2, S/2			032N	008W	SEC.020	S/2 NE/4, N/2 SE/4, SE/4 SE/4		
031N	008W	SEC.003		LOT.1	40.30000						
031N	008W	SEC.003		LOT.2	40.27000						
031N	008W	SEC.003		LOT.3	40.25000						
031N	008W	SEC.003		LOT.4	40.22000						
031N	008W	SEC.004	S/2 N/2, SE/4, E/2 SW/4, SW/4 SW/4								
031N	008W	SEC.004		LOT.1	40.22000						
031N	008W	SEC.004		LOT.2	40.25000						
031N	008W	SEC.004		LOT.3	40.27000						
031N	008W	SEC.004		LOT.4	40.30000						
031N	008W	SEC.009	ALL								
031N	008W	SEC.010	ALL								
031N	008W	SEC.011	E/2, N/2 NW/4								
031N	008W	SEC.011	N/2 SW/4, S/2 NW/4								
031N	008W	SEC.011	SW/4 SW/4								
031N	008W	SEC.014	E/2								
031N	008W	SEC.014	W/2								
031N	008W	SEC.015	N/2, N/2 SE/4, SE/4 SE/4								
031N	008W	SEC.015	SW/4, SW/4 SE/4								
031N	008W	SEC.016	NE/4 NE/4								
031N	008W	SEC.016	NW/4 NE/4, SE/4 NE/4, NW/4, NE/4 SW/4, SW/4 SW/4, N/2 SE/4								
031N	008W	SEC.016	NW/4 SW/4								
031N	008W	SEC.016	SE/4 SE/4								
031N	008W	SEC.016	SE/4 SW/4								
031N	008W	SEC.016	SW/4 NE/4								
					Total Acres Non-Committed:	200.00000					

Total Acres Non-Committed: 200.00000

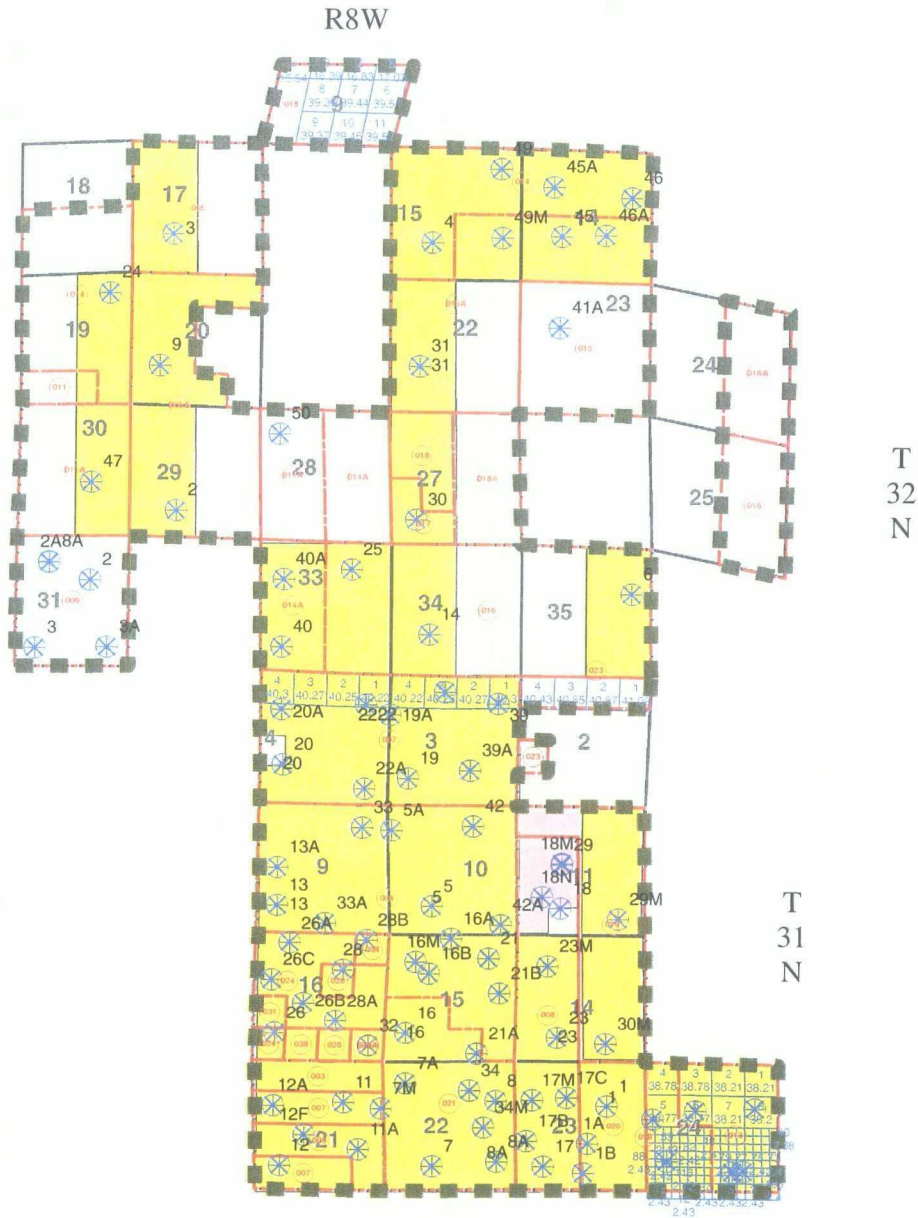
Report Name: fuels_expansion_sch_recap.rep
Universe: Fed One
Database: oratip01

CONOCOPHILLIPS COMPANY - OPERATOR
RECAPITULATION
THE 022 EXPANDED PARTICIPATING AREA FOR MESAVERDE FORMATION
SAN JUAN 32-8 UNIT AREA

Page 2 of 2
Run Date: 02/02/2010
Run Time: 08:30:43 AM
User: HOWELDM

Description of Committed Lands in PA				
Township	Range	Section	Description	Lot Acreage
031N	008W	SEC.016	SW/4 SE/4	
031N	008W	SEC.021	N/2 N/2, N/2 S/2, SE/4 SE/4	
031N	008W	SEC.021	S/2 N/2, S/2 SW/4, SW/4 SE/4	
031N	008W	SEC.022	ALL	
031N	008W	SEC.023	E/2	
031N	008W	SEC.023	E/2	
031N	008W	SEC.023	W/2	
031N	008W	SEC.024	E/2, E/2 NW/4	
031N	008W	SEC.024	W/2 NW/4, SW/4	
032N	008W	SEC.014	N/2	
032N	008W	SEC.014	S/2	
032N	008W	SEC.015	N/2, SW/4	
032N	008W	SEC.015	SE/4	
032N	008W	SEC.017	W/2	
032N	008W	SEC.019	NE/4, N/2 SE/4, SE/4 SE/4	
032N	008W	SEC.019	SW/4 SE/4	
032N	008W	SEC.020	N/2 NE/4, SW/4 SE/4	
032N	008W	SEC.020	W/2	
032N	008W	SEC.022	W/2	
032N	008W	SEC.027	NW/4, NE/4 SW/4	
032N	008W	SEC.027	W/2 SW/4, SE/4 SW/4	
032N	008W	SEC.029	W/2	
032N	008W	SEC.030	E/2	
032N	008W	SEC.033	E/2	
032N	008W	SEC.033	W/2	
032N	008W	SEC.034	W/2	
032N	008W	SEC.035	E/2	
Total Acres Committed:				12522.08000

SAN JUAN 32-8 UNIT



MESAVERDE PARTICIPATING AREA

* MESAVERDE

- Approved 19th Expan., Effective 7/1/1983
- Approved 20th Expan., Effective 11/01/2007
- Approved 21st Expan., Effective 9/1/2008
- REVISED - Proposed 22nd Expan., Effective 12/1/2008

 **ConocoPhillips**

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

Andrew B Kelly
Burlington Resources Oil & Gas Company LP
ConocoPhillips Company
Charles E Kelly
Four Star Oil & Gas Company
Susanna P Kelly
Susanna P Kelly, Jr.
Williams Production Company
Wintergreen Energy Corp