



224

ConocoPhillips
San Juan Business Unit
P.O. Box 4289
Farmington, NM 87499-4289
Burlington Resources Inc
A wholly owned subsidiary

November 20, 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

RECEIVED OGD
2009 NOV 23 A 11:44

RE: Allison Unit (I Sec. No. 752)
Commercial Determination
Dakota Formation
San Juan County, New Mexico

Gentlemen:

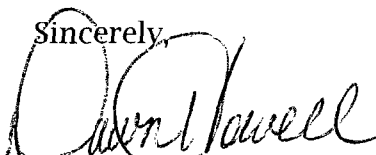
Pursuant to the provisions of Section 11(a) of the Allison Unit Agreement, #I Sec. No. 752, approved August 22, 1950, Burlington Resources Oil & Gas Company LP, as Operator, has determined that the well listed below is not capable of producing unitized substances in paying quantities from the Dakota formation. Burlington Resources is seeking confirmation of the paying well determination enclosed.

Well Name	Dedication	Lease No.	Compl Date	Determination
Allison Unit #41M	W/2 Sec. 29-32N-6W	FEE	11-18-08	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

Allison Unit 4.3

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION BLM DATA SHEET ALLISON UNIT 41M

WELL INFORMATION

LEASE ALLISON UNIT 41M
 LOCATION 29032ND06W
 COUNTY, STATE SAN JUAN, NEW MEXICO
 FORMATION DAKOTA
 PROJECT TYPE NEWDRILL
 WELL TYPE GAS WELL
 OPERATOR CONOCOPHILLIPS CO
 SPUD DATE 7/28/2008
 COMP DATE 11/18/2008
 1ST DELIVERY 11/24/2008
 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 1.26

TOTAL %: 9.19

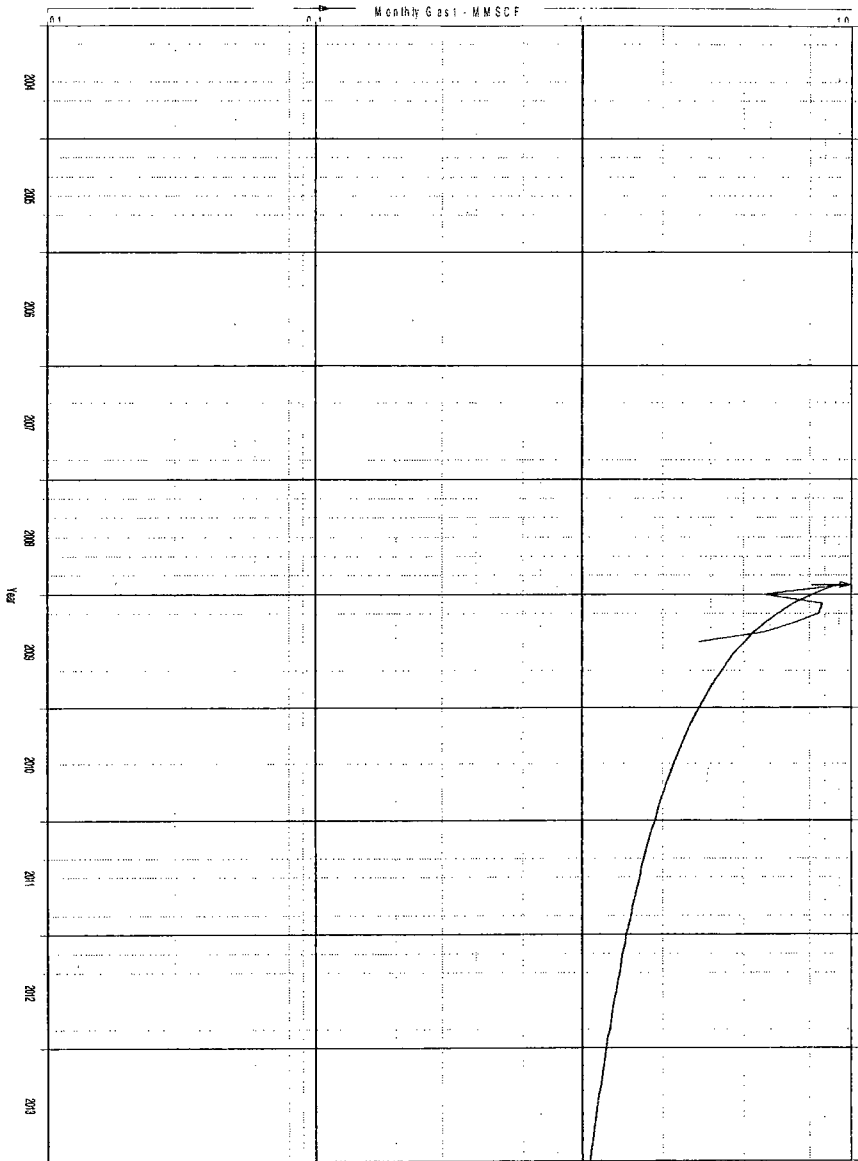
AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

WELL COST AND ECONOMICS

1,075.00 M\$ AVERAGE WELL COST
 154.33 MMCF ULT. GROSS GAS RESERVES
 152.61 MCFD INITIAL GAS RATE
 0.00 % RATE OF RETURN
 -0.61 \$/\$ P/I, DISC. @ 10.00 %
 -654.33 M\$ NET PRESENT VALUE, DISC. @ 10.00 %
 0.00 YRS PAYOUT

Production Cans	Can 4119 MMSF
CR 0 M5TB	
CRS 41194 MMSF	
Water 0.42 M5TB	
Core 0 M5TB	
	Can 4119 MMSF
	CR 0 MMSF
	Water 0.42
	Feeding Rate Time



CASH FLOW SUMMARY

**BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET**
ALLISON UNIT 41M

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)	152.6	4.7	3.38	0.00	0.33	4.86	4.86	35.51	22.66	22.9	2.32	1.25	19.38	1,075.00	-1,055.62
2009(12)	129.4	47.2	33.74	0.00	3.28	4.86	4.86	35.51	22.66	229.0	23.16	15.01	190.88	0.00	190.88
2010(12)	58.4	21.3	15.23	0.00	1.48	4.86	4.86	35.51	22.66	103.4	10.45	15.01	77.91	0.00	77.91
2011(12)	43.2	15.8	11.26	0.00	1.09	4.86	4.86	35.51	22.66	76.4	7.73	15.01	53.69	0.00	53.69
2012(12)	35.0	12.8	9.17	0.00	0.89	4.86	4.86	35.51	22.66	62.2	6.29	15.01	40.91	0.00	40.91
2013(12)	30.0	11.0	7.84	0.00	0.76	4.86	4.86	35.51	22.66	53.2	5.38	15.01	32.81	0.00	32.81
2014(12)	26.5	9.7	6.90	0.00	0.67	4.86	4.86	35.51	22.66	46.9	4.74	15.01	27.11	0.00	27.11
2015(12)	23.6	8.6	6.16	0.00	0.60	4.86	4.86	35.51	22.66	41.8	4.22	15.01	22.55	0.00	22.55
2016(12)	21.0	7.7	5.49	0.00	0.53	4.86	4.86	35.51	22.66	37.3	3.77	15.01	18.49	0.00	18.49
2017(12)	18.8	6.9	4.90	0.00	0.48	4.86	4.86	35.51	22.66	33.3	3.36	15.01	14.88	0.00	14.88
2018(12)	16.8	6.1	4.37	0.00	0.42	4.86	4.86	35.51	22.66	29.7	3.00	15.01	11.66	0.00	11.66
2019(12)	15.6	2.3	1.68	0.00	0.16	4.86	4.86	35.51	22.66	11.4	1.15	6.26	3.99	0.00	3.99
Total	---	154.1	110.12	0.00	10.71	---	---	---	---	747.4	75.57	157.63	514.25	1,075.00	-560.75