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

Burlington Resources Inc.
A wholly owned subsidiary

April 29, 2008

Bureau of Land Management
Farmington Resource Area
Attn: Mr. Wayne Townsend
1235 La Plata Highway
Farmington, NM 87401

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Pete Martinez
P.O. Box 1148
Santa Fe, NM 87504-1148

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

**RE: Canyon Largo Unit (14-08-001-1059)
Commerciality Determinations
Gallup Formation
Rio Arriba County, New Mexico**

Gentlemen:

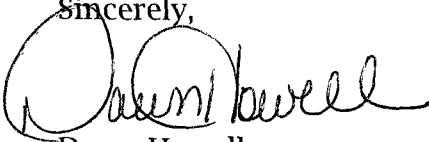
Pursuant to the provisions of Section 11(a) of the Canyon Largo Unit Agreement, #14-08-001-1059, approved, September 18, 1953, Burlington Resources Oil & Gas Company LP, as Operator, has determined that one of the wells listed below is capable of producing unitized substances in paying quantities from the Gallup Formation. Burlington is seeking confirmation of the well determinations enclosed.

Well Name	Well Dedication	Dedicated Lease	Completion Date	Commerciality Determination
Canyon Largo Unit #456	SE/4 3-24N-7W	SF-078922	2/5/06	Non-Commercial
Canyon Largo Unit #462	W/2 3-24N-7W	SF-079177	3/1/06	Non-Commercial
Canyon Largo Unit #466	SW/4 21-24N-7W	SF-078886	7/21/06	Commercial

Upon receipt of response from the Bureau of Land Management and concurring responses from the Commissioner of Public Lands and New Mexico Oil Conservation Division, the formal Participating Area Schedules will be prepared and submitted for the commercial well. The non-commercial wells will be carried on a lease basis.

Canyon Largo Unit
Commerciality Determinations
April 29, 2008
Page 2

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 Karen Stevens at 326-9754, all other questions to the undersigned at 599-4030.

Sincerely,

Dawn Howell
Staff Land Technician

CLU 4.3

CANYON LARGO UNIT 456

PRODUCTION TAXES

GAS % OF REVENUE

TOTAL %: 9.33

726 MMBtu / Mcf

684.00	M\$	AVERAGE WELL COST
18.15	MMCF	ULT. GROSS GAS RESERVES
13.50	MCFD	INITIAL GAS RATE
0.00	%	RATE OF RETURN
-0.95	\$/	P/I, DISC. @ 10.00 %
-650.25	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
0.00		PAYOUT

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION

BLM DATA SHEET

CANYON LARGO UNIT 456

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 Op costs	Total Oper Inc	Total Capital	Total BT Cash
	mcf/d	MMSCF	MMSCF	MSTB	MSTB	\$/MMBTU	\$/mcf	\$/Bbl	\$/Bbl	M\$	M\$	M\$	M\$	M\$	M\$
2006(12)	13.5	1.2	0.00	0.31	0.09	4.68	0.00	59.36	26.57	18.1	1.70	2.87	13.54	684.00	-670.46
2007(12)	11.3	4.1	0.14	0.19	0.29	6.49	0.67	58.88	33.93	18.7	1.77	11.50	5.43	0.00	5.43
2008(12)	8.6	3.2	2.26	0.11	0.23	5.92	5.92	61.10	32.23	25.7	2.57	11.50	11.68	0.00	11.68
2009(12)	7.3	2.7	1.90	0.00	0.19	5.80	5.80	60.91	33.10	16.5	1.68	11.50	3.32	0.00	3.32
2010(12)	6.4	2.3	1.67	0.00	0.17	5.78	5.78	60.73	33.41	14.5	1.47	11.50	1.55	0.00	1.55
2011(12)	5.8	2.1	1.51	0.00	0.15	5.77	5.77	62.26	35.06	13.3	1.35	11.50	0.47	0.00	0.47
2012(12)	5.4	1.1	0.82	0.00	0.08	6.03	6.03	63.81	36.01	7.5	0.76	6.71	0.06	0.00	0.06
Total	---	16.8	8.30	0.61	1.20	---	---	---	---	114.4	11.31	67.06	36.04	684.00	-647.96

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION

BLM DATA SHEET

CANYON LARGO UNIT 462

WELL INFORMATION

LEASE	CANYON LARGO UNIT 462
LOCATION	03024N007W
COUNTY, STATE	RIO ARRIBA, New Mexico
FORMATION	GALLUP
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	HUNTINGTON ENERGY LLC
SPUD DATE	6/3/2005
COMP DATE	3/1/2006
1ST DELIVERY	10/1/2006
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

PRODUCTION TAXES

TAXES FOR: RIO ARRIBA, New Mexico
2003 - 2004 Commerciality

GAS % OF REVENUE

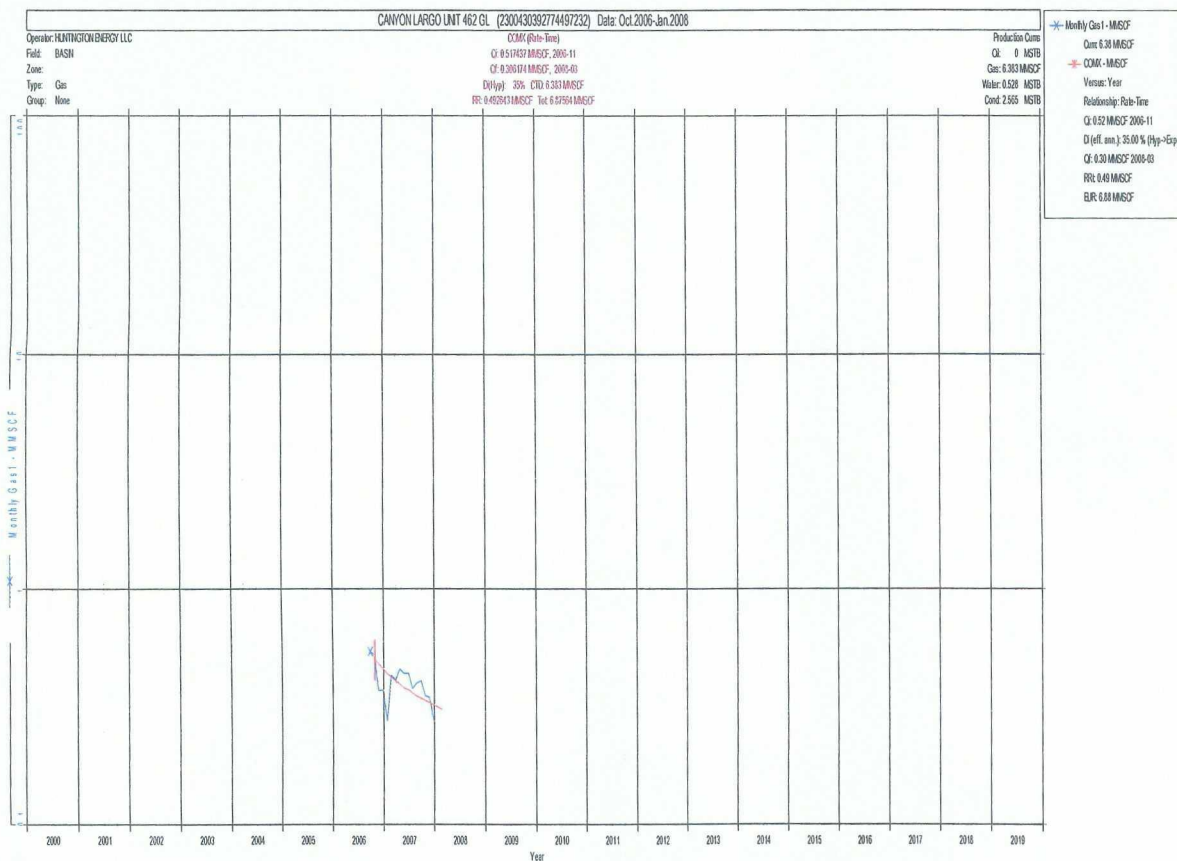
SEVERANCE:	
Severance, School, Conservation	7.93
AD VALOREM:	
Production, Equipment	1.40
TOTAL %:	9.33

AVERAGE HEAT CONTENT

361 MMBtu / Mcf

WELL COST AND ECONOMICS

684.00	M\$	AVERAGE WELL COST
6.88	MMCF	ULT. GROSS GAS RESERVES
15.59	MCFD	INITIAL GAS RATE
0.00	%	RATE OF RETURN
-0.97	\$/	P/I, DISC. @ 10.00 %
-660.92	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
0.00	YRS	PAYOUT



BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
CANYON LARGO UNIT 462

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\$
2006(12)	15.6	1.4	0.00	0.31	0.10	4.68	0.00	59.36	26.57	18.4	1.73	2.87	13.82	684.00	-670.18
2007(12)	12.8	4.7	0.25	0.19	0.33	6.49	0.67	58.88	33.93	20.8	1.98	11.50	7.35	0.00	7.35
2008(12)	6.3	-0.8	0.54	0.03	0.05	6.38	6.38	61.71	32.02	6.6	0.66	3.83	2.11	0.00	2.11
Total	---	6.9	0.79	0.52	0.49	---	---	---	---	45.9	4.38	18.20	23.29	684.00	-660.71

BURLINGTON RESOURCES

COMMERCIALITY DETERMINATION

BLM DATA SHEET

CANYON LARGO UNIT 466

WELL INFORMATION

LEASE	CANYON LARGO UNIT 466
LOCATION	21024N006W
COUNTY, STATE	RIO ARRIBA, New Mexico
FORMATION	GALLUP
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	HUNTINGTON ENERGY LLC
SPUD DATE	5/1/2006
COMP DATE	7/21/2006
1ST DELIVERY	9/19/2006
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

PRODUCTION TAXES

TAXES FOR:	RIO ARRIBA, New Mexico
	2003 - 2004 Commerciality

GAS % OF REVENUE

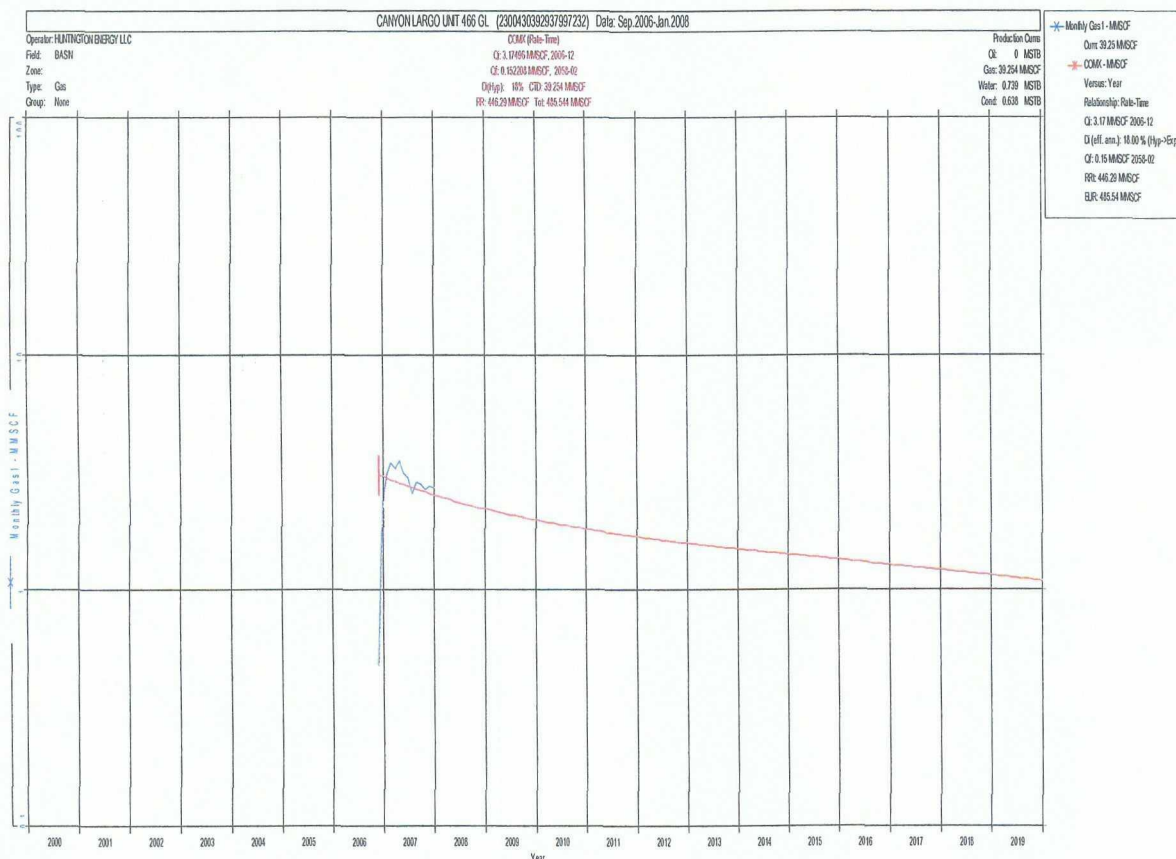
SEVERANCE:	
Severance, School, Conservation	7.93
AD VALOREM:	
Production, Equipment	1.40
TOTAL %:	9.33

AVERAGE HEAT CONTENT

917 MMBtu / Mcf

WELL COST AND ECONOMICS

684.00	M\$	AVERAGE WELL COST
377.06	MMCF	ULT. GROSS GAS RESERVES
15.32	MCFD	INITIAL GAS RATE
16.31	%	RATE OF RETURN
0.41	\$/	P/I, DISC. @ 10.00 %
278.43	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
5.97	YRS	PAYOUT



BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
CANYON LARGO UNIT 466

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 Op costs	Total Oper Inc	Total Capital	Total BT Cash
	mcf/d	MMSCF	MMSCF	MSTB	MSTB	\$/MMBTU	\$/mcf	\$/Bbl	\$/Bbl	M\$	M\$	M\$	M\$	M\$	M\$
2006(12)	15.3	0.5	0.00	0.14	0.03	4.68	0.00	59.36	26.57	8.0	0.75	0.96	6.25	684.00	-677.75
2007(12)	98.6	36.0	0.00	0.36	2.57	6.49	0.00	58.88	33.93	93.8	8.82	11.50	73.46	0.00	73.46
2008(12)	78.9	28.9	18.68	0.09	2.06	5.92	5.38	61.10	32.23	172.2	17.44	11.50	143.26	0.00	143.26
2009(12)	69.6	25.4	18.14	0.03	1.81	5.80	5.80	60.91	33.10	159.1	16.15	11.50	131.42	0.00	131.42
2010(12)	63.1	23.0	16.45	0.00	1.64	5.78	5.78	60.73	33.41	143.0	14.53	11.50	116.98	0.00	116.98
2011(12)	58.1	21.2	15.15	0.00	1.51	5.77	5.77	62.26	35.06	133.8	13.57	11.50	108.72	0.00	108.72
2012(12)	54.0	19.8	14.12	0.00	1.41	6.03	6.03	63.81	36.01	129.5	13.15	11.50	104.90	0.00	104.90
2013(12)	50.9	18.6	13.28	0.00	1.32	6.33	6.33	65.41	36.97	126.9	12.89	11.50	102.51	0.00	102.51
2014(12)	48.2	17.6	12.57	0.00	1.25	6.63	6.63	67.08	38.00	125.0	12.70	11.50	100.81	0.00	100.81
2015(12)	45.7	16.7	11.93	0.00	1.19	6.94	6.94	68.71	39.09	123.5	12.55	11.50	99.44	0.00	99.44
2016(12)	43.3	15.9	11.33	0.00	1.13	7.13	7.13	70.43	40.16	120.5	12.24	11.50	96.71	0.00	96.71
2017(12)	41.2	15.0	10.75	0.00	1.07	7.33	7.33	72.20	41.30	117.6	11.95	11.50	94.13	0.00	94.13
2018(12)	39.1	14.3	10.21	0.00	1.02	7.52	7.52	74.01	42.33	114.5	11.64	11.50	91.34	0.00	91.34
2019(12)	37.2	13.6	9.69	0.00	0.97	7.71	7.71	75.86	43.39	111.4	11.33	11.50	88.60	0.00	88.60
2020(12)	35.2	12.9	9.20	0.00	0.92	7.90	7.90	77.75	44.47	108.4	11.02	11.50	85.88	0.00	85.88
2021(12)	33.5	12.2	8.74	0.00	0.87	8.10	8.10	79.70	45.59	105.5	10.72	11.50	83.29	0.00	83.29
2022(12)	31.8	11.6	8.29	0.00	0.83	8.30	8.30	81.69	46.73	102.6	10.43	11.50	80.72	0.00	80.72
2023(12)	30.2	11.0	7.87	0.00	0.79	8.51	8.51	83.73	47.89	99.9	10.15	11.50	78.25	0.00	78.25
2024(12)	28.6	10.5	7.47	0.00	0.75	8.72	8.72	85.82	49.09	97.2	9.88	11.50	75.82	0.00	75.82
2025(12)	27.2	9.9	7.10	0.00	0.71	8.94	8.94	87.97	50.32	94.6	9.62	11.50	73.49	0.00	73.49
Sub.	---	334.5	210.98	0.61	23.83	---	---	---	---	2,286.9	231.52	219.38	1,835.96	684.00	1,151.96
Rem.	---	42.6	30.44	0.00	3.04	---	---	---	---	436.0	44.32	57.48	334.21	0.00	334.21
Total	---	377.1	241.42	0.61	26.87	---	---	---	---	2,722.9	275.84	276.86	2,170.17	684.00	1,486.17

Canyon Largo Unit
Gallup Formation
Working Interest Owners

Ammo Investment LTD

Burlington Resources Oil & Gas Company LP

ConocoPhillips Company

Dugan Production Company

Four Star Oil & Gas Company

Huntington Canyon Largo LLC

Kimball Oil Co of Texas

Leland Fikes Foundation

Petrohawk Energy Company



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PATRICK H. LYONS
COMMISSIONER

2008 APR 25 PM 4 26 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 21, 2008

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

Attention: Ms. Dawn Howell

Re: Canyon Largo Unit
Dakota Formation Commerciality Determinations
Well No. 313, NE/2 Sec. 28-25N-6W
Well No. 316, W/2 Sec. 21-25N-6W
Rio Arriba County, New Mexico

Dear Ms. Howell:

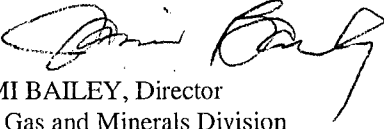
We are in receipt of your letter of February 21, 2008 and data regarding the commercial determination for the above captioned wells.

The Bureau of Land Management by their letter of March 7, 2008 concurred with your determination that the Canyon Largo Unit Well Nos. 313 and 316 are commercial wells in the Dakota formation. The Commissioner of Public Lands concurs with yours and the BLM's determination that the above captioned wells are commercial wells in the Dakota Formation. Please submit the appropriate revision of the Canyon Largo Unit Dakota Participating Area. Our concurrence is subject to like approval by the Bureau of Land Management.

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

BY: 
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-Attn: Mr. Kurt McFall

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University