

ConocoPhillips

554 RECEIVED
2009 JUL 31 PM 1 20

ConocoPhillips
San Juan Business Unit
P.O. Box 4289
Burlington Resources Inc.
A wholly owned subsidiary

July 31, 2009

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 27-4 Unit (#14-08-001-1054)
Commerciality Determination
Dakota Formation
Rio Arriba County, New Mexico

Gentlemen:

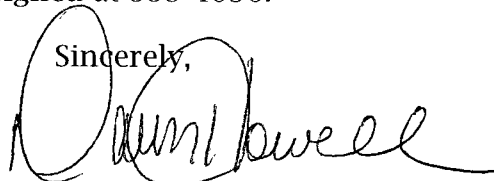
Pursuant to the provisions of Section 11(a) of the San Juan 27-4 Unit Agreement, #14-08-001-1054, approved, September 3, 1953, Burlington Resources Oil & Gas Company LP, as Operator, has determined that the well listed below is not capable of producing unitized substances in paying quantities from the Dakota Formation. Burlington is seeking confirmation of the well determination enclosed.

Well Name	Dedication	Lease No.	Comp. Date	Determination
SJ 27-4 Unit #141B	W/2 15-27N-04W	SF-080674	10/7/2008	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 well will continue to be reported on a lease basis.

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 Susan Rainbolt at 326-9574, all other questions to the undersigned at 599-4030.

Sincerely,



Dawn Howell, CPLTA
Staff Land Technician

SJ 27-4 Unit, 4.3

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION BLM DATA SHEET SAN JUAN 27-4 UNIT 141B

WELL INFORMATION

LEASE SAN JUAN 27-4 UNIT 141B
 LOCATION 015027N004W
 COUNTY, STATE RIO ARRIBA, NEW MEXICO
 FORMATION DAKOTA
 PROJECT TYPE
 WELL TYPE GAS WELL
 OPERATOR CONOCOPHILLIPS CO
 SPUD DATE 7/15/2008
 COMP DATE 10/7/2008
 1ST DELIVERY 11/17/2008
 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

1,000 MMBtu / Mcf

WELL COST AND ECONOMICS

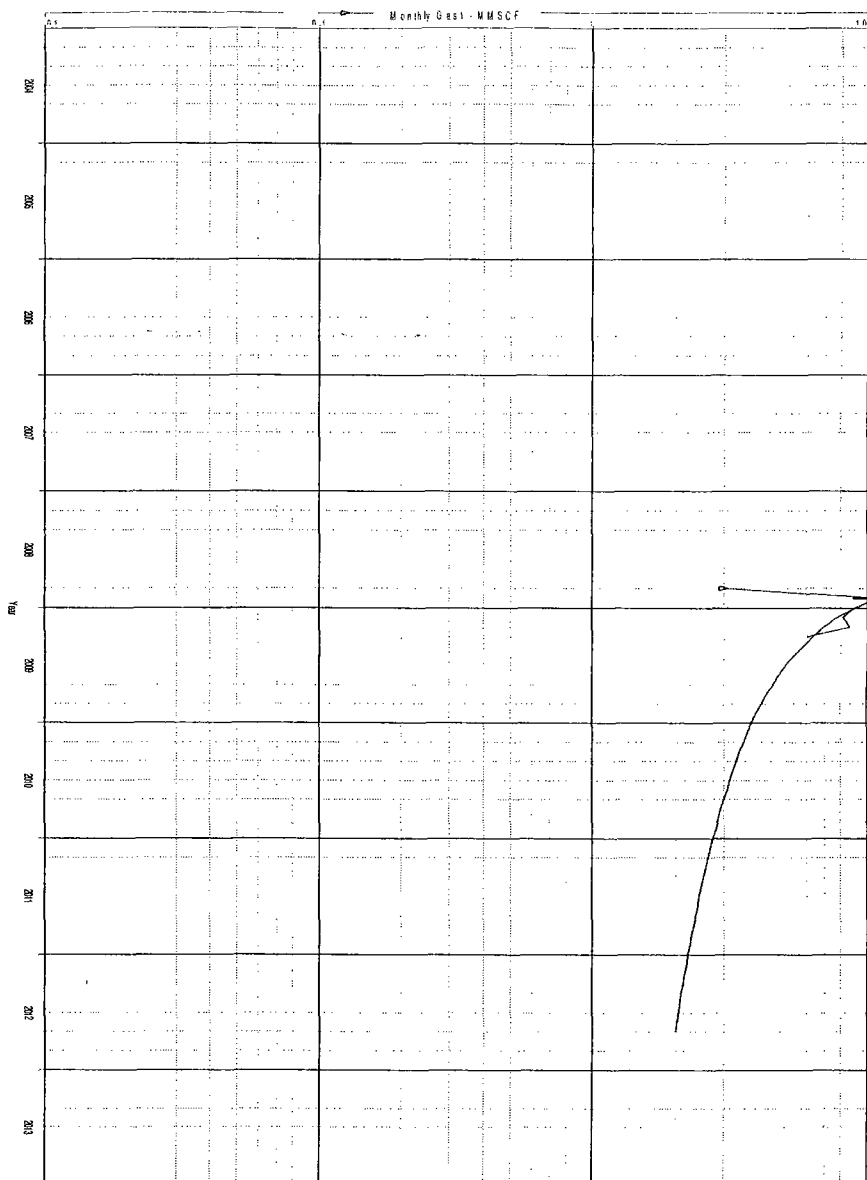
1,032.00	M\$	AVERAGE WELL COST
167.06	MMCF	ULT. GROSS GAS RESERVES
354.84	MCFD	INITIAL GAS RATE
0.00	%	RATE OF RETURN
-0.42	\$/S	P/I, DISC. @ 10.00 %
-431.35	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
0.00	YRS	PAYOUT

SAN JUAN 27-4 UNIT 141B

COMMITTEE

Production Costs
Of 0 MSTE
Gas: 45.6 MBSOP
Water: 0.92 MSTE
Cord: 0 MSTE

Ortho-Gel 11453
Ort 4574453
g-034-11453
Versus Year
Religious: Free Time
Q 12541453 2008 12
Djell.mn 57.5 (1p-50)
Q 2304453 2010 08
PR 24.6 11453
BR 17054453



CASH FLOW SUMMARY

Date	Gast Rate	Gast Volume	Net Gas Volume	Net Cond Volume	Net Ohn Volume	Gast Price	Gas Price	Cond Price	Otn Price	Net Revenue	Prod Taxes	Total Opocsts	Total Oper Inc	Total Capital	Total BT Cash
mcf/d	MMSCF	MMSCF	MSTB	MSTB	\$/MMBTU	\$/mcf	\$/Bbl	\$/Bbl	\$/Bbl	\$	\$	\$	\$	\$	\$

**BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 27-4 UNIT 141B**

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\$
2008(12)	354.8	11.0	7.86	0.00	0.76	4.86	4.86	35.51	22.66	53.4	5.45	1.32	46.59	1,032.00	-985.41
2009(12)	190.3	69.4	49.62	0.00	4.82	4.86	4.86	35.51	22.66	336.8	34.41	15.84	286.58	0.00	286.58
2010(12)	106.4	38.8	27.74	0.00	2.70	4.86	4.86	35.51	22.66	188.3	19.24	15.84	153.22	0.00	153.22
2011(12)	81.5	29.7	21.25	0.00	2.07	4.86	4.86	35.51	22.66	144.2	14.73	15.84	113.64	0.00	113.64
2012(12)	65.9	18.1	12.91	0.00	1.26	4.86	4.86	35.51	22.66	87.6	8.95	11.88	66.80	0.00	66.80
Total	---	167.1	119.38	0.00	11.61	---	---	---	---	810.3	82.78	60.72	666.84	1,032.00	-365.16

**WORKING INTEREST OWNERS
SAN JUAN 27-4 UNIT
DAKOTA FORMATION**

BURLINGTON RESOURCES OIL & GAS COMPANY LP

CHAPPEL FAMILY TRUST

HARCO LIMITED PARTNERSHIP

TEMPE LIMITED PARTNERSHIP

TIERRA POBRE LLC