

STATE OF ALASKA

SARAH PALIN, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL AND GAS

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March 31, 2009

Christopher J. Wilson
Alaska Alpine Engineering
ConocoPhillips Alaska, Inc.
PO Box 100360
Anchorage, Alaska 99510-0360

Re: Colville River Unit
First Revision of the Fiord Kuparuk Participating Area
And Second Year Reserves Estimate Revision

On February 27, 2009, ConocoPhillips Alaska, Inc. (ConocoPhillips), acting under 11 AAC 83.351 and Articles 9 and 10 of the Colville River Unit (CRU) Agreement, filed an application for the First Revision of the Fiord Kuparuk Participating Area (FKPA) within the CRU (Application). The revised FKPA includes certain lands not encompassed within the current FKPA boundaries and excludes certain lands currently within the FKPA. The Application also includes, among other things, a revised division of interest allocating FKPA Unit Tract Participations (See attached, revised Exhibit C to the CRU Agreement), a revised schedule allocating FKPA expense (revised Exhibit E to the CRU Agreement), and a revised schedule allocating unit expense to each FKPA Tract (revised Exhibit F to the CRU Agreement). Consistent with the provisions of Subsections 9.7.2 and 10.1.3 of the CRU Agreement, the Division approves the revised FKPA and the revised unit expense schedule effective April 1, 2009.

ConocoPhillips also updated the CRU Plan of Development (Attachment C to the Application) as part of the revision. In reviewing this update, the Division considered the information provided at FKPA technical meetings held on November 12, 2008, January 13, and January 29, 2009, and the criteria set out in 11 AAC 83.303. Under that regulation and Section 8.1 of the CRU Agreement, the Division also approves the updated CRU Plan of Development effective April 1, 2009.

Sincerely,



Kevin R. Banks
Director

Attachments: Revised Exhibit C for the FKPA, dated March 1, 2009
Revised Exhibit D for the FKPA

Exhibit C

Fiord Kuparuk Participating Area Tract Participations

Tr. No.	ADL No./ Tobin No.	Legal Description	Acres	Depth Restrictions	Original Royalty (%)	NPSL (%)	Tract Owners	Working Interest (%)	Tract Allocation
1	364472	T13N,R5E-U.M.		Above 6,980'	12.5	30	CPAI	78.000000	0.02030084
	931986	S1/2SW1/4, NW1/4SW1/4 of Sec. 28	<u>120.00</u>				APC	22.000000	
		TOTAL	120.00					100.000000	
					Below 6,980'	12.5	30	CPAI	
							APC	22.000000	
								100.000000	
2	364470	T13N,R5E-U.M.		None	12.5	30	CPAI	78.000000	0.00000718
	931974	SE1/4SE1/4 of Sec. 19	40.00				APC	22.000000	
		SW1/4SE1/4, S1/2SW1/4 of Sec. 20	120.00					100.000000	
		E1/2E1/2 of Sec. 30	<u>160.00</u>						
		TOTAL	320.00						
3	364471	T13N,R5E-U.M.		None	12.5	30	CPAI	78.000000	0.39821050
	931976	S1/2, NW1/4,					APC	22.000000	
		S1/2NE1/4, NW1/4NE1/4 of Sec. 29	600.00					100.000000	
		E1/2E1/2 OF Sec. 31	160.00						
		All of Sec. 32	640.00						
		S1/2, NW1/4, S1/2NE1/4 of Sec. 33	560.00						
		SW1/4SW1/4 of Sec. 34	<u>40.00</u>						
		TOTAL	2000.00						
4	372105	T12N,R5E-U.M.		Above 10,350'	12.5		CPAI	78.000000	0.00096935
	932002	N1/2NE1/4, SE1/4NE1/4 of Sec. 5	<u>120.00</u>				APC	22.000000	
		TOTAL	120.00					100.000000	
5	372104	T12N,R5E-U.M.		Above 10,350'	12.5		CPAI	78.000000	0.18482409
	932000	All of Sec. 3	640.00				APC	22.000000	
		N1/2, N1/2S1/2, S1/2SE1/4,						100.000000	
		SE1/4SW1/4 of Sec. 4	<u>600.00</u>						
		TOTAL	1240.00						
6	372103	T12N,R5E-U.M.		Above 10,350'	12.5		CPAI	78.000000	0.05482994
	931998	SW1/4, SW1/4NW1/4, SW1/4SE1/4 of Sec. 2	<u>240.00</u>				APC	22.000000	
		TOTAL	240.00					100.000000	

Exhibit C

Fiord Kuparuk Participating Area Tract Participations

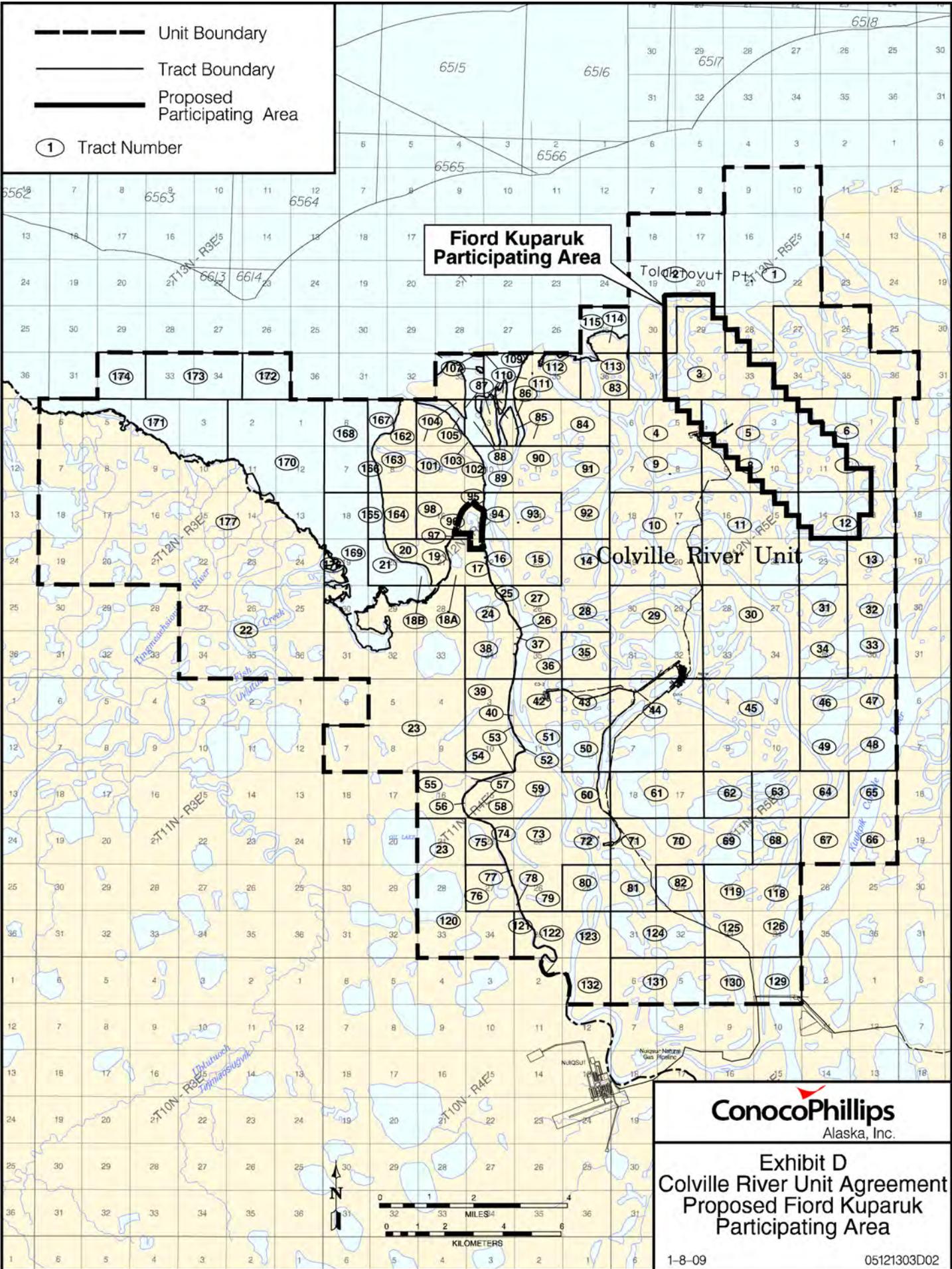
Tr. No.	ADL No./ Tobin No.	Legal Description	Acres	Depth Restrictions	Original Royalty (%)	NPSL (%)	Tract Owners	Working Interest (%)	Tract Allocation	
7	372103	T12N,R5E-U.M.		Above 10,350'	12.5		CPAI	78.000000	0.23193434	
	931998	All of Sec. 11 SW1/4 of Sec. 12	640.00 <u>160.00</u>				APC	<u>22.000000</u>		
		TOTAL	800.00					100.000000		
	<hr/>									
8	372104	T12N,R5E-U.M.		Above 10,350'	12.5		CPAI	78.000000	0.03642549	
	932000	N1/2NE1/4, SE1/4NE1/4 of Sec. 9 N1/2, N1/2S1/2, SE1/4SW1/4, S1/2SE1/4 of Sec. 10	120.00 <u>600.00</u>				APC	<u>22.000000</u>		
		TOTAL	720.00					100.000000		
	<hr/>									
11	372107	T12N,R5E-U.M.		Above 8,500'	12.5		CPAI	78.000000	0.00000000	
	932006	E1/2NE1/4, NW1/4NE1/4 of Sec. 15	<u>120.00</u>				APC	<u>22.000000</u>		
		TOTAL	120.00					100.000000		
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12	372106	T12N,R5E-U.M.		Above 8,500'	12.5		CPAI	78.000000	0.07249827	
	932004	NW1/4, W1/2SW 1/4 of Sec. 13 N1/2, N1/2S1/2, SE1/4SW1/4, S1/2SE1/4 of Sec. 14	240.00 <u>600.00</u>				APC	<u>22.000000</u>		
		TOTAL	840.00					100.000000		
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TOTAL PA ACRES			6520.00						1.000000000000	

KEY:

CPAI: ConocoPhillips Alaska, Inc.

APC: Anadarko Petroleum Corporation

-  Unit Boundary
-  Tract Boundary
-  Proposed Participating Area
-  Tract Number



ConocoPhillips
Alaska, Inc.

Exhibit D
Colville River Unit Agreement
Proposed Fiord Kuparuk
Participating Area

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