



September 16, 2009

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

417

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

RECEIVED OCD
2009 SEP 18 P 1:37

RE: **San Juan 30-5 Unit (14-08-001-346)**
Commerciality Determination
Pictured Cliffs 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 well listed below is not capable of producing unitized substances in paying quantities from the Pictured Cliffs Formation. ConocoPhillips is seeking confirmation of the well determination enclosed.

Well Name	Dedication	Lease No.	Compl. Date	Determination
SJ 30-5 Unit #267A	SE/4 Sec. 24-30N-5W	SF-080537	8/23/2006	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, this well will continue to be reported under 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 Susan Rainbolt at 326-9574, all other questions to the undersigned at 599-4030.

Sincerely,

Dawn Howell, CPLTA
Staff Land Technician

SJ 30-5 Unit 4.1

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION BLM DATA SHEET SAN JUAN 30-5 UNIT 267A

WELL INFORMATION

LEASE SAN JUAN 30-5 UNIT 267A
LOCATION 24030N005W
COUNTY, STATE RIO ARRIBA, NEW MEXICO
FORMATION PICTURED CLIFFS
PROJECT TYPE NEWDRILL
WELL TYPE GAS WELL
OPERATOR CONOCOPHILLIPS CO
SPUD DATE 4/24/2006
COMP DATE 8/23/2006
1ST DELIVERY 9/29/2006
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

1,000 MMBtu / Mcf

WELL COST AND ECONOMICS

708.00 M\$ AVERAGE WELL COST
23.99 MMCF ULT. GROSS GAS RESERVES
132.62 MCFD INITIAL GAS RATE
0.00 % RATE OF RETURN
-0.87 \$/\$ P/I, DISC. @ 10.00 %
-618.94 M\$ NET PRESENT VALUE, DISC. @ 10.00 %
0.00 YRS PAYOUT

COMX1 (Time

CASH FLOW SUMMARY

Date	Gas1 Rate	Gas1 Volume	Net Gas Volume	Net Cond Volume	Net Oth Volume	Gas Price	Cond Price	Oth Price	Net Revenue	Prod Taxes	Total Opcosts	Total Inc	Total Capital	Total BT Cash
	mcf/d	MMSCF	MMSCF	MSTB	MSTB	\$/MMBTU	\$/Bbl	\$/Bbl	M\$	M\$	M\$	M\$	M\$	M\$

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
 SAN JUAN 30-5 UNIT 267A

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	Total Cash
		MMSCF	mcf/d														
2006(12)	132.6	16.2	10.98	0.00	0.00	0.98	4.86	4.86	35.51	22.66	72.7	7.44	4.16	61.09	708.00	-646.91	
2007(12)	21.4	7.8	5.30	0.00	0.00	0.47	4.86	4.86	35.51	22.66	35.1	3.59	3.12	28.36	0.00	28.36	
2008(12)	0.0	0.0	0.00	0.00	0.00	0.00	4.86	4.86	35.51	22.66	0.0	0.00	0.00	0.00	0.00	0.00	
2009(12)	0.0	0.0	0.00	0.00	0.00	0.00	4.86	4.86	35.51	22.66	0.0	0.00	0.00	0.00	0.00	0.00	
Total	---	24.0	16.28	0.00	0.00	1.45	---	---	---	---	107.8	11.03	7.29	89.45	708.00	-618.55	

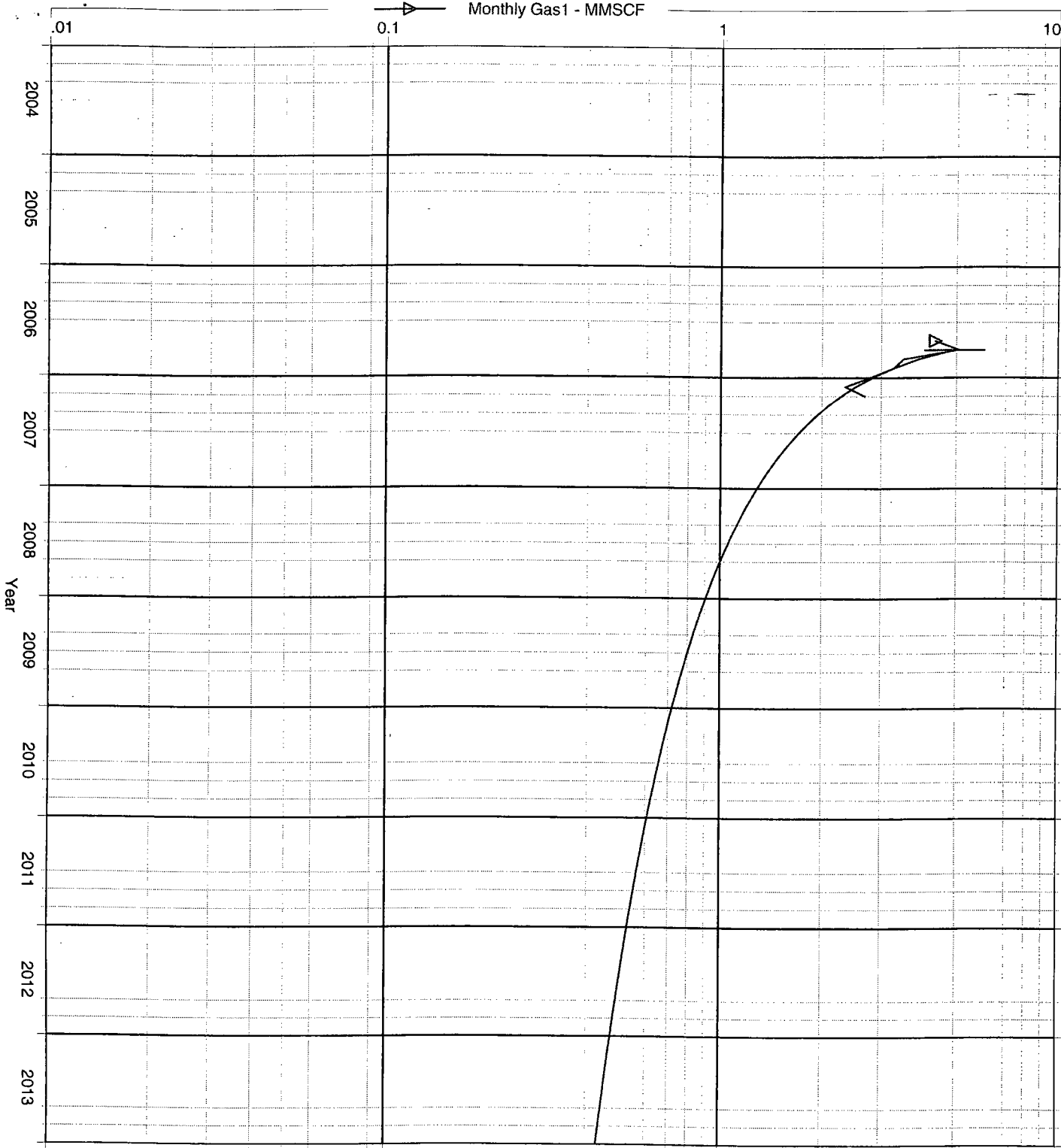
SAN JUAN 30-5 UNIT 267A PC (COMX) (2300430392924372400) Date: Sep.2006-Mar.2007

Operator: CONOCOPHILLIPS COMPANY
 Field: BLANCO EAST
 Zone: PICTURED CLIFFS
 Type: Gas
 Group: None

COMX (Rate-Time)
 Qi: 5.75 MMSCF, 2006-10
 Qi: 0.0304885 MMSCF, 2043-11
 D(Hyp): 74% CTD: 23,988 MMSCF
 RR: 118.346 MMSCF Tot: 142.334 MMSCF

Production Cums
 Oil: 0 MSTB
 Gas: 23,988 MMSCF
 Water: 0.76 MSTB
 Cond: 0 MSTB

Monthly Gas1 - MMSCF



Monthly Gas1 - MMSCF
 Cum: 23.99 MMSCF
 COMX - MMSCF
 Versus: Year
 Relationship: Rate-Time
 Qi: 5.75 MMSCF 2006-10
 D1 (eff. ann.): 74.00 % (Hyp->Exp)
 Qi: 0.03 MMSCF 2043-11
 RRR: 118.35 MMSCF
 EUR: 142.33 MMSCF

SAN JUAN 30-5 UNIT
PICTURED CLIFFS FORMATION
WORKING INTEREST OWNERS

CONOCOPHILLIPS

WILLIAMS PRODUCTION COMPANY