

STATE OF ALASKA

ANK H. MURKOWSKI, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL AND GAS

550 WEST 7TH AVENUE, SUITE 800
ANCHORAGE, ALASKA 99501-3560
PHONE: (907) 269-8800
FAX: (907) 269-8938

CERTIFIED MAIL RETURN RECEIPT REQUESTED

November 28, 2005

Matt Fox
Manager, North Slope Development
ConocoPhillips Alaska, Inc.
PO Box 100360
Anchorage, Alaska 99510-0360

Via Fax (265-6133) and Mail

Re: Colville River Unit
Second Revision of the Alpine Participating Area and Fifth Year Reserves Estimate Revision,
and Third Unit Plan of Development

On June 15, 2005, ConocoPhillips Alaska, Inc. (ConocoPhillips), as the unit operator of the Colville River Unit (CRU), filed an Application for the Second Revision of the Alpine Participating Area (APA) within the CRU (Application) under 11 AAC 83.351 and Article 9 of the CRU Agreement. The revised APA includes certain lands currently not within the APA boundaries and excludes certain lands currently within the APA boundaries. The Application also includes a revised division of interest allocating Unit Tract Participation among the CRU Tracts within the revised APA (See attached Exhibit C and Exhibit D to the CRU Agreement). The revised division of interest within the revised APA was filed under 11 AAC 83.371 and Article 10 of the CRU Agreement. In accordance with Article 9.5 and 10.1 of the CRU Agreement, the Application is approved effective December 1, 2005, subject to the June 6, 2005, Agreement between Arctic Slope Regional Corporation, the State of Alaska, ConocoPhillips, and Anadarko Petroleum regarding the CRU Five Year APA Revision and Reserves Estimate Revision.

ConocoPhillips also requested the Division of Oil & Gas' (Division) approval of the proposed Third CRU Plan of Development (Third CRU POD). In its review of this request, the Division considered the information provided at the CRU Section 3.9.8 Review Meeting held on June 29, 2005. The Division also considered the criteria in 11 AAC 83.303 and finds that the Third CRU POD protects the public interest. In accordance with Article 8.1 of the CRU Agreement, the Division approves the Third CRU POD for the period November 16, 2005 through November 15, 2006. Under 11 AAC 83.343 and Section 8.1.2 of the CRU Agreement, a Fourth CRU POD will be due 90 days before the expiration of the Third CRU POD. This approval is only for the general plan of development; specific field operations may require additional approval.


"Develop, Conserve, and Enhance Natural Resources for Present and Future Alaskans."

Matt Fox
North Slope Development Manager
Revised APA/Third CRU POD
November 28, 2005

The Division notes that under Article 8.1.2 of the CRU Agreement, specific Plans of Development are required not less than six months before commencement of production for any proposed additional participating areas within the CRU. We look forward in 2006 to the Plans of Development for the two Nanuq CD4 participating areas and the two Fiord CD3 participating areas.

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of "issuance" of this decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to Michael Menge, Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918, or sent by electronic mail to dnr_appeals@dnr.state.ak.us. This decision takes effect immediately. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

Sincerely,

for 
William Van Dyke
Acting Director

Attachments: Exhibit C and D to CRU Agreement

cc: AOGCC
Teresa Imm, ASRC
Dora Soria, CPAI (Fax 265-4966)

CRU3rdPOD_RevisedAPA_5YearReservesRevision_Approval

7005 0390 0002 4228 8710

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PS Form 3800, June 2002 See Reverse for Instructions	

Exhibit C

Revised June 15, 2005

Alpine Participating Area Tract Participation

Attached to and made a part of the Colville River Unit Agreement

Tract No.	ADL No./ AK No./ Tobin No.	Legal Description	Acres	Royalty (%)	Owners	Working Interest %	Tract Allocation
10	25538	T12N-R5E, U.M.		12.5	CPAI	78.00	0.00000753
	4715	Sec. 19: SW¼, S½SE¼	252.74		APC	22.00	
	932100	Sec. 20: SW¼SW¼	<u>40.00</u>				
		TOTAL	292.74				
14	25530	T12N-R4E, U.M.		12.5	CPAI	78.00	0.00020906
	4714	Sec. 24: S½, S½N½	<u>480.00</u>		APC	22.00	
	932098	TOTAL	480.00				
15	25529	T12N-R4E, U.M.		12.5	CPAI	78.00	0.00006283
	4713	Sec. 23: S½, S½N½	<u>480.00</u>		APC	22.00	
	932096	TOTAL	480.00				
16	25529	T12N-R4E, U.M.		12.5	CPAI	78.00	0.00082619
	4713	Sec. 22: S½, S½N½, excl. NPRA	<u>245.27</u>		APC	22.00	
	932096	TOTAL	245.27				
17	387211	T12N-R4E, U.M.		16.66667	CPAI	78.00	0.00001898
	4833	Sec. 22: S½, S½N½ within NPRA	<u>234.48</u>		APC	22.00	
	932197	TOTAL	234.48				
18-A	387211	T12N-R4E, U.M.		16.66667	CPAI	78.00	0.00000155
	4833	Sec. 21: S½, S½N½ within NPRA	<u>179.46</u>		APC	22.00	
	932197	TOTAL	179.46				
18-B	387211	T12N-R4E, U.M.		16.66667	CPAI	78.00	0.00000003
	4833	Sec. 21: S½, all tide and submerged lands seaward of the Mean High Water as shown on the official tract map for the Oil and Gas Lease Sale 43			APC	22.00	
	932197	TOTAL	<u>90.00</u>				
			90.00				

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Alpine Participating Area Tract Participation

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Tract No.	ADL No./ AK No./ Tobin No.	Legal Description	Acres	Royalty (%)	Owners	Working Interest %	Tract Allocation
19	380095	T12N-R4E, U.M.		16.667	CPAI	78.00	0.00000029
	4621	Sec. 21: S½, SE¼NW¼, S½NE¼			APC	22.00	
	932056	all tide and submerged lands seaward of the Mean High Water as shown on the official tract map for the Oil and Gas Lease Sale 43					
		TOTAL	183.40	183.40			
20	380095	T12N-R4E, U.M.		16.667	CPAI	78.00	0.00000000
	4621	Sec. 20: SE¼, all tide and submerged lands seaward of the Mean High Water as shown on the official tract map for the Oil and Gas Lease Sale 43			APC	22.00	
	932056						
		TOTAL	1.30	1.30			
21	387211	T12N,R4E-U.M.		16.66667	CPAI	78.00	0.00000000
	4833	Sec. 20: SE¼, SE¼SW¼, all tide and submerged lands seaward of the Mean High Water as shown on the official tract map for the Oil and Gas Lease Sale 43			APC	22.00	
	932197						
		TOTAL	198.74	198.74			
23	ASRC	T11N-R4E, U.M.		16.667	CPAI	78.00	0.04082772
	ALK-4743	Sec. 4: ALL	640.00		APC	22.00	
		Sec. 5: NE¼, E½SE¼	240.00				
		Sec. 9: N½, SE¼, E½SW¼	560.00				

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Tract No.	ADL No./ AK No./ Tobin No.	Legal Description	Acres	Royalty (%)	Owners	Working Interest %	Tract Allocation
		T12N-R4E, U.M. Sec. 28: ALL, (fractional) excluding tide and submerged lands seaward of the line of mean high water	565.98				
		Sec. 29: E½, E½W½, (fractional) excluding tide and submerged lands seaward of the line of mean high water	317.51				
		Sec. 32: E½, E½W½, (fractional) excluding tide and submerged lands seaward of the line of mean high water	442.98				
		Sec. 33: ALL	<u>640.00</u>				
		TOTAL	3,406.47				
24	387212 4834 932199	T12N-R4E, U.M. Sec. 27: ALL, within NPRA	<u>550.29</u>	16.66667 Sliding Scale	CPAI APC	78.00 22.00	0.00854381
		TOTAL	550.29				
25	25530 4714 932098	T12N-R4E, U.M. Sec. 27: ALL, excl. NPRA	<u>89.71</u>	12.5	CPAI APC	78.00 22.00	0.00269041
		TOTAL	89.71				
26	387212 4834 932199	T12N-R4E, U.M. Sec. 26: ALL, within NPRA	<u>17.36</u>	16.66667 Sliding Scale	CPAI APC	78.00 22.00	0.00040179
		TOTAL	17.36				
27	25530 4714 932098	T12N-R4E, U.M. Sec. 26: ALL, excl. NPRA	<u>622.64</u>	12.5	CPAI APC	78.00 22.00	0.00754432
		TOTAL	622.64				
28	25530 4714 932098	T12N-R4E, U.M. Sec. 25: ALL	<u>640.00</u>	12.5	CPAI APC	78.00 22.00	0.01239749
		TOTAL	640.00				

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Tract No.	ADL No./ AK No./ Tobin No.	Legal Description	Acres	Royalty (%)	Owners	Working Interest %	Tract Allocation
29	25558	T12N-R5E, U.M.		5	CPAI	78.00	0.09198926
	4716	Sec. 29: S½, NW¼, NW¼NE¼, S½NE¼	600.00	12.5	APC	22.00	
	932102	Sec. 30: ALL	588.00				
		Sec. 31: ALL	591.00				
		Sec. 32: ALL	<u>640.00</u>				
		TOTAL	2,419.00				
30	25557	T12N-R5E, U.M.		12.5	CPAI	78.00	0.04756720
	4718	Sec. 27: S½SW¼	80.00		APC	22.00	
	932106	Sec. 28: S½, SW¼NW¼	360.00				
		Sec. 33: ALL	640.00				
		Sec. 34: S½, NW¼, NW¼NE¼, S½NE¼	<u>600.00</u>				
		TOTAL	1,680.00				
34	372108	T12N-R5E, U.M.		12.5	CPAI	78.00	0.00000000
	4559	Sec. 35: W½SW¼	<u>80.00</u>		APC	22.00	
	932008	TOTAL	80.00				
35	380096	T12N-R4E, U.M.		16.667	CPAI	78.00	0.05044167
	4622	Sec. 36: ALL	<u>640.00</u>		APC	22.00	
	932058	TOTAL	640.00				
36	25530	T12N-R4E, U.M.		12.5	CPAI	78.00	0.02919357
	4714	Sec. 35: ALL, excl. NPRA	<u>596.62</u>		APC	22.00	
	932098	TOTAL	596.62				
37	387212	T12N-R4E, U.M.		16.66667			0.00110728
	4834	Sec. 35: ALL, within NPRA	<u>43.38</u>	Sliding	CPAI	78.00	
	932199	TOTAL	43.38	Scale	APC	22.00	
38	387212	T12N-R4E, U.M.		16.66667			0.02318496
	4834	Sec. 34: ALL, within NPRA	<u>640.00</u>	Sliding	CPAI	78.00	
	932199	TOTAL	640.00	Scale	APC	22.00	

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Tract No.	ADL No./ AK No./ Tobin No.	Legal Description	Acres	Royalty (%)	Owners	Working Interest %	Tract Allocation
39	387207	T11N-R4E, U.M.		16.66667	CPAI	78.00	0.03008309
	4830	Sec. 3: ALL, within NPRA	<u>588.85</u>	Sliding	APC	22.00	
	932191	TOTAL	588.85	Scale			
40	380075	T11N-R4E, U.M.		16.667	CPAI	78.00	0.00349204
	4608	Sec. 3: ALL, excl. NPRA	<u>51.15</u>		APC	22.00	
	932034	TOTAL	51.15				
42	380075	T11N-R4E, U.M.		16.667	CPAI	78.00	0.04774199
	4608	Sec. 2: ALL	<u>640.00</u>		APC	22.00	
	932034	TOTAL	640.00				
43	380075	T11N-R4E, U.M.		16.667	CPAI	78.00	0.04723213
	4608	Sec. 1: ALL	<u>640.00</u>		APC	22.00	
	932034	TOTAL	640.00				
44	25559	T11N-R5E, U.M.		12.5	CPAI	78.00	0.15987085
	4717	Sec. 5: ALL	640.00		APC	22.00	
	932104	Sec. 6: ALL	593.00				
		Sec. 7: ALL	596.00				
		Sec. 8: ALL	<u>640.00</u>				
TOTAL	2,469.00						
45	372095	T11N-R5E, U.M.		12.5	CPAI	78.00	0.12601607
	4551	Sec. 3: ALL	640.00		APC	22.00	
	931992	Sec. 4: ALL	640.00				
		Sec. 9: ALL	640.00				
		Sec. 10: ALL	<u>640.00</u>				
TOTAL	2,560.00						
46	25560	T11N-R5E, U.M.		12.5	CPAI	78.00	0.00029495
	4719	Sec. 2: W½, W½SE¼	<u>400.00</u>		APC	22.00	
	932108	TOTAL	400.00				

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Tract No.	ADL No./ AK No./ Tobin No.	Legal Description	Acres	Royalty (%)	Owners	Working Interest %	Tract Allocation
49	25560	T11N-R5E, U.M.		12.5	CPAI	78.00	0.00056553
	4719	Sec. 11: NW¼, W½NE¼, W½SW¼			APC	22.00	
	932108	NE¼SW¼					
		TOTAL	<u>360.00</u> 360.00				
50	380075	T11N-R4E, U.M.		16.667	CPAI	78.00	0.06355565
	4608	Sec. 12: ALL			APC	22.00	
	932034	TOTAL	<u>640.00</u> 640.00				
51	380075	T11N-R4E, U.M.		16.667	CPAI	78.00	0.07264459
	4608	Sec. 11: ALL, excl. NPRA			APC	22.00	
	932034	TOTAL	<u>594.02</u> 594.02				
52	387207	T11N-R4E, U.M.		16.66667	CPAI	78.00	0.00338415
	4830	Sec. 11: ALL, within NPRA			APC	22.00	
	932191	TOTAL	<u>45.98</u> 45.98	Sliding Scale			
53	380075	T11N-R4E, U.M.		16.667	CPAI	78.00	0.00018468
	4608	Sec. 10: ALL, excl. NPRA			APC	22.00	
	932034	TOTAL	<u>5.83</u> 5.83				
54	387207	T11N-R4E, U.M.		16.66667	CPAI	78.00	0.04333633
	4830	Sec. 10: ALL, within NPRA			APC	22.00	
	932191	TOTAL	<u>634.17</u> 634.17	Sliding Scale			
55	387208	T11N-R4E, U.M.		16.66667	CPAI	78.00	0.00000000
	4831	Sec. 16: N½NE¼, SE¼NE¼, NE¼SE¼, within NPRA			APC	22.00	
	932193	TOTAL	<u>151.26</u> 151.26	Sliding Scale			
56	380075	T11N-R4E, U.M.		16.667	CPAI	78.00	0.00000000
	4608	Sec. 16: SE¼NE¼, NE¼SE¼, excl. NPRA			APC	22.00	
	932034	TOTAL	<u>8.73</u> 8.73				
57	387208	T11N-R4E, U.M.		16.66667	CPAI	78.00	0.00288784
	4831	Sec. 15: ALL, within NPRA			APC	22.00	
	932193	TOTAL	<u>103.94</u> 103.94	Sliding Scale			

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Attached to and made a part of the Colville River Unit Agreement

Tract No.	ADL No./ AK No./ Tobin No.	Legal Description	Acres	Royalty (%)	Owners	Working Interest %	Tract Allocation
58	380075	T11N-R4E, U.M.		16.667	CPAI	78.00	0.00763363
	4608	Sec. 15: ALL, excl. NPRA	<u>536.06</u>		APC	22.00	
	932034	TOTAL	536.06				
59	380075	T11N-R4E, U.M.		16.667	CPAI	78.00	0.02697375
	4608	Sec. 14: ALL	<u>640.00</u>		APC	22.00	
	932034	TOTAL	640.00				
60	380075	T11N-R4E, U.M.		16.667	CPAI	78.00	0.03619503
	4608	Sec. 13: ALL	<u>640.00</u>		APC	22.00	
	932034	TOTAL	640.00				
61	372097	T11N-R5E, U.M.		12.5	CPAI	78.00	0.00832728
	4553	Sec. 17: ALL	640.00		APC	22.00	
	931996	Sec. 18: ALL	<u>599.00</u>				
		TOTAL	1,239.00				
62	37096	T11N-R5E, U.M.		12.5	CPAI	78.00	0.00159950
	4552	Sec. 16: N½, N½S½, S½SW¼	<u>560.00</u>		APC	22.00	
	931994	TOTAL	560.00				
63	384210	T11N-R5E, U.M.		16.667	CPAI	78.00	0.00000012
	4701	Sec. 15: NW¼, N½NE¼, NW¼SW¼	<u>280.00</u>		APC	22.00	
	932078	TOTAL	280.00				
70	384211	T11N-R5E, U.M.		16.667	CPAI	78.00	0.00000000
	4702	Sec. 20: N½NW¼	<u>80.00</u>		APC	22.00	
	932080	TOTAL	80.00				
71	384211	T11N-R5E, U.M.		16.667	CPAI	78.00	0.00000000
	4702	Sec. 19: NW¼, N½NE¼	<u>220.58</u>		APC	22.00	
	932087	TOTAL	220.58				
72	380077	T11N-R4E, U.M.		16.667	CPAI	78.00	0.00000000
	4609	Sec. 24: N½, N½SW¼	<u>400.00</u>		APC	22.00	
	932036	TOTAL	400.00				

Exhibit C

Revised June 15, 2005





Alpine Participating Area Tract Participation

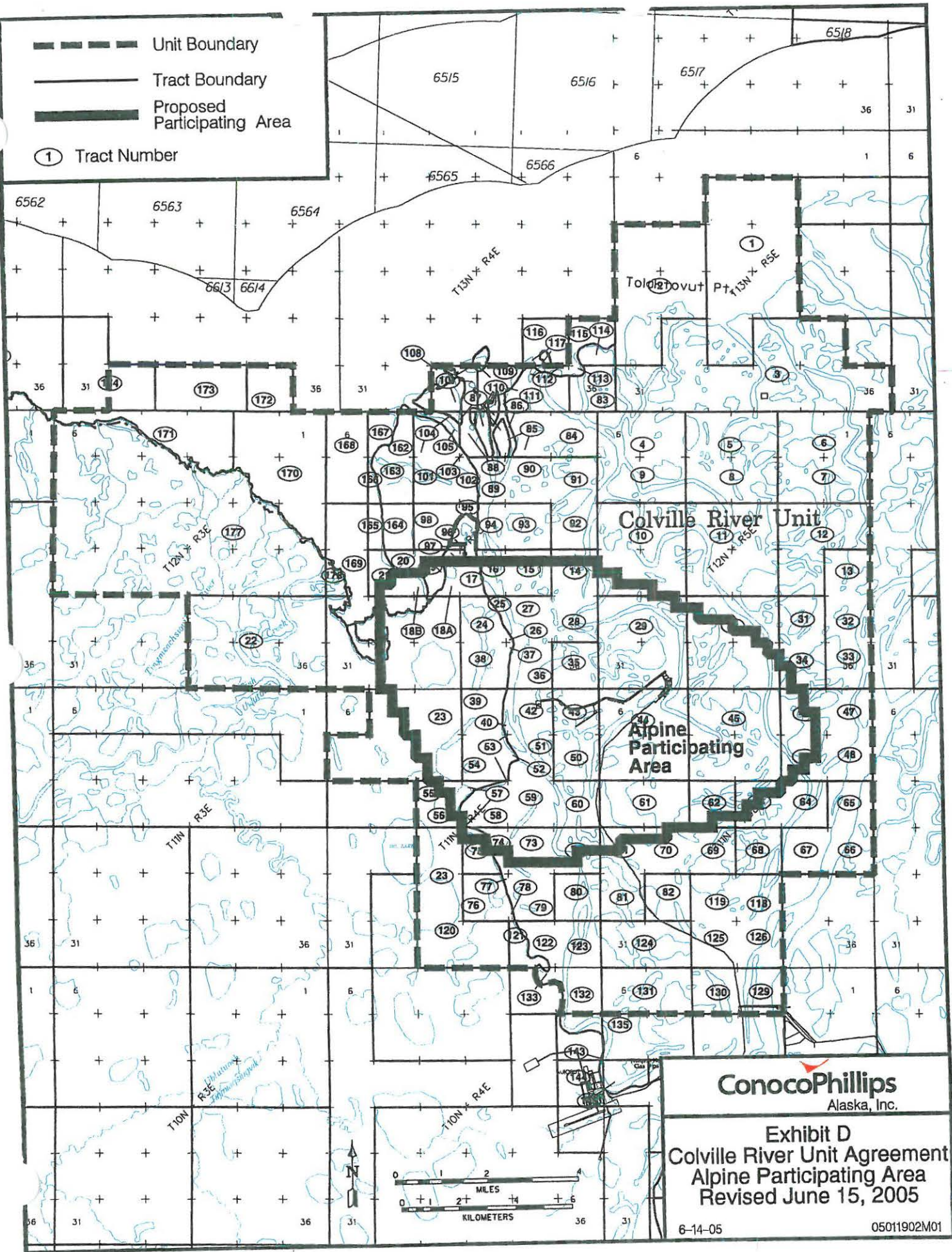
Attached to and made a part of the Colville River Unit Agreement

Tract No.	ADL No./ AK No./ Tobin No.	Legal Description	Acres	Royalty (%)	Owners	Working Interest %	Tract Allocation
73	380077	T11N-R4E, U.M.		16.667	CPAI	78.00	0.00074446
	4609	Sec. 23: N½, N½S½	<u>480.00</u>		APC	22.00	
	932036	TOTAL	480.00				
74	380077	T11N-R4E, U.M.		16.667	CPAI	78.00	0.00000474
	4609	Sec. 22: N½NW¼, NE¼, excl. NPRA	<u>146.10</u>		APC	22.00	
	932036	TOTAL	146.10				
75	387208	T11N-R4E, U.M.		16.66667	CPAI	78.00	0.00000323
	4831	Sec. 22: N½NW¼, NE¼, within NPRA	<u>93.84</u>	Sliding	APC	22.00	
	932193	TOTAL	93.84	Scale			
169	388466	T12N-R4E, U.M.		16.66667	CPAI	78.00	0.00021245
		Sec. 28: unsurveyed, all tide and submerged lands seaward of the line of mean high water and the channel closing lines as shown on the official tract map	62.67		APC	22.00	
		Sec. 29: E½, E½ W½, unsurveyed, all tide and submerged lands seaward of the line of mean high water and the channel closing lines as shown on the official tract map	162.40				
		Sec. 32: E½, E½ W½, unsurveyed, all tide and submerged lands seaward of the line of mean high water and the channel closing lines as shown on the official tract map THE CHANNEL CLOSING LINE WITHIN SECTION 28 WAS DRAWN BASED ON COASTAL LINE PROCEDURE. THE PURPOSE IS TO SEGREGATE TIDE AND SUBMERGED ACREAGE FROM UPLAND ACREAGE.	36.99				
		TOTAL	262.06				
TOTAL PA ACRES			29,841.43				

KEY:

CPAI - ConocoPhillips Alaska, Inc.
APC - Anadarko Petroleum Corporation

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



Colville River Unit

Alpine Participating Area

ConocoPhillips
Alaska, Inc.

Exhibit D
Colville River Unit Agreement
Alpine Participating Area
Revised June 15, 2005

6-14-05

05011902M01