



Burlington Resources Inc.
A wholly owned subsidiary

January 15, 2013

Bureau of Land Management
Attn: Mr. Wayne Townsend
6251 N. College Blvd, Suite A
Farmington, NM 87402

New Mexico Oil Conservation Division
Energy Minerals & Natural Resources
Attn: Ms. Lori Wrotenbery
1220 S. Saint Francis Drive
Santa Fe, NM 87505-4000

RE: San Juan 27-4 Unit (#14-08-001-1054)
Commerciality Determinations
Dakota Formation
Rio Arriba County, New Mexico

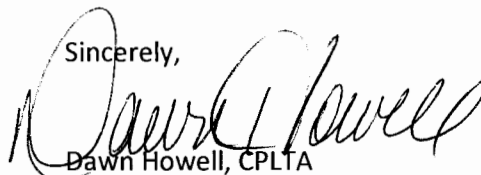
Gentlemen:

Pursuant to the provisions of Section 11(a) of the San Juan 27-4 Unit Agreement, #14-08-001-1054, approved, September 3, 1953, Burlington Resources Oil & Gas Company LP, as Operator, has determined that two of the three wells listed below are capable of producing unitized substances in paying quantities from the Dakota Formation. Burlington is seeking confirmation of the well determinations enclosed.

Well Name	Dedication	Lease No.	Comp. Date	Determination
SJ 27-4 Unit #32B	W/2 23-27N-4W	SF-080672	9-19-11	Non-Commercial
SJ 27-4 Unit #35M	W/2 26-27N-4W	SF-079527	9-29-11	Commercial
SJ 27-4 Unit #109M	E/2 23-27N-4W	SF-080672	10-14-11	Commercial

Upon receipt of response from the Bureau of Land Management and concurring response from the New Mexico Oil Conservation Division, the formal Participating Area Schedules will be prepared and submitted. The Non-Commercial well will continue to be reported to the Lease.

Copies of this letter and enclosures are being sent to the working interest owners as listed on the attached page. For technical questions please contact Shara Graham at 326-9819, all other questions to the undersigned at 599-4030.

Sincerely,

Dawn Howell, CPLTA
Senior Land Analyst

SJ 27-4 Unit 4.3

SAN JUAN 27-4 UNIT
WORKING INTEREST OWNERS
DAKOTA FORMATION

BURLINGTON RESOURCES OIL & GAS COMPANY LP
CHAPPELL FAMILY TR UTA DTD JUNE 4 98
HARCO LIMITED PARTNERSHIP
TEMPE LIMITED PARTNERSHIP
TIERRA POBRE LLC

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION BLM DATA SHEET SAN JUAN 27-4 35M

WELL INFORMATION

LEASE SAN JUAN 27-4 35M
LOCATION 26027N04W4
COUNTY, STATE RIO ARriba, NM
FORMATION DAKOTA
PROJECT TYPE NEWDRILL
WELL TYPE GAS WELL
OPERATOR CONOCOPHILLIPS CO
SPUD DATE 5/23/2011
COMP DATE 9/29/2011
1ST DELIVERY 9/29/2011
COMM GWI % 100.00
COMM NRI % 87.50
BOARD RATE % 10.00

PRODUCTION TAXES

TAXES FOR:

RIO ARriba, NM
2012 - 2013 Commerciality

GAS % OF REVENUE

SEVERANCE:

Severance, School, Conservation

7.93

AD VALOREM:

Production, Equipment

1.40

TOTAL %:

9.33

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

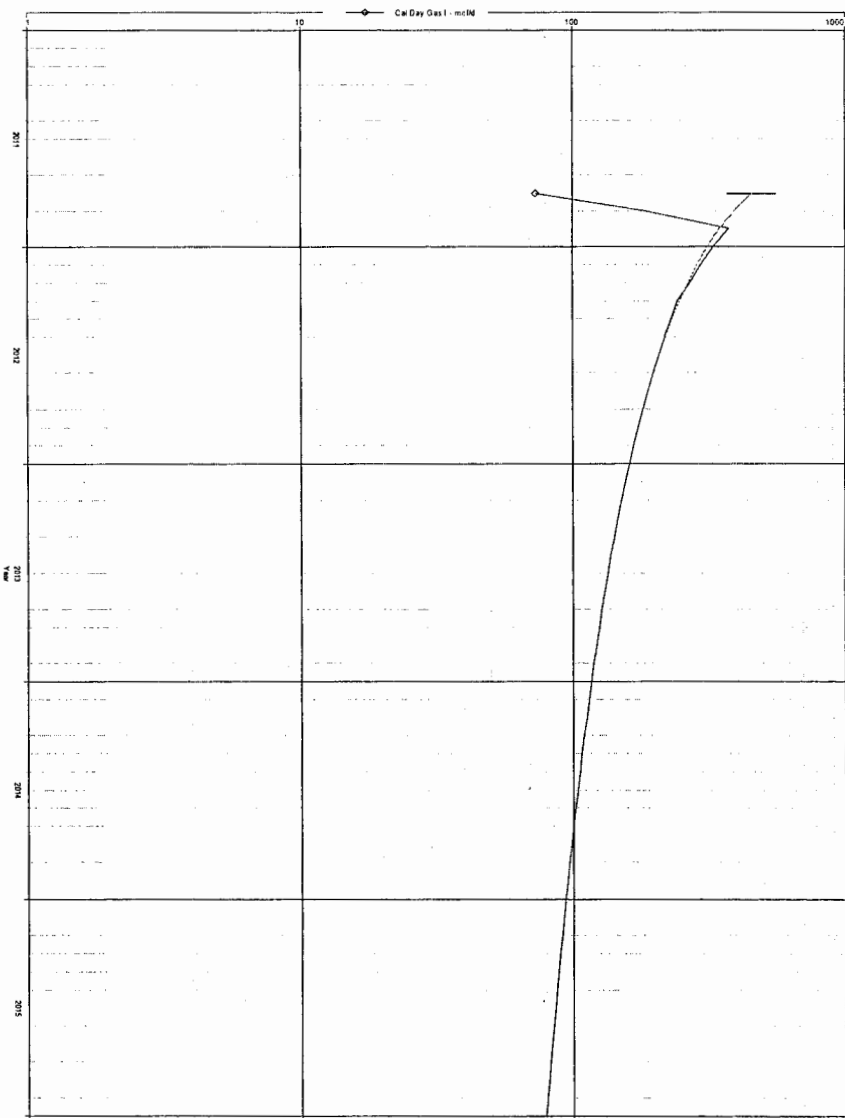
WELL COST AND ECONOMICS

918.80	M\$	AVERAGE WELL COST
447.80	MMCF	ULT. GROSS GAS RESERVES
212.58	MCFD	INITIAL GAS RATE
31.07	%	RATE OF RETURN
0.57	\$/	P/I, DISC. @ 10.00 %
522.38	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
2.74	YRS	PAYOUT

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION BLM DATA SHEET

SAN JUAN 27-4-35M

San Juan 27-4-35M 1.0250433333333333 Date: Oct 2011 - Sep 2012
 Title: BLM Data Sheet
 Author: BLM Data Sheet
 Date: 10/20/2012
 Version: 1.0
 Project: BLM Data Sheet
 File: BLM Data Sheet
 Path: C:\Users\BLM\Desktop\BLM Data Sheet



San Juan 27-4-35M 1.0250433333333333 Date: Oct 2011 - Sep 2012
 Title: BLM Data Sheet
 Author: BLM Data Sheet
 Date: 10/20/2012
 Version: 1.0
 Project: BLM Data Sheet
 File: BLM Data Sheet
 Path: C:\Users\BLM\Desktop\BLM Data Sheet

CASH FLOW SUMMARY

Date	Gas Rate	Gas Volume	Net Gas Volume	Net Cond Volume	Net Oth Volume	Gas Price	Gas Price	Cond Price	Oth Price	Net Revenue	Prod Taxes	Total Opcosts	Total Oper Inc	Total Capital	Total BT Cash
2011(12)	212.6	19.6	17.08	0.00	1.82	4.86	4.86	35.51	22.66	119.0	12.13	3.20	103.69	918.80	-815.11

Peep 2011.1

**BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 27-4 35M**

CASH FLOW SUMMARY

Date	Gasl Rate	Gasl Volume	Net Gas Volume	Net Cond Volume	Net Oth Volume	Gasl Price	Gas Price	Cond Price	Oth Price	Net Revenue	Prod Taxes	Total Opcosts	Total Oper Inc	Total Capital	Total BT Cash
2012(12)	224.8	82.3	71.87	0.00	7.64	4.86	4.86	35.51	22.66	500.7	51.05	12.80	436.88	0.00	436.88
2013(12)	138.0	50.4	43.99	0.00	4.67	4.86	4.86	35.51	22.66	306.5	31.24	12.80	262.42	0.00	262.42
2014(12)	105.1	38.4	33.51	0.00	3.56	4.86	4.86	35.51	22.66	233.4	23.80	12.80	196.83	0.00	196.83
2015(12)	86.7	31.7	27.66	0.00	2.94	4.86	4.86	35.51	22.66	192.7	19.64	12.80	160.24	0.00	160.24
2016(12)	74.6	27.3	23.84	0.00	2.53	4.86	4.86	35.51	22.66	166.1	16.93	12.80	136.37	0.00	136.37
2017(12)	66.2	24.2	21.10	0.00	2.24	4.86	4.86	35.51	22.66	147.0	14.99	12.80	119.21	0.00	119.21
2018(12)	59.0	21.5	18.82	0.00	2.00	4.86	4.86	35.51	22.66	131.1	13.37	12.80	104.96	0.00	104.96
2019(12)	52.7	19.2	16.79	0.00	1.78	4.86	4.86	35.51	22.66	117.0	11.93	12.80	92.25	0.00	92.25
2020(12)	46.9	17.1	14.98	0.00	1.59	4.86	4.86	35.51	22.66	104.4	10.64	12.80	80.92	0.00	80.92
2021(12)	41.9	15.3	13.36	0.00	1.42	4.86	4.86	35.51	22.66	93.1	9.49	12.80	70.81	0.00	70.81
2022(12)	37.4	13.6	11.92	0.00	1.27	4.86	4.86	35.51	22.66	83.1	8.47	12.80	61.79	0.00	61.79
2023(12)	33.4	12.2	10.64	0.00	1.13	4.86	4.86	35.51	22.66	74.1	7.55	12.80	53.75	0.00	53.75
2024(12)	29.7	10.9	9.49	0.00	1.01	4.86	4.86	35.51	22.66	66.1	6.74	12.80	46.57	0.00	46.57
2025(12)	26.6	9.7	8.47	0.00	0.90	4.86	4.86	35.51	22.66	59.0	6.01	12.80	40.16	0.00	40.16
2026(12)	23.7	8.6	7.55	0.00	0.80	4.86	4.86	35.51	22.66	52.6	5.36	12.80	34.45	0.00	34.45
2027(12)	21.1	7.7	6.74	0.00	0.72	4.86	4.86	35.51	22.66	46.9	4.79	12.80	29.35	0.00	29.35
2028(12)	18.8	6.9	6.01	0.00	0.64	4.86	4.86	35.51	22.66	41.9	4.27	12.80	24.80	0.00	24.80
2029(12)	16.8	6.1	5.36	0.00	0.57	4.86	4.86	35.51	22.66	37.4	3.81	12.80	20.75	0.00	20.75
2030(12)	15.0	5.5	4.78	0.00	0.51	4.86	4.86	35.51	22.66	33.3	3.40	12.80	17.13	0.00	17.13
Sub.	428.1	373.97	0.00	0.00	39.74	---	---	---	---	2,605.4	265.62	246.48	2,093.32	918.80	1,174.52
Rem.	19.7	17.21	0.00	0.00	1.83	---	---	---	---	119.9	12.22	64.02	43.64	0.00	43.64
Total	447.8	391.18	0.00	0.00	41.57	---	---	---	---	2,725.3	277.84	310.50	2,136.96	918.80	1,218.16

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION BLM DATA SHEET SAN JUAN 27-4 109M

WELL INFORMATION

LEASE SAN JUAN 27-4 109M
 LOCATION 23027N04WJ
 COUNTY, STATE RIO ARriba, NM
 FORMATION DAKOTA
 PROJECT TYPE NEWDRILL
 WELL TYPE GAS WELL
 OPERATOR CONOCOPHILLIPS CO
 SPUD DATE 6/29/2011
 COMP DATE 10/14/2011
 1ST DELIVERY 11/30/2011
 COMM GVI % 100.00
 COMM NRI % 87.50
 BOARD RATE % 10.00

PRODUCTION TAXES

TAXES FOR: RIO ARriba, NM
 2012 - 2013 Commerciality
 GAS % OF REVENUE

SEVERANCE:
 Severance, School, Conservation 7.93
 AD VALOREM:
 Production, Equipment 1.40
 TOTAL %: 9.33

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

WELL COST AND ECONOMICS

918.80 M\$ AVERAGE WELL COST
 455.94 MCF ULT. GROSS GAS RESERVES
 129.49 MCFD INITIAL GAS RATE
 27.12 % RATE OF RETURN
 0.53 \$/\$ P/I, DISC. @ 10.00 %
 488.31 M\$ NET PRESENT VALUE, DISC. @ 10.00 %
 3.22 YRS PAYOUT

SAN JUAN 27-4 109M

SAN JUAN 27 4 UNIT (109M) (230043039304971599) Date: Oct 2011-Jan 2011

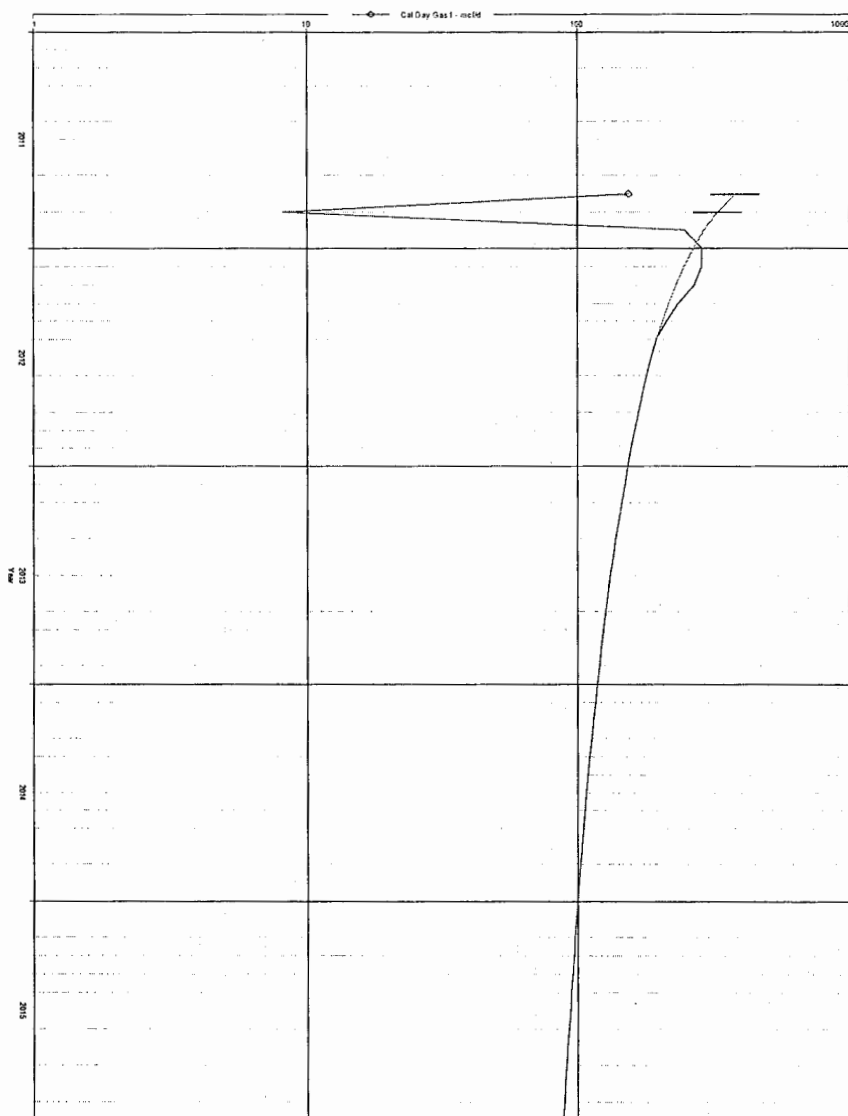
Address	18,000 N. HARRIS RD. CO. 9	County	CO. 9
Assessor	8409		
Zone	DR-011		
Type	CL		
County	None		

County	CO. 10	Section	10
	0.367000 = 36.70%		
	0.4301 = 43.01%		
County	CO. 11	Section	11
	0.367000 = 36.70%		
	0.4301 = 43.01%		
County	CO. 12	Section	12
	0.367000 = 36.70%		
	0.4301 = 43.01%		

Production Count	Q6: 0.000000	MS7B
Q6: 57.560000	MS6G5	
Q6: 0.390000	MS7B	
Count: 0.870000	MS7B	

Q6: 57.56	MS6G5
Q6: 0.39	MS7B
Count: 0.87	MS7B

Cal Day Gas 7°C - mcdl
Vertical Year
Relationship: Pulse-Time
CR 350.00 media 2011-17
D Cell, wda; 53.00 % (Hyg-BExp)
Cf: 4.83 media 2006-09
PRF: 414.37 LAGOSF
ELAR: 471.20 LAGOSF



Date	Gas1 Rate	Gas1 Volume	Net Gas Volume	Net Oth Volume	Gas1 Price	Gas Price	Cond Price	Oth Price	Net Revenue	Prod Taxes	Total Opcosts	Total Oper Inc	Total Capital	Total BT Cash
	Gas1	Gas1	Net Gas	Net Oth	Gas1	Gas	Cond	Oth	Net	Prod	Total	Total	Total	Total

2011(12)	mc/d	MMSCE	MMSCE	MSTR	MSTR	\$/MMBTU	\$/mcf	\$/Bbl	\$/Bbl	\$/M\$	\$/M\$	\$/M\$	\$/M\$	\$/M\$	\$/M\$	\$/M\$
	129.5	7.9	6.90	0.00	0.71	4.86	4.86	35.51	22.66	47.6	4.86	2.13	40.61	918.80	-878.19	

Peep 2011.1

**BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 27-4 109M**

CASH FLOW SUMMARY

Date	Gas1 Rate	Gas1 Volume	Net Gas Volume	Net Cond Volume	Net Oth Volume	Gas1 Price	Gas Price	Cond Price	Oth Price	Net Revenue	Prod Taxes	Total Opcosts	Total Oper Inc	Total Capital	Total BT Cash
2012(12)	mcf/d	MMSCF	MMSCF	MSTB	MSTB	\$/MMBTU	\$/mcf	\$/Bbl	\$/Bbl	M\$	M\$	M\$	M\$	M\$	M\$
2012(12)	208.0	76.1	66.51	0.00	6.84	4.86	4.86	35.51	22.66	458.8	46.81	12.80	399.20	0.00	399.20
2013(12)	134.7	49.2	42.94	0.00	4.41	4.86	4.86	35.51	22.66	296.2	30.22	12.80	253.20	0.00	253.20
2014(12)	109.0	39.8	34.75	0.00	3.57	4.86	4.86	35.51	22.66	239.7	24.46	12.80	202.44	0.00	202.44
2015(12)	94.0	34.3	29.98	0.00	3.08	4.86	4.86	35.51	22.66	206.8	21.10	12.80	172.90	0.00	172.90
2016(12)	83.2	30.4	26.59	0.00	2.73	4.86	4.86	35.51	22.66	183.4	18.71	12.80	151.88	0.00	151.88
2017(12)	74.2	27.1	23.64	0.00	2.43	4.86	4.86	35.51	22.66	163.1	16.64	12.80	133.66	0.00	133.66
2018(12)	65.9	24.1	21.03	0.00	2.16	4.86	4.86	35.51	22.66	145.1	14.80	12.80	117.45	0.00	117.45
2019(12)	58.6	21.4	18.70	0.00	1.92	4.86	4.86	35.51	22.66	129.0	13.16	12.80	103.04	0.00	103.04
2020(12)	52.0	19.0	16.63	0.00	1.71	4.86	4.86	35.51	22.66	114.7	11.71	12.80	90.22	0.00	90.22
2021(12)	46.4	16.9	14.79	0.00	1.52	4.86	4.86	35.51	22.66	102.0	10.41	12.80	78.81	0.00	78.81
2022(12)	41.3	15.1	13.15	0.00	1.35	4.86	4.86	35.51	22.66	90.7	9.26	12.80	68.68	0.00	68.68
2023(12)	36.7	13.4	11.70	0.00	1.20	4.86	4.86	35.51	22.66	80.7	8.23	12.80	59.66	0.00	59.66
2024(12)	32.5	11.9	10.40	0.00	1.07	4.86	4.86	35.51	22.66	71.8	7.32	12.80	51.64	0.00	51.64
2025(12)	29.0	10.6	9.25	0.00	0.95	4.86	4.86	35.51	22.66	63.8	6.51	12.80	44.51	0.00	44.51
2026(12)	25.8	9.4	8.23	0.00	0.85	4.86	4.86	35.51	22.66	56.8	5.79	12.80	38.16	0.00	38.16
2027(12)	22.9	8.4	7.32	0.00	0.75	4.86	4.86	35.51	22.66	50.5	5.15	12.80	32.52	0.00	32.52
2028(12)	20.4	7.4	6.51	0.00	0.67	4.86	4.86	35.51	22.66	44.9	4.58	12.80	27.51	0.00	27.51
2029(12)	18.2	6.6	5.79	0.00	0.59	4.86	4.86	35.51	22.66	39.9	4.07	12.80	23.05	0.00	23.05
2030(12)	16.1	5.9	5.15	0.00	0.53	4.86	4.86	35.51	22.66	35.5	3.62	12.80	19.08	0.00	19.08
Sub.	---	434.9	379.95	0.00	39.06	---	---	---	---	2,621.1	267.42	245.41	2,108.23	918.80	1,189.43
Rem.	---	21.0	18.35	0.00	1.89	---	---	---	---	126.6	12.92	64.02	49.66	0.00	49.66
Total	---	455.9	398.30	0.00	40.95	---	---	---	---	2,747.7	280.34	309.43	2,157.89	918.80	1,239.09

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION BLM DATA SHEET SAN JUAN 27-4 32B

WELL INFORMATION

LEASE SAN JUAN 27-4 32B
 LOCATION 23027N04WF
 COUNTY, STATE RIO ARriba, NM
 FORMATION DAKOTA
 PROJECT TYPE NEWDRILL
 WELL TYPE GAS WELL
 OPERATOR CONOCOPHILLIPS CO
 SPUD DATE 6/24/2011
 COMP DATE 9/19/2011
 1ST DELIVERY 8/23/2011
 COMM GWT % 100.00
 COMM NRI % 87.50
 BOARD RATE % 10.00

PRODUCTION TAXES

TAXES FOR: RIO ARriba, NM
 2012 - 2013 Commerciality
 GAS % OF REVENUE

SEVERANCE:
 Severance, School, Conservation 7.93
 AD VALOREM:
 Production, Equipment 1.40
 TOTAL %: 9.33

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

WELL COST AND ECONOMICS

918.80 M\$ AVERAGE WELL COST
 132.29 MMCF ULT. GROSS GAS RESERVES
 112.64 MCFCF INITIAL GAS RATE
 0.00 % RATE OF RETURN
 -0.63 \$/\$ P/I, DISC. @ 10.00 %
 -581.96 M\$ NET PRESENT VALUE, DISC. @ 10.00 %
 0.00 YRS PAYOUT

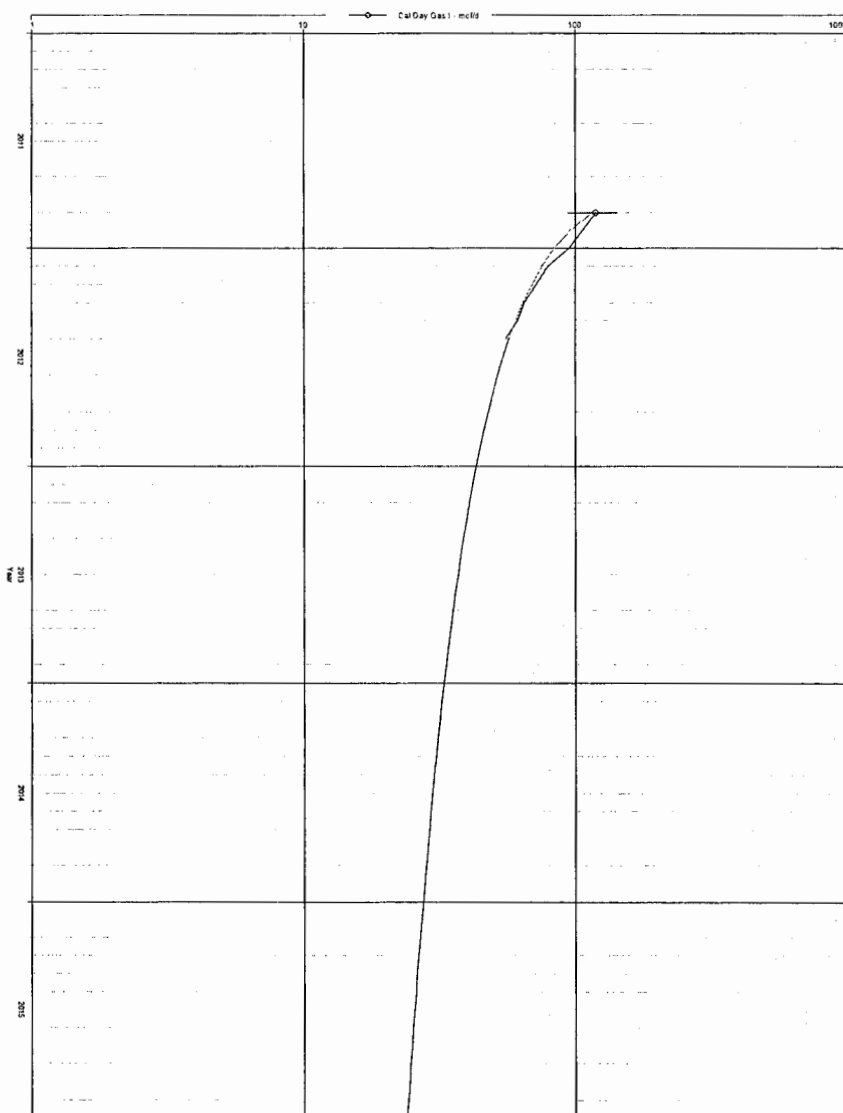
SAN JUAN 27-4 32B

Operator:	BURLINGTON RESOURCES	09/03/17
Field:	BA SIN	
Zone:	DANOTA	
Type:	Gas	
Group:	None	

Call Day One! FC-1 [904-768-7000]
Or 1-800-650-acton, 2011-11
Or 600-650-acton, 2109-70
Or MyFC-1 66-00076, LTD 19-87000 LARSON
For 1-20-2015 LARSON Tel: 602 1655 1450

Production Cost	
Oil	0.900000 MGT
Gas	19.870000 MASC
Water	0.356700 MGT
Cost	0.174000 MGT

—○— Cal Day Gen 1 - mcd
 Calm 19.87 MASC
 —+— Cal Day Gen 1 FC 1 - mcd
 Versat Year
 Position:hc: Race Time
 CR 130.00 mcd 2015-15
 D (vel, mcd): Cal 0.0 % (P+P)-E+G
 CR 0.00 mcd 2109-10
 PRS: 120.00 MASC
 RPR: 140.17 MASC



	Gas1	Gas1	Net Gas	Net Cond	Net Oth	Gas1	Gas	Cond	Oth	Net	Prod	Total	Total	Total
Date	Rate	Volume	Volume	Volume	Volume	Price	Price	Price	Revenue	Taxes	Opcosts	Oper Inc	Capital	BT Cash

2011(12)	112.6	6.9	6.00	0.00	0.61	"	4.86	"	4.86	35.51	22.66	41.4	4.22	2.13	35.01	918.80	-883.79
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01/10/2013 13:30

**BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 27-4 32B**

CASH FLOW SUMMARY																
Date	Gas1 Rate	Gas1 Volume	Net Gas Volume	Net Cond Volume	Net Oth Volume	Gas1 Price	Gas Price	Cond Price	Oth Price	Net Revenue	Prod Taxes	Total Opcosts	Total Oper Inc	Total Capital	Total BT Cash	
	mcf/d	MMSCF	MMSCF	MSTB	MSTB	\$/MMBTU	\$/mcf	\$/bbl	\$/bbl	M\$	M\$	M\$	M\$	M\$	M\$	
2012(12)	59.9	21.9	19.16	0.00	1.96	4.86	4.86	35.51	22.66	132.0	13.47	12.80	105.77	0.00	105.77	
2013(12)	37.6	13.7	12.00	0.00	1.23	4.86	4.86	35.51	22.66	82.7	8.43	12.80	61.42	0.00	61.42	
2014(12)	30.0	11.0	9.58	0.00	0.98	4.86	4.86	35.51	22.66	66.0	6.73	12.80	46.45	0.00	46.45	
2015(12)	25.8	9.4	8.21	0.00	0.84	4.86	4.86	35.51	22.66	56.6	5.77	12.80	38.01	0.00	38.01	
2016(12)	22.8	8.3	7.28	0.00	0.75	4.86	4.86	35.51	22.66	50.2	5.12	12.80	32.25	0.00	32.25	
2017(12)	20.4	7.4	6.50	0.00	0.67	4.86	4.86	35.51	22.66	44.8	4.57	12.80	27.39	0.00	27.39	
2018(12)	18.2	6.6	5.79	0.00	0.59	4.86	4.86	35.51	22.66	39.9	4.07	12.80	23.05	0.00	23.05	
2019(12)	16.2	5.9	5.17	0.00	0.53	4.86	4.86	35.51	22.66	35.6	3.63	12.80	19.18	0.00	19.18	
2020(12)	14.4	5.3	4.61	0.00	0.47	4.86	4.86	35.51	22.66	31.8	3.24	12.80	15.73	0.00	15.73	
2021(12)	12.9	4.7	4.11	0.00	0.42	4.86	4.86	35.51	22.66	28.4	2.89	12.80	12.66	0.00	12.66	
2022(12)	11.5	4.2	3.67	0.00	0.38	4.86	4.86	35.51	22.66	25.3	2.58	12.80	9.91	0.00	9.91	
2023(12)	10.3	3.7	3.27	0.00	0.34	4.86	4.86	35.51	22.66	22.6	2.30	12.80	7.46	0.00	7.46	
2024(12)	9.1	3.3	2.92	0.00	0.30	4.86	4.86	35.51	22.66	20.1	2.05	12.80	5.27	0.00	5.27	
2025(12)	8.2	3.0	2.61	0.00	0.27	4.86	4.86	35.51	22.66	18.0	1.83	12.80	3.32	0.00	3.32	
2026(12)	7.3	2.7	2.33	0.00	0.24	4.86	4.86	35.51	22.66	16.0	1.63	12.80	1.58	0.00	1.58	
2027(12)	6.6	1.6	1.41	0.00	0.14	4.86	4.86	35.51	22.66	9.7	0.99	8.54	0.18	0.00	0.18	
Total	---	119.8	104.63	0.00	10.71	---	---	---	---	720.9	73.56	202.73	444.64	918.80	-474.16	