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

Burlington Resources Inc.
A wholly owned subsidiary of
ConocoPhillips

April 18, 2007

Bureau of Land Management (3)
Attn: Ms. Margie DuPree
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 Dept.
Attn: Ms. Lori Wrotenbery
1220 S. Saint Francis Dr.
Santa Fe, NM 87505

RE: **HUERFANO UNIT, - UA - I Sec. No. 731**
San Juan County, New Mexico
Fruitland Coal Formation
EIGHTEENTH EXPANSION, Effective 4/1/2006

Dear Sir or Madam:

Pursuant to Section 11(a) of the above referenced Unit Agreement, approved July 29, 1949, **Burlington Resources Oil & Gas Company LP as Unit Operator**, has determined that the following wells are capable of producing unitized substances in paying quantities from the Fruitland Coal formation, thereby should be admitted into the Fruitland Coal Participating Area. Pursuant to BLM letters dated December 18, 2006 and January 19, 2007, listed below are the wells that have been deemed commercial.

<u>Well Name</u>	<u>Tract/Acres</u>	<u>Tr. Description</u>	<u>Compl. Date</u>
Huerfano Unit #34	Tr. 80A/ 320.00	W/2, 8-26N-9W	3/13/06
Huerfano Unit #37	Tr. 18/ 160.00	NE/4, 18-26N-9W	3/16/06
	Tr. 20 / 40.00	NW/4SE/4	
	Tr. 81 / 120.00	S/2SE/4, NE/4SE/4	

The Schedule for the Eighteenth 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 being furnished to the working interest owners on the attached list.

Sincerely,


Dawn Howell
Staff Land Technician

BURLINGTON RESOURCES O&G CO LP - OPERATOR
RECAPITULATION
THE 18TH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
HUERFANO UNIT AREA
PAGE 1

DESCRIPTION OF COMMITTED LANDS IN PARTICIPATING AREA:

TOWNSHIP 026N, RANGE 009W

SEC. 6 S/2 N/2
 LOT 1 (41.10)
 LOT 2 (40.79)
 LOT 3 (40.47)
 LOT 4 (41.94)
 LOT 5 (41.88)
SEC. 008 W/2
SEC. 016 W/2 NW/4, SE/4 SW/4, W/2 SE/4, NE/4SE/4
SEC. 017 ALL
SEC. 018 E/2
SEC. 020 ALL
SEC. 021 ALL
SEC. 022 ALL
SEC. 023 ALL
SEC. 026 ALL
SEC. 027 ALL
SEC. 028 N/2
SEC. 030 E/2

TOWNSHIP 026N, RANGE 010W

SEC. 004 S/2, S/2N/2
 LOT: 1 (39.740000 acres)
 LOT: 2 (39.910000 acres)
 LOT: 3 (40.070000 acres)
 LOT: 4 (40.240000 acres)
SEC. 005 S/2 N/2, S/2
 LOT: 1 (40.300000 acres)
 LOT: 2 (40.260000 acres)
 LOT: 3 (40.220000 acres)
 LOT: 4 (40.180000 acres)
SEC. 006 S/2E/2, E/2SW/4, SE/4NW/4
 LOT: 1 (40.140000 acres)
 LOT: 2 (40.100000 acres)
 LOT: 3 (40.060000 acres)
 LOT: 4 (39.180000 acres)
 LOT: 5 (39.230000 acres)
 LOT: 6 (39.290000 acres)
 LOT: 7 (39.350000 acres)
SEC. 008 N/2

TOWNSHIP 027N, RANGE 009W

SEC. 031 E/2, E/2 W/2
 LOT: 1 (40.750000 acres)
 LOT: 2 (41.050000 acres)
 LOT: 3 (41.350000 acres)
 LOT: 4 (41.650000 acres)

DESCRIPTION OF NON-COMMITTED LANDS IN PA:

TOWNSHIP 026N, RANGE 009W

SEC. 016 E/2 NW/4, SW/4 SW/4, N/2 SW/4

TOWNSHIP 027N, RANGE 010W

SEC. 030 NE/4

BURLINGTON RESOURCES O&G CO LP - OPERATOR
RECAPITULATION
THE 18TH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
HUERFANO UNIT AREA
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TOWNSHIP 027N, RANGE 010W

SEC. 019 E/2W/2
LOT: 1 (43.480000 acres)
LOT: 2 (43.410000 acres)
LOT: 3 (43.570000 acres)
LOT: 4 (43.620000 acres)
SEC. 029 ALL
SEC. 030 SE/4, E/2 NW/4
LOT: 1 (43.670000 acres)
LOT: 2 (43.730000 acres)
SEC. 031 E/2, E/2 W/2
LOT: 1 (43.910000 acres)
LOT: 2 (43.990000 acres)
LOT: 3 (44.050000 acres)
LOT: 4 (44.130000 acres)
SEC. 032 ALL
SEC. 033 ALL
SEC. 035 ALL
SEC. 036 W/2, W/2E/2
LOT: 1 (35.100000 acres)
LOT: 2 (35.070000 acres)
LOT: 3 (35.030000 acres)
LOT: 4 (35.000000 acres)

TOTAL ACRES COMMITTED: 13707.01

TOTAL NUMBER OF ACRES IN PARTICIPATING AREA: 14,067.01 TOTAL ACRES NON-COMMITTED: 360.00

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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SF-078022	T-027N R-010W SEC. 19 E/2SW/4 LOT 3 (43.57 acres) LOT 4 (43.62 acres)	167.19	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION KLINGER MARYAN TRUST XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP	TRACT 4	0.000000 0.000000 33.940000 0.086454 0.129679 0.349475 0.174404 0.172907 0.104639 65.042442	10.109642 12.500000 29.697500 0.071723 0.107580 0.303582 0.152604 0.143441 0.091559 46.822369	1.219741%
SF-078022	T-027N R-010W SEC. 019 E/2 NW/4 LOT 1 (43.48 acres) LOT 2 (43.41 acres)	166.89	ORRI: ROYALTY: WORKING INTEREST: KLINGER MARYAN TR XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP	TRACT 4A	0.000000 0.000000 0.086454 34.069679 0.349475 0.174404 0.172907 0.104639 65.042442	10.109642 12.500000 0.071723 29.805080 0.303582 0.152604 0.143441 0.091559 46.822369	1.217552%
TOTAL		100.000000			100.000000	100.000000	

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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SF-076566	T-027N R-01OW SEC. 029 SW/4 HUERFANO UNIT #24	160.00	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION KLINGER MARYAN TRUST XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP BURLINGTON RESOURCES O&G CO LP	TRACT 6	0.000000 0.000000 	7.114099 12.500000 	1.167286%
SF-076566	T-027N R-01OW SEC. 029 NW/4 HUERFANO UNIT #24	160.00	ORRI: ROYALTY: WORKING INTEREST: KLINGER MARYAN TRUST XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP BURLINGTON RESOURCES O&G CO LP	TRACT 6A	0.000000 0.000000 	7.114099 12.500000 	1.167286%
TOTAL					100.000000	100.000000	
TOTAL					100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SF-080810	T-027N R-010W SEC. 029 E/2	320.00	TRACT 7				2.334572%
	HUERFANO UNIT #550						
			ORRI:		0.000000	6.943820	
			ROYALTY:		0.000000	12.500000	
			WORKING INTEREST:				
			XTO ENERGY INC		33.940000	29.697500	
			PRODUCTION GATHERING CO LP		15.000000	13.125000	
			BURLINGTON RESOURCES O&G CO LP		51.060000	37.733680	
			TOTAL		100.000000	100.000000	
SF-077384	T-027N R-010W SEC. 030 NE/4	160.00	TRACT 8A				
	NOT-COMMITTED HUERFANO UNIT #509						
			ORRI:		0.000000	0.000000	
			ROYALTY:		0.000000	0.000000	
			WORKING INTEREST:				
			TOTAL		0.000000	0.000000	
SF-077384	T-027N R-010W SEC. 030 SE/4, E/2 NW/4	327.40	TRACT 9				2.388569%
	LOT 1 (43.67 acres)		ORRI:		0.000000	9.562535	
	LOT 2 (43.73 acres)		ROYALTY:		0.000000	12.500000	
			WORKING INTEREST:				
			WILLIAMS PRODUCTION		16.970000	13.848750	
			BURLINGTON RESOURCES O&G CO LP		83.030000	64.088715	
			TOTAL		100.000000	100.000000	
SF-078422	T-027N R-010W SEC. 031 E/2 W/2	336.08	TRACT 10				2.451884%
	LOT 1 (43.91 acres)		ORRI:		0.000000	9.706320	
	LOT 2 (43.99 acres)		ROYALTY:		0.000000	12.500000	
	LOT 3 (44.05 acres)		WORKING INTEREST:				
	LOT 4 (44.13 acres)		WILLIAMS PRODUCTION		33.940000	27.197500	
			BURLINGTON RESOURCES O&G CO LP		66.060000	50.596180	
			TOTAL		100.000000	100.000000	
	HUERFANO UNIT #6						

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SF-078422	T-027N R-010W SEC. 031 E/2 ----- HUERFANO UNIT #282	320.00	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION BURLINGTON RESOURCES O&G CO LP	TRACT 10A	0.000000 0.000000 33.940000 66.060000 -----	9.706320 12.500000 27.197500 50.596180 -----	2.334572%
TOTAL					100.000000	100.000000	
SF-078233	T-027N R-010W SEC. 033 NW/4 ----- HUERFANO UNIT #22	160.00	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP	TRACT 11	0.000000 0.000000 33.940000 0.722809 0.419024 0.251405 64.666762 -----	7.151318 12.500000 29.697500 0.632458 0.366646 0.219979 49.432099 -----	1.167286%
TOTAL					100.000000	100.000000	
SF-078354	T-027N R-010W SEC. 033 S/2 SE/4 ----- HUERFANO UNIT #549	80.00	ORRI: ROYALTY: WORKING INTEREST: BURLINGTON RESOURCES O&G CO LP	TRACT 12	0.000000 0.000000 100.000000 -----	0.000000 12.500000 87.500000 -----	0.583643%
TOTAL					100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
NM-02516	T-027N R-01OW SEC. 033 N/2 SE/4	80.00	TRACT 13				0.583643%
	HUERFANO UNIT #549						
	ORRI:				0.000000	14.388818	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST:						
	WILLIAMS PRODUCTION				33.940000	29.697500	
	ZZZ KELLY & TRUST LLC				0.722809	0.632458	
	KELLY MINERALS INTERESTS JV				0.419024	0.366646	
	HARRISON LANGDON D REVOC TRUST B				0.251405	0.219979	
	BURLINGTON RESOURCES O&G CO LP				64.666762	42.194599	
	TOTAL				100.000000	100.000000	
NM-02516	T-027N R-01OW SEC. 033 SW/4	160.00	TRACT 13A				1.167286%
	HUERFANO UNIT #22						
	ORRI:				0.000000	14.388818	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST:						
	WILLIAMS PRODUCTION				33.940000	29.697500	
	ZZZ KELLY & TRUST LLC				0.722809	0.632458	
	KELLY MINERALS INTERESTS JV				0.419024	0.366646	
	HARRISON LANGDON D REVOC TRUST B				0.251405	0.219979	
	BURLINGTON RESOURCES O&G CO LP				64.666762	42.194599	
	TOTAL				100.000000	100.000000	
SF-077950	T-027N R-01OW SEC. 033 NE/4 SEC. 035 N/2 SW/4	240.00	TRACT 14				1.750929%
	HUERFANO UNIT #549 & #521						
	ORRI:				0.000000	6.078160	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST:						
	CONOCOPHILLIPS COMPANY				25.000000	21.625000	
	XTO ENERGY INC				16.970000	14.348750	
	BURLINGTON RESOURCES O&G CO LP				58.030000	45.448090	
	TOTAL				100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SF-077950	T-027N R-010W SEC. 035 NW/4 HUERFANO UNIT #286	160.00	ORRI: ROYALTY: WORKING INTEREST: CONOCOPHILLIPS COMPANY WILLIAMS PRODUCTION BURLINGTON RESOURCES O&G CO LP	Tract 14A	0.000000 0.000000 25.000000 16.970000 58.030000	6.078160 12.500000 21.875000 14.098750 45.448090	1.167286%
	TOTAL				100.000000	100.000000	
SF-079917	T-027N R-010W SEC. 035 S/2 S/2, N/2 SE/4 HUERFANO UNIT #521.	240.00	ORRI: ROYALTY: WORKING INTEREST: KLINGER MARYAN TRUST XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP	TRACT 16	0.000000 0.000000 0.207490 34.251230 0.839521 0.419024 0.414977 0.251405 63.616353	7.114099 12.500000 0.181554 29.969826 0.734581 0.36646 0.363105 0.219979 48.550210	1.750929%
	TOTAL				100.000000	100.000000	
SF-080017	T-027N R-010W SEC. 035 NE/4 HUERFANO UNIT #286	160.00	ORRI: ROYALTY: WORKING INTEREST: XTO ENERGY INC	TRACT 17	0.000000 0.000000 100.000000	5.000000 12.500000 82.500000	1.167286%
	TOTAL				100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
NM-03017	T-026N R-009W	786.38		TRACT 18			5.737064%
	SEC. 006 SE/4 NW/4, S/2 NE/4		ORRI: ROYALTY: WORKING INTEREST: XTO ENERGY INC BURLINGTON RESOURCES O&G LP		0.000000 0.000000 33.940000 66.060000	9.706320 12.500000 27.197500 50.596180	
	SEC. 18 NE/4		TOTAL		100.000000	100.000000	
	T-027N R-010W						
	SEC. 36 W/2E/2		LOT 1 (41.10 acres) LOT 2 (40.79 acres) LOT 3 (40.47 acres) LOT 4 (41.94 acres)				
	HUERFANO UNIT #231						
NM-03017	T-027N R-010W	320.00		TRACT 18A			2.334572%
	SEC. 036 W/2		ORRI: ROYALTY: WORKING INTEREST: XTO ENERGY INC BURLINGTON RESOURCES O&G CO LP		0.000000 0.000000 33.940000 66.060000	9.706320 12.500000 27.197500 50.596180	
	HUERFANO UNIT NP #257		TOTAL		100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
NM-01051	T-027N R-009W SEC. 031 E/2 W/2, NE/4, N/2 SE/4 LOT 1 (40.75 acres) LOT 2 (41.05 acres) LOT 3 (41.35 acres) LOT 4 (41.65 acres) HUERFANO UNIT NP #255 & #522	564.80	ORRI: ROYALTY: WORKING INTEREST: KLINGER MARYAN TRUST XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP TOTAL	TRACT 19	0.000000 0.000000 0.028555 33.982833 0.109836 0.054360 0.057112 0.032616 65.734688	10.134700 12.500000 0.023690 29.733035 0.095375 0.047565 0.047380 0.028539 47.389716	4.120519%
SF-078007	T-026N R-009W SEC. 018 NW/4SE/4 T-027N R-009W SEC. 031 S/2 SE/4 HUERFANO UNIT #522	120.00	ORRI: ROYALTY: WORKING INTEREST: XTO ENERGY INC BURLINGTON RESOURCES O&G CO LP TOTAL	TRACT 20	0.000000 0.000000 33.940000 66.060000 ----- 100.000000	9.706320 12.500000 27.197500 50.596180 ----- 100.000000	0.875464%
SF-077936	T-026N R-010W SEC. 06 S/2 NE/4, SE/4 LOT 1 (40.14 acres) LOT 2 (40.10 acres) HUERFANO UNIT #528- GEOLOGICAL INFERENCE	320.24	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION KLINGER MARYAN TRUST XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP TOTAL	TRACT 21	0.000000 0.000000 33.940000 0.207490 0.311230 0.839521 0.419024 0.414977 0.251405 63.616353 ----- 100.000000	7.114099 12.500000 29.697500 0.181554 0.272326 0.734581 0.366646 0.363105 0.219979 48.550210 ----- 100.000000	2.336323%

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SF-078001-A	T-026N R-010W SEC. 08 S/2 N/2	160.00	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION KLINGER MARYAN TRUST XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP BURLINGTON RESOURCES O&G CO LP	TRACT 24A	0.000000 0.000000 33.940000 0.207490 0.311230 0.839521 0.419024 0.414977 0.251405 0.242071 63.374282	7.114098 12.500000 29.697500 0.181554 0.272326 0.734581 0.366646 0.363105 0.219979 0.211812 48.338399	1.167286%
	TOTAL				100.000000	100.000000	
NM-01366	T-026N R-010W SEC. 04 S/2	320.00	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP	TRACT 26	0.000000 0.000000 33.940000 0.722809 0.419024 0.251405 64.666762	14.388818 12.500000 29.697500 0.632458 0.366646 0.219979 42.194599	2.334572%
	TOTAL				100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
NM-0396	T-026N R-010W SEC. 04 S/2 N/2	319.96	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION KLINGER MARYAN TRUST XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP	TRACT 27	0.000000 0.000000 33.940000 0.086454 0.129679 0.349475 0.174404 0.172907 0.104639 65.042442	10.109642 12.500000 29.697500 0.073055 0.107579 0.304333 0.152603 0.146110 0.091559 46.817619	2.334280%
SF-080895	T-026N R-010W SEC. 05 S/2 N/2, S/2	640.96	ORRI: ROYALTY: WORKING INTEREST: HANSON MCBRIDE PETRO WILLIAMS PRODUCTION ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP	TRACT 28	0.000000 0.000000 15.000000 33.940000 0.722809 0.419024 0.251405 49.666762	6.888818 12.500000 13.125000 29.697500 0.632458 0.366646 0.219979 36.569599	4.676147%
	TOTAL				100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SF-077934	T-026N R-010W SEC. 006 E/2 SW/4	80.00					0.583643%
	HUERFANO UNIT #259						
			ORRI:	Tract 29	0.000000	7.114099	
			ROYALTY:		0.000000	12.500000	
			WORKING INTEREST:				
			WILLIAMS PRODUCTION		33.940000	29.697500	
			KLINGER MARYAN TRUST		0.207490	0.181554	
			XTO ENERGY INC		0.311230	0.272326	
			ZZZ KELLY & TRUST LLC		0.839521	0.734581	
			KELLY MINERALS INTERESTS JV		0.419024	0.366646	
			PRODUCTION GATHERING CO LP		0.414977	0.363105	
			HARRISON LANGDON D REVOC TRUST B		0.251405	0.219979	
			BURLINGTON RESOURCES O&G CO LP		63.616353	48.550210	
			TOTAL		100.000000	100.000000	
SF-080425-A	T-026N R-010W SEC. 06 SE/4 NW/4	237.11					1.729845%
			ORRI:	TRACT 30A	0.000000	9.963666	
			ROYALTY:		0.000000	12.500000	
			WORKING INTEREST:				
			WILLIAMS PRODUCTION		33.940000	29.697500	
			ZZZ KELLY & TRUST LLC		0.722809	0.632458	
			KELLY MINERALS INTERESTS JV		0.419024	0.366646	
			MACDONALD HALBERSTADT REV FAMILY		15.000000	12.656245	
			HARRISON LANGDON D REVOC TRUST B		0.251405	0.219979	
			BURLINGTON RESOURCES O&G CO LP		49.666762	33.963506	
			TOTAL		100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
EFFECTIVE 4-1-06

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GW PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
NM-0433	T-026N R-010W SEC. 08 N/2 N/2 HUERFANO UNIT #70	160.00	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV HARRISON LANGDON D REVOC TRUST BURLINGTON RESOURCES O&G CO LP	TRACT 32B	0.000000 0.000000 33.940000 0.722809 0.419024 0.251405 64.666762	14.388818 12.500000 29.697500 0.632458 0.366646 0.219979 42.194599	1.167286%
	TOTAL				100.000000	100.000000	5.836430%
NM-03493	T-026N R-009W SEC. 020 N/2, SW/4 SEC. 030 E/2 HUERFANO UNIT #400, #501 & #505	800.00	ORRI: ROYALTY: WORKING INTEREST: XTO ENERGY INC BURLINGTON RESOURCES O&G CO LP	TRACT 79	0.000000 0.000000 33.940000 66.060000	9.706320 12.500000 27.197500 50.596180	
	TOTAL				100.000000	100.000000	
SF-077980-A	T-026N R-009W SEC. 08 W/2 HUERFANO UNIT #34	320.00	ORRI: ROYALTY: WORKING INTEREST: XTO ENERGY INC BURLINGTON RESOURCES O&G CO LP	TRACT 80A	0.000000 0.000000 33.940000 66.060000	9.706320 12.500000 27.197500 50.596180	2.334572%
	TOTAL				100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
EFFECTIVE 4-1-06

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SF-077980	T-026N R-009W SEC. 017 E/2 ----- HUERFANO UNIT #520	320.00	ORRI: ROYALTY: WORKING INTEREST: XTO ENERGY INC BURLINGTON RESOURCES O&G CO LP	TRACT 80B	0.000000 0.000000 33.940000 66.060000 -----	9.706320 12.500000 27.197500 50.596180 -----	2.334572%
	TOTAL				100.000000	100.000000	
SF-077980-A	T-026N R-009W SEC. 017 W/2 ----- HUERFANO UNIT #237	320.00	ORRI: ROYALTY: WORKING INTEREST: XTO ENERGY INC BURLINGTON RESOURCES O&G CO LP	TRACT 80C	0.000000 0.000000 33.940000 66.060000 -----	9.706320 12.500000 27.197500 50.596180 -----	2.334572%
	TOTAL				100.000000	100.000000	
SF-078000-A	T-026N R-009W SEC. 018 S/2SE/4, NE/4SE/4 ----- SEC. 020 SE/4 HUERFANO UNIT #500	280.00	ORRI: ROYALTY: WORKING INTEREST: XTO ENERGY INC BURLINGTON RESOURCES O&G CO LP	TRACT 81	0.000000 0.000000 33.940000 66.060000 -----	9.706320 12.500000 27.197500 50.596180 -----	2.042750%
	TOTAL				100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
EFFECTIVE 4-1-06

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SF-078060	T-026N R-009W SEC. 021 N/2	320.00		TRACT 82			2.334572%
	HUERFANO UNIT #503 - GEOLOGICAL INFERENCE.		ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION KLINGER MARYAN TRUST XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP		0.000000 0.000000 50.000000 0.021614 0.032420 0.105931 0.054360 0.043227 0.032616 49.709832	8.514303 12.500000 42.500004 0.018363 0.027554 0.092387 0.047565 0.036737 0.028539 36.234548	
	TOTAL				100.000000	100.000000	
SF-078060-A	T-026N R-009W SEC. 028 N/2	320.00		TRACT 82A			2.334572%
	HUERFANO UNIT #182 INITIAL EXPANSION		ORRI: ROYALTY: WORKING INTEREST: KLINGER MARYAN TRUST XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP BURLINGTON RESOURCES O&G CO LP		0.000000 0.000000 0.021614 50.032420 0.105932 0.054360 0.043224 0.032616 0.025219 49.684615	8.514304 12.500000 0.018363 42.527558 0.092389 0.047564 0.036734 0.028539 0.021433 36.213116	
	TOTAL				100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
EFFECTIVE 4-1-06

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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SF-078060	T-026N R-009W SEC. 027 W/2 HUERFANO UNIT #507	320.00	ORRI: ROYALTY: WORKING INTEREST: KLINGER MARYAN TRUST XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP	TRACT 82B	0.000000 0.000000 0.021614 50.032420 0.105932 0.054360 0.043224 0.032616 49.709832	8.514304 12.500000 0.018363 42.527558 0.092389 0.047564 0.036734 0.028539 36.234548	2.334572%
	TOTAL				100.000000	100.000000	
SF-078060	T-026N R-009W SEC. 027 NE/4 HUERFANO UNIT #55	160.00	ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION KLINGER MARYAN TRUST XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP BURLINGTON RESOURCES O&G CO LP	TRACT 82C	0.000000 0.000000 50.000000 0.021614 0.032420 0.105931 0.054360 0.043227 0.032616 0.025216 49.684616	8.514304 12.500000 42.499185 0.018363 0.028367 0.092388 0.047565 0.036737 0.028539 0.021430 36.213122	1.167286%
	TOTAL				100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
EFFECTIVE 4-1-06

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SF-078060-A	T-026N R-009W SEC. 021 S/2	320.00		TRACT 82D			2.334572%
	HUERFANO UNIT #502						
	ORRI:				0.000000	8.514303	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST:						
	KLINGER MARYAN TRUST				0.021614	0.018363	
	XTO ENERGY INC				50.032420	42.527558	
	ZZZ KELLY & TRUST LLC				0.105931	0.092387	
	KELLY MINERALS INTERESTS JV				0.054360	0.047565	
	PRODUCTION GATHERING CO LP				0.043227	0.036737	
	HARRISON LANGDON D REVOC TRUST B				0.032616	0.028539	
	BURLINGTON RESOURCES O&G CO LP				49.709832	36.234548	
	TOTAL				100.000000	100.000000	
SF-078060	T-026N R-009W SEC. 027 SE/4	160.00		TRACT 82E			1.167286%
	HUERFANO UNIT #55						
	ORRI:				0.000000	8.514304	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST:						
	KLINGER MARYAN TRUST				0.021614	0.018363	
	XTO ENERGY INC				50.032420	42.527552	
	ZZZ KELLY & TRUST LLC				0.105931	0.092388	
	KELLY MINERALS INTERESTS JV				0.054360	0.047565	
	PRODUCTION GATHERING CO LP				0.043227	0.036737	
	HARRISON LANGDON D REVOC TRUST B				0.032616	0.028539	
	BURLINGTON RESOURCES O&G CO LP				0.025216	0.021430	
	BURLINGTON RESOURCES O&G CO LP				49.684616	36.213122	
	TOTAL				100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
EFFECTIVE 4-1-06

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
NM-012736	T-026N R-009W SEC. 022 N/2 N/2, SW/4 NW/4	200.00	TRACT 83 ORRI: ROYALTY: WORKING INTEREST: LILLY FRANKLIN P LILLY MICHAEL J MCCONNELL LTD CO AJM LLC BURLINGTON RESOURCES O&G CO LP TOTAL		0.000000 0.000000 0.284375 0.284375 31.452280 0.478970 67.500000 100.000000	20.812500 12.500000 0.189646 0.189640 20.974739 0.319414 45.014061 100.000000	1.459107%
SF-080127	T-026N R-009W SEC. 022 SW/4, S/2 SE/4, NW/4 SE/4	280.00	TRACT 84 ORRI: ROYALTY: WORKING INTEREST: BURLINGTON RESOURCES O&G CO LP TOTAL		0.000000 0.000000 100.000000 100.000000	12.500000 12.500000 75.000000 100.000000	2.042750%
SF-078103	T-026N R-009W SEC. 023 ALL SEC. 026 N/2, SW/4 HUERFANO UNIT #59, #46, #508 & # 523	1120.00	TRACT 85 ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION KLINGER MARYAN TRUST XTO ENERGY INC ZZZ KELLY & TRUST LLC KELLY MINERALS INTERESTS JV PRODUCTION GATHERING CO LP HARRISON LANGDON D REVOC TRUST B BURLINGTON RESOURCES O&G CO LP TOTAL		0.000000 0.000000 50.000000 0.021614 0.032420 0.105931 0.054360 0.043227 0.032616 49.709832 100.000000	8.514303 12.500000 42.499674 0.018363 0.027884 0.092387 0.047565 0.036737 0.028539 36.234548 100.000000	8.171002%

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
EFFECTIVE 4-1-06

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SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
SF-078103-B	T-026N R-009W SEC. 026 SE/4	160.00		TRACT 85B			1.167286%
	ORRI:				0.000000	8.514303	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST:						
	KLINGER MARYAN TRUST				0.021614	0.018363	
	XTO ENERGY INC				50.032420	42.527558	
	ZZZ KELLY & TRUST LLC				0.105931	0.092387	
	KELLY MINERALS INTERESTS JV				0.054360	0.047565	
	PRODUCTION GATHERING CO LP				0.043227	0.036737	
	HARRISON LANGDON D REVOC TRUST B				0.032616	0.028539	
	BURLINGTON RESOURCES O&G CO LP				49.709832	36.234548	
	TOTAL				100.000000	100.000000	
B-10894-14	T-026N R-009W SEC. 016 E/2 NW/4, SW/4 SW/4, N/2 SW/4	200.00		TRACT 116			
	ORRI:				0.000000	0.000000	
	ROYALTY:				0.000000	0.000000	
	WORKING INTEREST:						
	TOTAL				0.000000	0.000000	
B-9320-10 0	T-026N R-009W SEC. 016 W/2 NW/4, SE/4 SW/4, W/2 SE/4	200.00		TRACT 117			1.459107%
	ORRI:				0.000000	12.575622	
	ROYALTY:				0.000000	12.500000	
	WORKING INTEREST:						
	KLINGER MARYAN TRUST				0.043227	0.036528	
	XTO ENERGY INC				0.064840	0.054786	
	ZZZ KELLY & TRUST LLC				0.118089	0.102598	
	KELLY MINERALS INTERESTS JV				0.054360	0.047565	
	PRODUCTION GATHERING CO LP				0.086454	0.073053	
	HARRISON LANGDON D REVOC TRUST B				0.032616	0.028539	
	BURLINGTON RESOURCES O&G CO LP				99.600414	74.581307	
	TOTAL				100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
EFFECTIVE 4-1-06

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
E-2659-11	T-027N R-010W SEC. 032 NW/4 HUERFANO UNIT #18 - GEOLOGICAL INFERENCE	160.00	ORRI: ROYALTY: WORKING INTEREST: BURLINGTON RESOURCES O&G CO LP	TRACT 122	0.000000 0.000000 100.000000 -----	5.000000 12.500000 82.500000 -----	1.167286%
	TOTAL				100.000000	100.000000	
E-2659-11	T-027N R-010W SEC. 032 SW/4 HUERFANO UNIT #18 - GEOLOGICAL INFERENCE	160.00	ORRI: ROYALTY: WORKING INTEREST: ROGERS-GIBBARD TRUST JOHNSTON EULA MAY TRUST JOHNSTON V A FAMILY TRUST JOHNSTON BETTY T MARITAL TRUST	TRACT 122A	0.000000 0.000000 12.500000 50.000000 12.500000 25.000000 -----	5.000000 12.500000 10.312501 41.248999 10.312500 20.625000 -----	1.167286%
	TOTAL				100.000000	100.000000	
E-2659-11	T-027N R-010W SEC. 032 E/2 SUBJECT TO GLA-77 UNDRILLED LOCATION GEOLOGICAL INFERENCE	320.00	ORRI: ROYALTY: WORKING INTEREST: BURLINGTON RESOURCES O&G CO LP	TRACT 122B	0.000000 0.000000 100.000000 -----	84.200000 12.500000 3.300000 -----	2.334572%
	TOTAL				100.000000	100.000000	

BURLINGTON RESOURCES OIL & GAS CO LP - OPERATOR
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR FRUITLAND COAL FORMATION
SAN JUAN COUNTY, NEW MEXICO
EFFECTIVE 4-1-06

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	GWI PERCENTAGE	NRI PERCENTAGE	PARTICIPATION FACTOR
E-2941-1	T-026N R-009W SEC. 016 NE/4SE/4	40.00	TRACT 139 ORRI: ROYALTY: WORKING INTEREST: WILLIAMS PRODUCTION COMPANY		0.000000 0.000000 100.000000	0.000000 12.500000 87.500000	0.291821%
	SUBJECT TO GLAT7 UNDRILLED LOCATION GEOLOGICAL INFERENCE				100.000000		
			TOTAL		100.000000	100.000000	
C.E. THOMPSON	T-026N R-009W SEC. 022 NE/4SE/4	40.00	TRACT 141 ORRI: ROYALTY: WORKING INTEREST: MCCONNELL LTD CO AJM LLC BURLINGTON RESOURCES O&G CO LP		0.000000 0.000000 32.012500 0.487500 67.500000	12.375000 12.500000 24.049388 0.366234 50.709378	0.291821%
			TOTAL		100.000000	100.000000	
GLEN W SWIRE	T-026N R-009W SEC. 022 SE/4NW/4	40.00	TRACT 142 ORRI: ROYALTY: WORKING INTEREST: BURLINGTON RESOURCES O&G CO LP		0.000000 0.000000 100.000000	1.750000 0.000000 98.250000	0.291821%
			TOTAL		100.000000	100.000000	
GLEN W SWIRE	T-026N R-009W SEC. 022 S/2NE/4	80.00	TRACT 142A ORRI: ROYALTY: WORKING INTEREST: BURLINGTON RESOURCES O&G CO LP		0.000000 0.000000 100.000000	1.750000 0.000000 98.250000	0.583643%
			TOTAL		100.000000	100.000000	



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:
Huerfano Unit Fruitland Coal PA
3162.7 (21110)

January 19, 2007

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

RE: Huerfano Unit
Commerciality Determination
Fruitland Coal Formation
San Juan County, NM

Dear Ms. Howell:

In response to your letter dated January 9, 2007, the Farmington Field Office has reviewed the data you submitted for a commerciality determination for the following well completed in the Fruitland Coal formation.

Well Name & Number	Dedication	Lease	Completion Date	Determination
Huerfano Unit #37	E/2 Sec. 18, T26N, R9W	NMNM03017	3/16/2006	Commercial

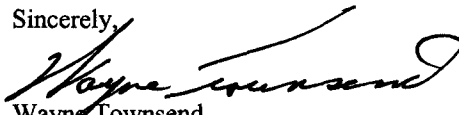
After completing our economic evaluation, we are in concurrence with the above determination.

The Fruitland Coal formation in this well is determined to be commercial and is to be included in the Fruitland Coal participating area. It is required that a revision be submitted to include this well in the Huerfano Unit Fruitland Coal 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



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:

Huerfano Unit Fruitland Coal PA
3162.7 (21110)

December 18, 2006

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

RE: Huerfano Unit
Commerciality Determination
Fruitland Coal Formation
San Juan County, NM

Dear Ms. Howell:

In response to your letter dated October 30, 2006, the Farmington Field Office has reviewed the data you submitted for a commerciality determination for the following well completed in the Fruitland Coal formation.

Well Name & Number	Dedication	Lease	Completion Date	Determination
Huerfano Unit #34	W/2 Sec. 8, T26N, R9W	NMSF077980A	3/13/2006	Commercial

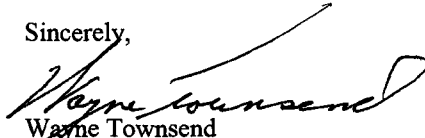
After completing our economic evaluation, we are in concurrence with the above determination.

The Fruitland Coal formation in this well is determined to be commercial and is to be included in the Fruitland Coal participating area. It is required that a revision be submitted to include this well in the Huerfano Unit Fruitland Coal 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

AJM LLC
PO BOX 406
LONE WOLF, OK 73655

ALBERT R GREER
4900 COLLEGE BLVD
FARMINGTON, NM 87402

BENSON MONTIN GREER
DRILLING CORP
4900 COLLEGE BLVD
FARMINGTON, NM 87402

BETTY T JOHNSTON MARITAL TRUST
BETTY JOHNSTON/LEYLE CARBAUGH
PAUL M HARDWICK CO-TRUSTEES
245 COMMERCE GREEN BLVD STE280

CHASE OIL CORPORATION
PO BOX 1767
ARTESIA, NM 882111767

CHEVRON MIDCONTINENT LP
ATTN NOJV MANAGER
MID CONTINENT BUSINESS UNIT
11111 S WILCREST
HOUSTON, TX 770999043

SUGAR LAND, TX 77478

CONOCOPHILLIPS COMPANY
CHIEF LANDMAN SAN JUAN/ROCKIES
PO BOX 2197

DUGAN PRODUCTION CORPORATION
PO BOX 420
FARMINGTON, NM 874990420

EDNA IONE HALL TRUST
EDNA IONE HALL SOLE TRUSTEE
C/O ELLIOTT OIL CO
BOX 1355
ROSWELL, NM 88201

HOUSTON, TX 772522197

ENERGEN RESOURCES CORP
ATTN DAVID POAGE
2198 BLOOMFIELD HWY

EULA MAY JOHNSTON TRUST
BANK OF AMERICA NA TRUSTEE
PO BOX 2546

EVKO DEVELOPMENT COMPANY
PO BOX 245
SAUSALITO, CA 94966

FARMINGTON, NM 87401

FT WORTH, TX 761132546

FRANK O ELLIOTT LIVING TRUST
FRANK O ELLIOTT TRUSTEE
PO BOX 1355
ROSWELL, NM 88201

FRANKLIN P LILLY
2629 OAK MEADOW DR
ROUND ROCK, TX 78681

GLACIER PARK COMPANY
P O BOX 840656
DALLAS, TX 752840656

GROSS RESOURCES LTD PTSHP
FDR STATION
PO BOX 945
NEW YORK, NY 10150

HANSON MCBRIDE PETROLEUM CO
PO BOX 1515
ROSWELL, NM 882021515

JOHN SCOTT WESTEFELD
4831 SOUTHCHASE CT
IOWA CITY, IA 52245

KELLY MINERALS INTERESTS JV
2709 WOLFF DR
ARLINGTON, TX 760151020

LA PLATA GATHERING SYSTEM INC
ONE ENERGY SQUARE #852
4925 GREENVILLE AVENUE
DALLAS, TX 752064079

LANGDON D HARRISON REVOC TRUST B
C/O ZIA DATA SEARCH
JACQUELINE M HARRISON SUCC TRUSTEE
PO DRAWER 2188

ROSWELL, NM 88202

MACDONALD HALBERSTADT REVOCABLE
FAMILY TRUST DTD 2/21/02
1310 VIA CHRISTINA
VISTA, CA 92084

MARYAN KLINGER TRUST
ROBERT KLINGER SUCC TRUSTEE
C/O ROBERT KLINGER
1788 MONTY CT
STOCKTON, CA 952072402

MCCONNELL LTD CO
C/O JON BREED CPA
3430 FLORIDA NE
ALBUQUERQUE, NM 87110

MICHAEL J LILLY
470 ROADRUNNER TRL
BERTRAM, TX 78605

PRODUCTION GATHERING CO LP
8080 N CENTRAL EXPY STE 1090
DALLAS, TX 75206

ROBERT BEAMON TRUSTEE
2603 AUGUSTA STE 1050
HOUSTON, TX 77057

ROBERT WALTER LUNDELL
2450 FONDREN #304
HOUSTON, TX 77063

ROGERS-GIBBARD TRUST
C/O SUSAN R EVELAND
3630 RIVER OAKS COURT
TYLER, TX 757071658

SUNLAND REFINING CORP
C/O WORLD OIL CORP
9302 GARFIELD AVE
SOUTH GATE, CA 90280

THOMAS H YATES JR
C/O JIL OIL CORP
10500 HERITAGE ST STE 100
SAN ANTONIO, TX 78216

V A JOHNSTON FAMILY TRUST
C/O DAVID A PREWITT & M A CHESSE
CO-TRUSTEES
PO BOX 825
RALLS, TX 79357

WILLIAM J GREEN
P O BOX 1465
MIDLAND, TX 79702

WILLIAMS PRODUCTION COMPANY
ONE WILLIAMS CENTER
PO BOX 3102 MD25-1
TULSA, OK 74101

XTO ENERGY INC
810 HOUSTON ST STE 2000
FORT WORTH, TX 761026298

ZZZ KELLY & TRUST LLC
LOUISIANA LTD LIABCO
535 ONEONTA ST
SHREVEPORT, LA 711061619

R11W

R10W

R9W

Huerfano Unit

Fruitland Coal PA

Approved 17th Expan., Effective 2/01/2002

Proposed 18th Expan., Effective 4/1/2006

T 27
N

T 26
N

T 25
N

Well Status

ACTIVE

INACTIVE

BURLINGTON
RESOURCES

Inventory Management
San Juan Business Unit
Farmington, New Mexico
2/2007