

PATRICK H. LYONS COMMISSIONER

State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

February 27, 2004

ConocoPhillips
P.O. Box 2197
Three Westlake Park – 3 WL 5051
Houston, Texas 77252-2197

Attn:

Mr. Jim Penney

Re:

2005 Plan of Development

San Juan 32-7 Unit

San Juan County, New Mexico

Dear Mr. Penney:

The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the unit area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

Please note that our records reflect that the Fruitland Coal Participating area is currently in the 22nd Revision, effective June 1, 1999.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS

COMMISSIONER OF PUBLIC LANDS

JAMI BAILEY, Director

Oil, Gas and Minerals Division

(505) 827-5744

PL/JB/cpm

xc: Reader File

OCD

BLM

PATRICK H. LYONS COMMISSIONER

State of New Mexico Commissioner of Public Lands

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November 22, 2005

ConocoPhillips WL3 5056 600 North Dairy Ashford Houston, TX 77079-1175

Attention: Mr. Jim Penny

Re:

San Juan 32-7 Unit

Commerciality Determinations Fruitland Coal Formation

San Juan 32-7 Unit Well No. 214A, W/2 Sec. 34-32N-7W San Juan 32-7 Unit Well No. 237A, E/2 Sec. 28-32N-7W San Juan 32-7 Unit Well No. 245A, E/2 Sec. 17-32N-7W

San Juan County, New Mexico

Dear Mr. Penny:

We are in receipt of your letter of October 20, 2005 and a copy of the Bureau of Land Management's letter of November 3, 2005 regarding the referenced commercial determinations for the San Juan 32-7 Unit Well Nos. 214A, 237A, and 245A.

We concur with the Bureau of Land Management that the San Juan 32-7 Unit Well Nos. 214A, 237A and 245A area commercial wells in the Fruitland Coal formation and should be included in the Fruitland Coal participating area.

Please submit an application for the appropriate expansion of the Fruitland Coal participating area to this office for approval.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS

COMMISSIONER OF PUBLIC LANDS

JAMI BAILEY, Director

Oil, Gas and Minerals Division

(505) 827-5744

PL/JB/pm

pc:

Reader File

BLM-Farmington Attn: Mr. Wayne Townsend

OCD-Santa Fe Attn: Mr. Roy Johnson TRD-Attn: Mr. Valdean Severson

RMD-Linda Vieira



PATRICK H. LYONS COMMISSIONER

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COMMISSIONER'S OFFICE

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March 13, 2006

ConocoPhillips
P.O. Box 2197
Three Westlake Park – 3 WL 5051
Houston, Texas 77252-2197

Attn:

Mr. Todd Thornburgh

Re:

2006 Plan of Development

San Juan 32-7 Unit

San Juan County, New Mexico

Dear Mr. Thornburgh:

The Commissioner of Public Lands has, of this date, approved the referenced Plan of Development. Our approval is subject to like approval by all other appropriate agencies. The possibility of drainage by wells outside the unit area, and the need for further development of the unit may exist; therefore, we may contact you at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS

COMMISSIONER OF PUBLIC LANDS

BY:

JAMI BAILEY, Director Oil, Gas and Minerals Division

(505) 827-5744

PL/JB/cpm xc: Reader File

OCD

BLM



PATRICK H. LYONS COMMISSIONER

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310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 2 COMMISSIONER'S OFFICE Phode (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

July 28, 2006

ConocoPhillips WL3 5056 600 North Dairy Ashford Houston, TX 77079-1175

Attention: Mr. Jim Penny

Re: San Juan 32-7 Unit

Commerciality Determination Fruitland Coal Formation

San Juan 32-7 Unit Well No. 146, W/2 Sec. 23-32N-7W

San Juan County, New Mexico

Dear Mr. Penny:

We are in receipt of your letter of May 2, 2005 and a copy of the Bureau of Land Management's letter of May 13, 2005 regarding the referenced commercial determination for the San Juan 32-7 Unit Well No. 146.

We concur with the Bureau of Land Management that the San Juan 32-7 Unit Well No. 146 is a commercial well in the Fruitland Coal formation and should be included in the Fruitland Coal participating area.

Please submit an application for the appropriate expansion of the Fruitland Coal participating area to this office for approval.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS

COMMISSIONER OF PUBLIC LANDS

JAMI BAILEY, Director

Oil, Gas and Minerals Division

(505) 827-5744

PL/JB/pm

pc: Reader File

BLM-Farmington Attn: Mr. Wayne Townsend OCD-Santa Fe Attn: Mr. David Catanach

TRD-Attn: Mr. Valdean Severson

RMD-Linda Vieira



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Oil COMMISSIONER'S OFFICE

www.nmstatelands.org

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PATRICK H. LYONS COMMISSIONER

State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

ConocoPhillips Company P. O. Box 2197

August 10, 2006

Houston, Texas 77252-2197

Attention: Ms. Betty Dimiterchik

Re:

San Juan 32-7 Unit San Juan County, NM

Fruitland Participating Area

Revised 18th Expansion Effective 8/1/1996 Revised 19th Expansion Effective 9/1/1996 Revised 20th Expansion Effective 9/1/1998

Revised 21st Expansion Effective 10/1/1998 Revised 22nd Expansion Effective 11/1/1998 Revised 23rd Expansion Effective 12/1/1998 Revised 24th Expansion Effective 5/1/1999

25th Expansion Effective 6/1/1999

26th Expansion Effective 10/1/2000 27th Expansion Effective 10/1/2001

28th Expansion Effective 10/1/2004 29th Expansion Effective 12/1/2004

30th Expansion Effective 1/1/2005

Dear Ms. Dimiterchik:

We are in receipt of your letter of May 19, 2006 together with your revisions to the previously approved 18th through 24th expansions and application for approval of the 25th through 30th expansions to the Fruitland participating area for the San Juan 32-7 Unit, San Juan County, New Mexico.

The Bureau of Land Management approved the above referenced revisions and expansions by their letter of June 26, 2006.

The Commissioner of Public Lands concurs with the Bureau of Land Management and has this date approved the above-referenced Fruitland participating area revisions and expansions.

Our approval is subject to like approval by the Bureau of Land Management and the New Mexico Oil Conservation Division.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS

COMMISSIONER OF PUBLIC LANDS

JAMI/BAILEY, Director

Oil, Gas and Minerals Division

(505) 827-5744

PL/JB/pm

pc: Reader File,

OCD-Attention: Mr. David Catanach

BLM-Farmington Attn: Mr. Wayne Townsend

TRD-Attention: Mr. Valdean Severson RMD-Attention: Ms. Linda Vieira



PATRICK H. LYONSOS AUG 18 COMMISSIONER

State of New Mexico Commissioner of Public Lands

COMMISSIONER'S OFFICE

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August 11, 2006

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

ConocoPhillips Company WL3 14072 600 North Dairy Ashford Houston, TX 77079-1175

Attention: Mr. Jim Penny

Re:

San Juan 32-7 Unit

Commerciality Determinations Fruitland Coal Formation

San Juan 32-7 Unit Well No. 222A, E/2 Sec. 20-32N-7W San Juan 32-7 Unit Well No. 236A, W/2 Sec. 28-32N-7W San Juan 32-7 Unit Well Nos. 248, NSP Secs. 7 & 8 -32N-7W San Juan 32-7 Unit Well Nos. 249, NSP Secs. 8 & 9 -32N-7W San Juan 32-7 Unit well No. 250, W/2 Sec. 16-32N-7W

San Juan County, New Mexico

Dear Mr. Penny:

We are in receipt of your letter of June 16, 2006 and a copy of the Bureau of Land Management's letter of July 18, 2006 regarding the referenced commercial determinations for the San Juan 32-7 Unit Well Nos. 222A, 236A, 248, 249 and 250.

We concur with the Bureau of Land Management that the San Juan 32-7 Unit Well Nos. 222A, 236A, 248, 249 and 250 are commercial wells in the Fruitland Coal formation and should be included in the Fruitland Coal participating area.

Please submit an application for the appropriate expansion of the Fruitland Coal participating area to this office for approval.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS

COMMISSIONER OF PUBLIC LANDS

JAMI BAILEY, Director

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TRD-Attn: Mr. Valdean Severson

RMD-Linda Vieira