

PATRICK H. LYONS COMMISSIONER

2009 JAN 29 PN 1 33 State of New Mexico Commissioner of Public Lands

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

January 26, 2009

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

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

Attention: Ms. Dawn Howell

Re:

San Juan 32-7 Unit

Commerciality Determinations

San Juan 32-7 Unit # 93M N/2 Sec. 36-32N-7W San Juan 32-7 Unit # 93 N/2 Sec. 36-32N-7W San Juan 32-7 Unit # 24A W/2 Sec. 21-32N-7W San Juan 32-7 Unit # 25F S/2 Sec. 36-32N-7W San Juan 32-7 Unit # 25A S/2 Sec. 36-32N-7W San Juan 32-7 Unit # 26M S/2 Sec. 35-32N-7W San Juan 32-7 Unit # 43M E/2 Sec. 21-32N-7W

Dakota Formation

San Juan County, New Mexico

Dear Ms. Howell:

We are in receipt of your letter of December 5, 2008 and a copy of the Bureau of Land Management's letter of January 5, 2009 regarding the referenced commerciality determinations for the San Juan 32-7 Unit.

We concur with the Bureau of Land Management that the San Juan 32-7 Unit Well No. 93M N/2 Sec. 36-32N-7W is a commercial well in the Dakota formation and should be included in the Dakota participating area. The San Juan 32-7 Unit Well Nos. 93, 24A, 25F 25A, 26M and 43M are non-commercial wells and should be produced on a lease basis.

Please submit an application for the appropriate expansion of the Dakota 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

CD-Santa Fe Attn: Mr. Ed Martin TRD-Attn: Mr. Valdean Severson

RMD-Mr. Kurt McFall

-State Land Office Beneficiaries -

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PATRICK H. LYONS COMMISSIONER

2009 APR 20 PM 12 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

April 16, 2009

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ConocoPhillips P.O. Box 4289 Farmington, New Mexico 87499-4289

Attn:

Mr. Ben Malone

Re:

2009 Plan of Development

San Juan 32-7 Unit

San Juan County, New Mexico

Dear Mr. Malone:

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

JAMI BAILEY, Director
Oil, Gas and Minerals Division

PL/JB/jm xc: Reader File OCD-Ed Martin

BLMF-Wayne Townsend



United States Department of the Interior

BUREAU OF LAND MANAGEMENT RECEIVED

Farmington Field Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87401

2009 JUN 25 PM 1 13

IN REPLY REFER TO: NMNM114795 (CA) 3105 (NMF01110)

June 23, 2009

1/20

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

Dear Sir/Madam:

On September 6, 2006 the San Juan 32-7Unit Thirty-Second Expansion for the Fruitland Coal formation was submitted to our office for approval. The approval for this expansion was accomplished on October 11, 2006. The submission of this expansion caused the following Communitization Agreement (CA) to become obsolete due to the inclusion into the Fruitland Coal participating area.

NMNM-114795, E½ of Sec. 8 and W½W½ of Sec. 9, T32N, R7W dedication for the San Juan 32-7 Unit #249, Effective 08/03/2005

This agreement communitized particular acres of Federal lands within the San Juan 32-7 Unit as to natural gas and associated liquid hydrocarbons producible from the Fruitland Coal formation. The term of the agreement was for 2 years and for so long thereafter as communitized substances are produced in paying quantities.

Our records indicate that the well dedicated to the described agreements were completed and that the public interest requirements for the communitization agreement, pursuant to 43 CFR 3105.2-3, have been met.

The effective termination date of this CA is September 1, 2005, this date being the effective date of the Thirty-Second Expansion to the Fruitland Coal formation. All subject Federal leases involved with this CA are held by the Unit. All indicated well will report to 8910004410 (NMNM78423A) (Fruitland Coal participating area for the San Juan 32-7 Unit) from effective termination date of the CA.

If you have any questions, please contact me at the above address or telephone (505) 599-8922.

Sincerely,

/s/ Lucy Bee
Lucy Bee
Legal Instruments Examiner
Petroleum Management Branch

cc:

MMS, MS-3133, Denver, CO NMOCD, Santa Fe NM Tax & Rev. Dept. NMSO (93000) (w/o encl.)



PATRICK LLYUNS COMMISSIONER December 11, 2007

State of New Mexico Commissioner of Public Lands

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

420

COMMISSIONER'S OFFICE

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

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

Attn: Ms. Linda Dear

Re: 2007 Plan of Development

San Juan 32-7 Unit

San Juan County, New Mexico

Dear Ms. Dean:

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

JAMI BAILEY, Director

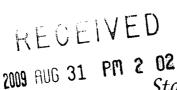
Oil, Gas and Minerals Division

PL/JB/jm

xc: Reader File

OCD

BLM





PATRICK H. LYONS
COMMISSIONER

State of New Mexico Commissioner of Public Lands

COMMISSIONER'S OFFICE Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

August 25, 2009

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

ConocoPhillips Company P. O. Box 4289 Farmington, NM 87499-4289 420

Attention: Ms. Dawn Howell

Re: San Juan 32-7 Unit

Commerciality Determinations

Dakota Formation

San Juan 32-7 Unit Well No. 37M, E/2 Sec. 8-32N-7W

San Juan County, New Mexico

Dear Ms. Howell:

We are in receipt of your letter of April 28, 2009 and a copy of the Bureau of Land Management's letter of May 27, 2009 regarding the referenced commercial determination for the San Juan 32-7 Unit Well No. 37M.

We concur with the Bureau of Land Management that the San Juan 32-7 Unit Well No. 37M is a commercial well in the Dakota formation and should be included in the Dakota participating area.

Please submit an application for the appropriate expansion of the Dakota 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. Ed Martin

TRD-Attn: Mr. Valdean Severson

RMD-Mr. Kurt McFall

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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

August 25, 2009

P. O. Box 4289 Farmington, NM 87499-4289

Attention: Ms. Dawn Howell

Re: San Juan 32-7 Unit

Commerciality Determinations
Dakota/Mesaverde Formations

San Juan 32-7 Unit Well No. 20, NSP Sec. 18-31N-7W

San Juan County, New Mexico

Dear Ms. Howell:

We are in receipt of your letter of April 24, 2009 and a copy of the Bureau of Land Management's letter of May 27, 2009 regarding the referenced commercial determinations for the San Juan 32-7 Unit Well No. 20.

We concur with the Bureau of Land Management that the San Juan 32-7 Unit Well No. 20 is a commercial well in the Dakota and Mesaverde formations and should be included in the Dakota and Mesaverde participating areas.

Please submit an application for the appropriate expansion of the Dakota and Mesaverde participating areas 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

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JAMI BAILEY, Director

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