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December 5, 2008

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

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: San Juan 30-5 Unit (14-08-001-346)
Commerciality Determinations
Fruitland Coal Formation
Rio Arriba County, New Mexico**

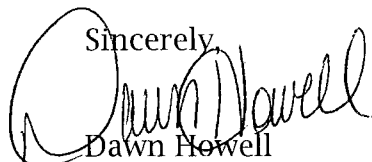
Ladies and Gentlemen:

Pursuant to the provisions of Section 11(a) of the San Juan 30-5 Unit Agreement, #14-06-001-346 approved September 8, 1952, ConocoPhillips Company, as Operator, has determined that the wells listed below are not capable of producing unitized substances in paying quantities from the Fruitland Coal Formation. ConocoPhillips is seeking confirmation of the well determinations enclosed.

Well Name	Dedication	Lease No.	Completion Date	Determination
SJ 30-5 Unit #247R	E/2 Sec. 26-30N-5W	SF-078738	9/6/2007	Non-Commercial
SJ 30-5 Unit #269	W/2 Sec. 25-30N-5W	SF-078378	10/11/07	Non-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 non-commercial wells will continue to be carried on a lease basis.

Copies of this letter and enclosures are being sent to the working interest owners as listed on the attached page. Please contact Karen Stevens at 326-9754 for any technical questions, and all other questions to the undersigned at 599-4030.

Sincerely,

Dawn Howell
Staff Land Technician

SJ 30-5 Unit 4.5

BURLINGTON RESOURCES

COMMERCIALITY DETERMINATION

BLM DATA SHEET

SAN JUAN 30-5 UNIT 247R

WELL INFORMATION

LEASE SAN JUAN 30-5 UNIT 247R
 LOCATION 26030N005W
 COUNTY, STATE SAN JUAN, NEW MEXICO
 FORMATION FRUITLAND COAL
 PROJECT TYPE NEWDRILL
 WELL TYPE GAS WELL
 OPERATOR CONOCOPHILLIPS COMPANY
 SPUD DATE 5/11/2007
 COMP DATE 9/6/2007
 1ST DELIVERY 10/3/2007
 COMM GWI % 100.00
 COMM NRI % 87.50
 BOARD RATE % 10.00

PRODUCTION TAXES

TAXES FOR: SAN JUAN, NEW MEXICO
 2003 - 2004 Commerciality

GAS % OF REVENUE

SEVERANCE:
 Severance, School, Conservation 7.93

AD VALOREM:
 Production, Equipment 1.40

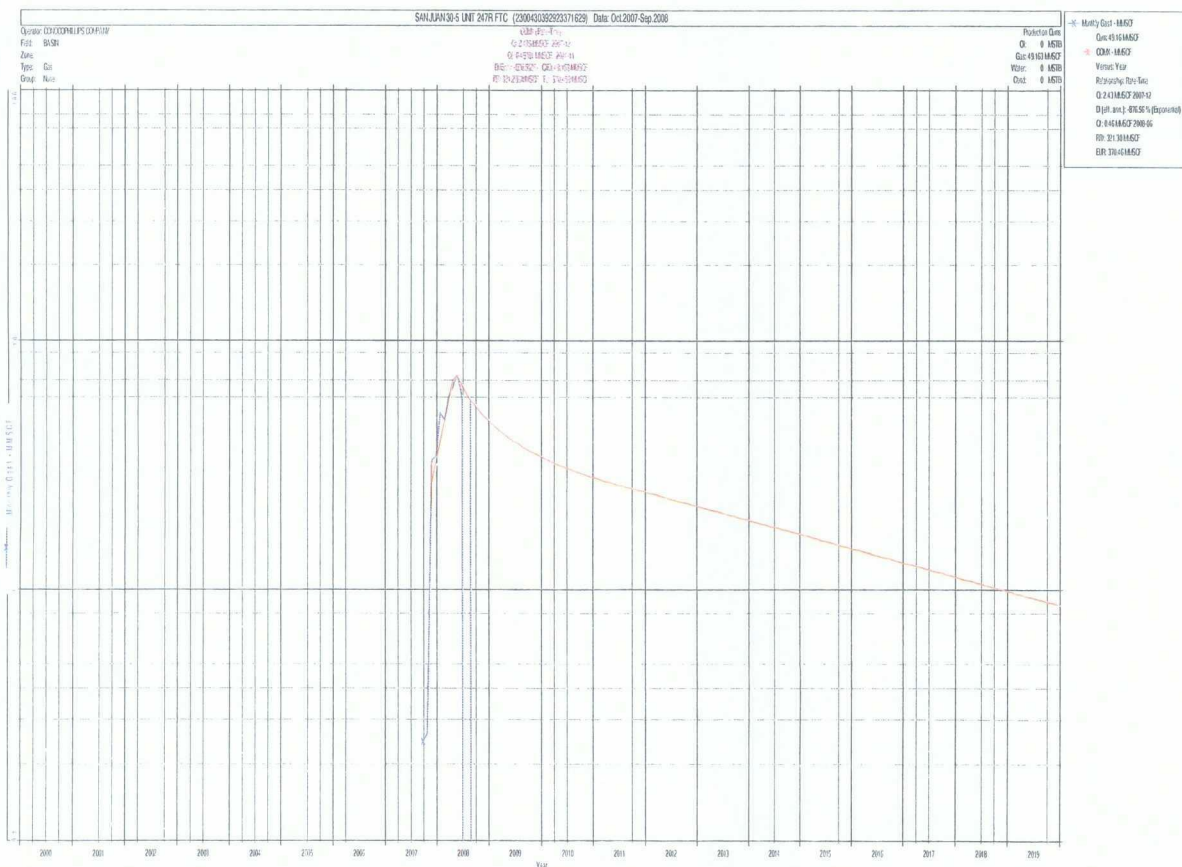
TOTAL %: 9.33

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

WELL COST AND ECONOMICS

1,005.52	M\$	AVERAGE WELL COST
370.21	MMCF	ULT. GROSS GAS RESERVES
59.25	MCFD	INITIAL GAS RATE
0.00	%	RATE OF RETURN
-0.32	\$/	P/I, DISC. @ 10.00 %
-323.81	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
0.00	YRS	PAYOUT



BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 30-5 UNIT 247R

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\$
2007(12)	59.2	3.6	2.55	0.00	0.13	4.63	4.63	35.51	22.66	14.5	1.49	3.83	9.14	1,005.52	-996.38
2008(12)	167.4	61.3	43.20	0.00	2.28	4.63	4.63	35.51	22.66	245.1	25.32	22.99	196.84	0.00	196.84
2009(12)	135.7	49.5	34.92	0.00	1.84	4.63	4.63	35.51	22.66	198.2	20.47	22.99	154.70	0.00	154.70
2010(12)	104.4	38.1	26.86	0.00	1.42	4.63	4.63	35.51	22.66	152.4	15.74	22.99	113.70	0.00	113.70
2011(12)	88.1	32.1	22.67	0.00	1.19	4.63	4.63	35.51	22.66	128.6	13.29	22.99	92.36	0.00	92.36
2012(12)	76.7	28.1	19.80	0.00	1.04	4.63	4.63	35.51	22.66	112.4	11.61	22.99	77.78	0.00	77.78
2013(12)	67.4	24.6	17.35	0.00	0.91	4.63	4.63	35.51	22.66	98.5	10.17	22.99	65.32	0.00	65.32
2014(12)	59.1	21.6	15.21	0.00	0.80	4.63	4.63	35.51	22.66	86.3	8.91	22.99	54.40	0.00	54.40
2015(12)	51.8	18.9	13.33	0.00	0.70	4.63	4.63	35.51	22.66	75.6	7.81	22.99	44.83	0.00	44.83
2016(12)	45.3	16.6	11.68	0.00	0.62	4.63	4.63	35.51	22.66	66.3	6.85	22.99	36.44	0.00	36.44
2017(12)	39.8	14.5	10.23	0.00	0.54	4.63	4.63	35.51	22.66	58.1	6.00	22.99	29.09	0.00	29.09
2018(12)	34.8	12.7	8.97	0.00	0.47	4.63	4.63	35.51	22.66	50.9	5.26	22.99	22.65	0.00	22.65
2019(12)	30.5	11.1	7.86	0.00	0.41	4.63	4.63	35.51	22.66	44.6	4.61	22.99	17.00	0.00	17.00
2020(12)	26.7	9.8	6.89	0.00	0.36	4.63	4.63	35.51	22.66	39.1	4.04	22.99	12.06	0.00	12.06
2021(12)	23.5	8.6	6.04	0.00	0.32	4.63	4.63	35.51	22.66	34.3	3.54	22.99	7.72	0.00	7.72
2022(12)	20.6	7.5	5.29	0.00	0.28	4.63	4.63	35.51	22.66	30.0	3.10	22.99	3.93	0.00	3.93
2023(12)	18.2	5.5	3.90	0.00	0.21	4.63	4.63	35.51	22.66	22.2	2.29	19.16	0.71	0.00	0.71
Total	---	364.1	256.75	0.00	13.53	---	---	---	---	1,457.0	150.48	367.87	938.65	1,005.52	-66.87

BURLINGTON RESOURCES

COMMERCIALITY DETERMINATION

BLM DATA SHEET

SAN JUAN 30-5 UNIT 269

WELL INFORMATION

LEASE	SAN JUAN 30-5 UNIT 269
LOCATION	25030N005W
COUNTY, STATE	SAN JUAN, NEW MEXICO
FORMATION	FRUITLAND COAL
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS COMPANY
SPUD DATE	5/14/2007
COMP DATE	10/11/2007
1ST DELIVERY	11/14/2007
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

PRODUCTION TAXES

TAXES FOR:	SAN JUAN, NEW MEXICO
	2003 - 2004 Commerciality

GAS % OF REVENUE

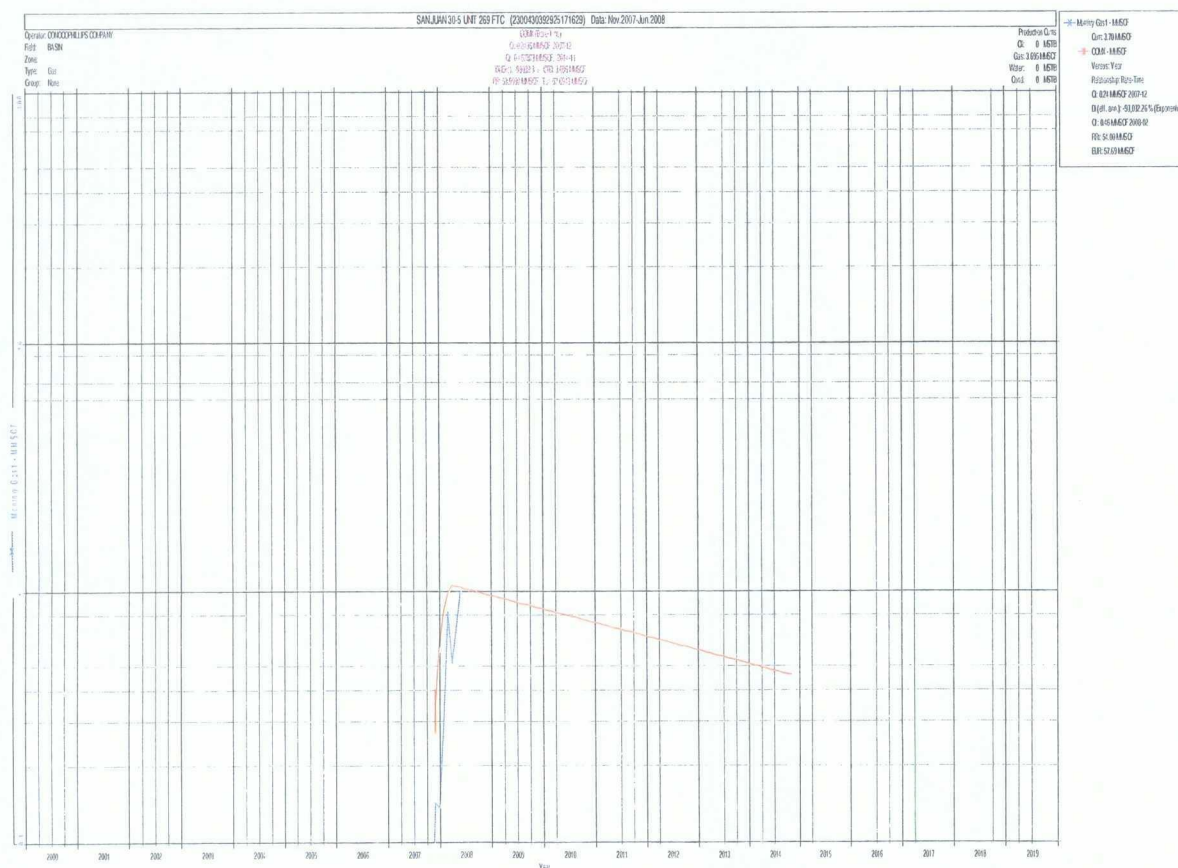
SEVERANCE:	
Severance, School, Conservation	7.93
AD VALOREM:	
Production, Equipment	1.40
TOTAL %:	9.33

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

WELL COST AND ECONOMICS

1,005.52	M\$	AVERAGE WELL COST
57.64	MMCF	ULT. GROSS GAS RESERVES
4.61	MCFD	INITIAL GAS RATE
0.00	%	RATE OF RETURN
-0.96	\$/	P/I, DISC. @ 10.00 %
-963.60	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
0.00	YRS	PAYOUT



BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 30-5 UNIT 269

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\$
2007(12)	4.6	0.1	0.10	0.00	0.01	4.63	4.63	35.51	22.66	0.6	0.06	1.92	-1.40	1,005.52	-1,006.92
2008(12)	26.0	9.5	6.70	0.00	0.35	4.63	4.63	35.51	22.66	38.0	3.93	22.99	11.09	0.00	11.09
2009(12)	29.9	10.9	7.69	0.00	0.41	4.63	4.63	35.51	22.66	43.6	4.51	22.99	16.13	0.00	16.13
2010(12)	26.3	9.6	6.77	0.00	0.36	4.63	4.63	35.51	22.66	38.4	3.97	22.99	11.44	0.00	11.44
2011(12)	23.1	8.4	5.95	0.00	0.31	4.63	4.63	35.51	22.66	33.8	3.49	22.99	7.31	0.00	7.31
2012(12)	20.3	7.4	5.24	0.00	0.28	4.63	4.63	35.51	22.66	29.7	3.07	22.99	3.67	0.00	3.67
2013(12)	18.2	5.0	3.51	0.00	0.19	4.63	4.63	35.51	22.66	19.9	2.06	17.24	0.63	0.00	0.63
Total	---	51.0	35.96	0.00	1.89	---	---	---	---	204.1	21.08	134.12	48.87	1,005.52	-956.65

San Juan 30-5 Unit
Working Interest Owners
Fruitland Coal Formation

Burlington Resources Oil & Gas Company
P.O. Box 4289
Farmington, NM 87499-4289

John Larson
BP America Production Company
501 West Lake Park Blvd - Floor 19
Houston, TX 77079

Dugan Production Corp.
P.O. Box 420
Farmington, NM 87499

Mar Oil & Gas Corporation
Attn: M. A. Romero
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Santa Fe, NM 87502

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Langdon D Harrison Trust
Jacqueline Michele Harrison P.R.
CIO Zia Data Search Corp Agent
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Four Star Oil and Gas Company
Attn: NOJV Manager
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Houston, Texas 77236

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C/O Tinnin Law Firm
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Albuquerque, NM 87102

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P.O. Box 2546
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Houston, TX 77079

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dO Eddye Dreyer Mgmt Co Agent
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Dallas, TX 75206

SAN JUAN BASIN PARTNERSHIP
C/O EN VANTAGE INC
1415 N LOOP W STE. 1180
HOUSTON, TX 77008

Williams Production Company
C/O One Williams Center
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