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VIA COURIER

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September 7, 2004

Gary Perkins, Board Counsel
14 Floor, Law Branch
Alberta Energy and Utilities Board
640 - 5 Avenue, SW
Calgary, AB T2P 3G4

**Re: Proceeding No. 1347905: Phase 3 Proceedings
Under Bitumen Conservation Requirements
Athabasca Wabiskaw-McMurray Area**

We are the solicitors for ConocoPhillips Canada Resources Corp. ("ConocoPhillips"). ConocoPhillips holds extensive bitumen interests at Surmont in the Athabasca Wabiskaw-McMurray Area. Further, ConocoPhillips is proceeding with the Surmont Project, a commercial SAGD project which has received AEUB approval.

ConocoPhillips does not anticipate that it will be an active participant in the Phase 3 Hearing. ConocoPhillips, however, reserves the right to respond to any submission that impacts its interests in the Oil Sands, including any submissions that refer to confidential Surmont data or studies.

Yours truly,

BORDEN LADNER GERVAIS LLP

A handwritten signature in black ink, appearing to read 'R. Block', written over a horizontal line.

RANDALL W. BLOCK

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