



543

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

RECEIVED OCD
2009 NOV 23 A 11:45

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 28-6 Unit (#14-08-001-1051)
Commercial Determination
Fruitland Coal Formation
Rio Arriba County, New Mexico

Gentlemen:

Pursuant to the provisions of Section 11 (a) of the San Juan 28-6 Unit Agreement, #14-08-001-1051, approved, August 31, 1953, Burlington Resources Oil & Gas Company, as Operator, has determined that the well listed below is not capable of producing unitized substances in paying quantities from the Fruitland Coal formation. Burlington is seeking confirmation of the paying well determination enclosed.

Well Name	Dedication	Lease No.	Comp. Date	Determination
SJ 28-6 Unit #439S	W/2 29-28N-6W	SF-079050	9/24/08	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 Communitization Agreement NMNM-96747.

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 28-6 Unit, 4.5

BURLINGTON RESOURCES

COMMERCIALITY DETERMINATION

BLM DATA SHEET

SAN JUAN 28-6 UNIT 439S

WELL INFORMATION	
LEASE	SAN JUAN 28-6 UNIT 439S
LOCATION	29028N006W
COUNTY, STATE	RIO ARRIBA, NEW MEXICO
FORMATION	FRUITLAND COAL
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS CO
SPUD DATE	3/12/2008
COMP DATE	9/3/2008
1ST DELIVERY	9/24/2008
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

AVERAGE HEAT CONTENT

1.000 MMBtu / Mcf

WELL COST AND ECONOMICS

767.00	M\$	AVERAGE WELL COST
345.39	MMCF	ULT. GROSS GAS RESERVES
137.31	MCFD	INITIAL GAS RATE
6.04	%	RATE OF RETURN
-0.12	\$/	P/L, DISC. @ 10.00 %
-89.78	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
7.03	YRS	PAYOUT

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

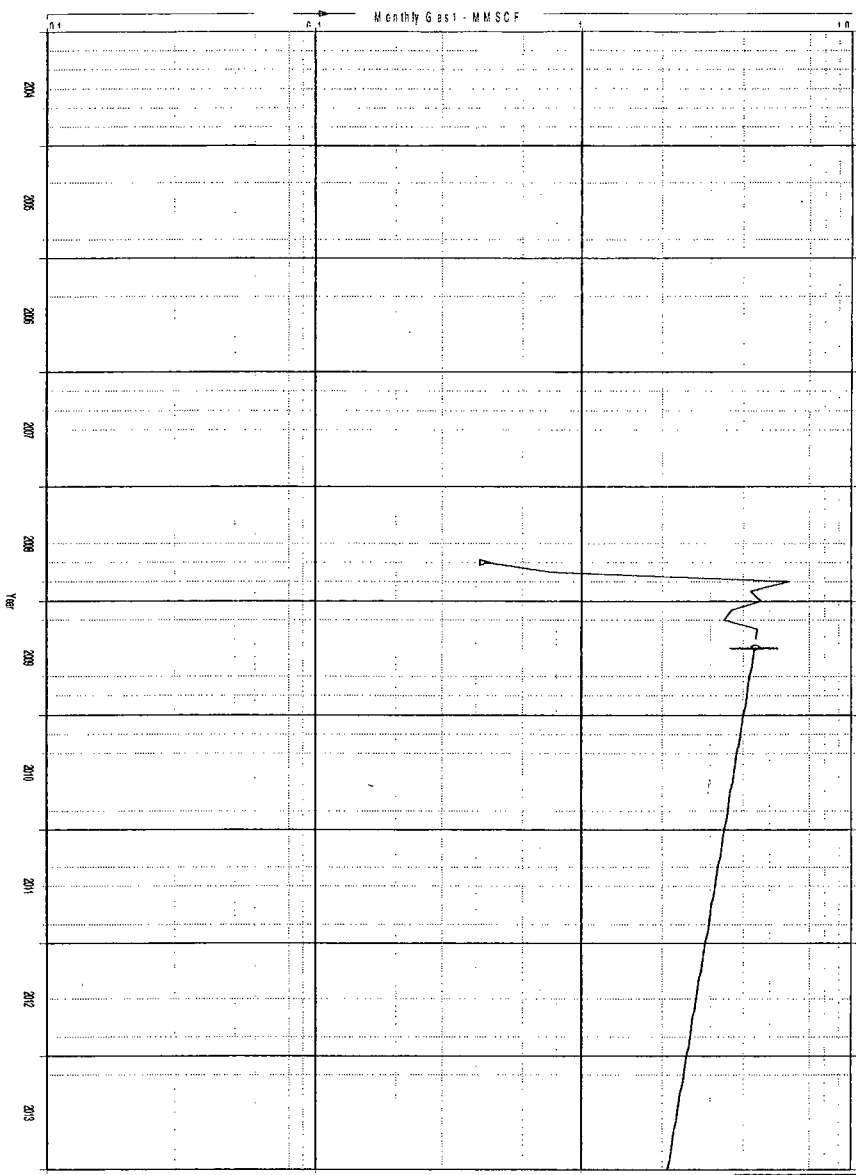
BURLINGTON RESOURCES COMMERCIALITY DETERMINATION

BLM DATA SHEET SAN JUAN 28-6 UNIT 439S

Owner: BURLINGTON RESOURCES, INC. Date: Sep 2008
 Fed: BLM
 Zone: FILLMORE
 Type: Gas
 Count: One

San Juan 28-6 Unit 439S FIC (0344) (2304) (03030071629) Date: Sep 2008
 Q: 4.4 MMSF 200-06
 Q: 0.000000 MMSF 200-06
 D: 0.000000 MMSF 200-06
 R: 0.000000 MMSF 200-06

Production Date: 0 0 MMSF
 Gas: 0.000000 MMSF
 Water: 0 MMSF
 D: 0.000000 MMSF
 R: 0.000000 MMSF



San Juan 28-6 Unit 439S FIC (0344) (2304) (03030071629) Date: Sep 2008
 Q: 4.4 MMSF 200-06
 Q: 0.000000 MMSF 200-06
 D: 0.000000 MMSF 200-06
 R: 0.000000 MMSF 200-06

CASH FLOW SUMMARY

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

**BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 28-6 UNIT 439S**

CASH FLOW SUMMARY

Date	Gas1		Net Gas		Net Cond		Net Oth		Gas1		Gas		Cond		Oth		Net		Prod		Total		Total		Total	
	Rate	Volume	Volume	Volume	Volume	Volume	Volume	\$/MMBTU	Price	Price	\$/mcf	\$/Bbl	Price	\$/Bbl	Price	Revenue	\$	Taxes	\$	Opcosts	\$	Oper Inc	\$	Capital	\$	BT Cash
2009(12)	137.3	50.1	35.34	0.00	1.86	4.63	4.63	35.51	22.66	200.6	20.71	13.07	166.78	767.00	-600.22											
2010(12)	122.3	44.6	31.47	0.00	1.66	4.63	4.63	35.51	22.66	178.6	18.44	13.07	147.07	0.00	147.07											
2011(12)	103.9	37.9	26.75	0.00	1.41	4.63	4.63	35.51	22.66	151.8	15.68	13.07	123.05	0.00	123.05											
2012(12)	88.1	32.2	22.74	0.00	1.20	4.63	4.63	35.51	22.66	129.0	13.33	13.07	102.63	0.00	102.63											
2013(12)	75.1	27.4	19.33	0.00	1.02	4.63	4.63	35.51	22.66	109.7	11.33	13.07	85.28	0.00	85.28											
2014(12)	63.8	23.3	16.43	0.00	0.87	4.63	4.63	35.51	22.66	93.2	9.63	13.07	70.53	0.00	70.53											
2015(12)	54.3	19.8	13.96	0.00	0.74	4.63	4.63	35.51	22.66	79.2	8.18	13.07	57.99	0.00	57.99											
2016(12)	46.0	16.8	11.87	0.00	0.63	4.63	4.63	35.51	22.66	67.4	6.96	13.07	47.33	0.00	47.33											
2017(12)	39.2	14.3	10.09	0.00	0.53	4.63	4.63	35.51	22.66	57.3	5.91	13.07	38.27	0.00	38.27											
2018(12)	33.3	12.2	8.58	0.00	0.45	4.63	4.63	35.51	22.66	48.7	5.03	13.07	30.57	0.00	30.57											
2019(12)	28.3	10.3	7.29	0.00	0.38	4.63	4.63	35.51	22.66	41.4	4.27	13.07	24.02	0.00	24.02											
2020(12)	24.0	8.8	6.20	0.00	0.33	4.63	4.63	35.51	22.66	35.2	3.63	13.07	18.46	0.00	18.46											
2021(12)	20.5	7.5	5.27	0.00	0.28	4.63	4.63	35.51	22.66	29.9	3.09	13.07	13.73	0.00	13.73											
2022(12)	17.4	6.3	4.48	0.00	0.24	4.63	4.63	35.51	22.66	25.4	2.62	13.07	9.71	0.00	9.71											
2023(12)	14.8	5.4	3.80	0.00	0.20	4.63	4.63	35.51	22.66	21.6	2.23	13.07	6.29	0.00	6.29											
2024(12)	12.5	4.6	3.23	0.00	0.17	4.63	4.63	35.51	22.66	18.4	1.90	13.07	3.39	0.00	3.39											
2025(12)	10.7	3.9	2.75	0.00	0.14	4.63	4.63	35.51	22.66	15.6	1.61	13.07	0.92	0.00	0.92											
Total	---	325.5	229.56	0.00	12.10	---	---	---	---	1,302.7	134.55	222.16	946.02	767.00	179.02											

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION BLM DATA SHEET SAN JUAN 28-6 UNIT 439S

WELL INFORMATION

LEASE SAN JUAN 28-6 UNIT 439S
LOCATION 29028N006W
COUNTY, STATE RIO ARriba, NEW MEXICO
FORMATION FRUITLAND COAL
PROJECT TYPE NEWDRILL
WELL TYPE GAS WELL
OPERATOR CONOCOPHILLIPS CO
SPUD DATE 3/12/2008
COMP DATE 9/3/2008
1ST DELIVERY 9/24/2008
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COMM NRI % 87.50
BOARD RATE % 10.00

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2003 - 2004 Commerciality
GAS % OF REVENUE

SEVERANCE:
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AD VALOREM:
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7.03 YRS PAYOUT

COMX1 (Time

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	incfd	MMSCF	MMSCF	MSTB	MSTB	\$/MMBTU	\$/mcf	\$/Bbl	\$/Bbl	M\$	M\$	M\$	M\$	M\$	M\$

**BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 28-6 UNIT 439S**

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2009(12)	137.3	50.1	35.34	0.00	1.86	4.63	4.63	35.51	22.66	200.6	20.71	13.07	166.78	767.00	-600.22
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