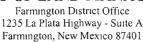


United States Department of the Interior

BUREAU OF LAND MANAGEMENT





IN REPLY REFER TO NMNM-013364 3162 3-1

October 30, 2009

ConocoPhillips Attn: Pasty Clugston PO₄Box 4289 Farmington, NM 87499-4289

RCVD NOV 9'09 OIL CONS. DIV. DIST. 3

Dear Ms. Clugston:

Please be advised that the following approved Application for Permit to Drill (APD) is being returned due to ConocoPhillips' decision, not to drill this well. Please contact Mark Kelly, 505-599-6380 for inspection of surface reclamation. Upon surface reclamation approval, the BLM will release ConocoPhillips liability under the bond. The well information is as follows:

A

San Juan 32-8 Unit #11M located 795' FNL and 665 FEL, Section 21, T. 31 N., R. 8 W., San Juan County, New Mexico on Federal Lease NMNM-013364.

API Number: 30-045-33115

Under 43 CFR 3165.3, you may request an Administrative Review of any instructions, orders, or decisions issued by the Authorized Officer. Such a 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, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request will not result in a suspension of the instructions, orders, or decisions unless the reviewing official so determines. Procedures governing appeals from the instructions, orders, or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et. Seq.

If you have any questions, contact Cynthia Marquez at (505) 599-8935.

Cynthia Marquez,
/s/ Cynthia Marquez
Legal Instrument Examiner
Petroleum Team

cc:

Well file SJ 32-8 Unit #11M DOMR/AFMSS/cmarquez/RAPD/ConocoPhillips/10/30/09 NMOCD

Bancelled 10-30-09 NMOCK