6 7 4

ConocoPhillips

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

September 2, 2011

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 29-7 Unit (#14-08-001-1650)
Commerciality Determination
Dakota Formation
Rio Arriba County, New Mexico

Gentlemen:

Pursuant to Section 11(a) of the San Juan 29-7 Unit Agreement, #14-08-001-1650, approved September 3, 1954, Burlington Resources Oil & Gas Company, as Operator, has determined that the well listed below is capable of producing unitized substances in paying quantities from the Dakota formation. Burlington is seeking confirmation of the paying well determination enclosed.

Well Name	Dedication	Lease No.	Completion	Determination
SJ 29-7 Unit 83M	E/2 Sec. 3-29N-7W	SF-078945	6/4/2010	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 122562.

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 326-9848.

Sincerely,

Richard Davis
Land Analyst

SJ 29-7 Unit, 4.3

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 83M

WELL INFORMATION

LEASE	SAN JUAN 29-7 83M
LOCATION	3029N007WH
COUNTY, STATE	RIO ARRIBA, NM
FORMATION	DAKOTA
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS CO
SPUD DATE	12/13/2009
COMP DATE	6/4/2010
1ST DELIVERY	2/3/2011
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

PRODUCTION TAXES

TAXES FOR: RIO ARRIBA, NM
2003 - 2004 Commerciality

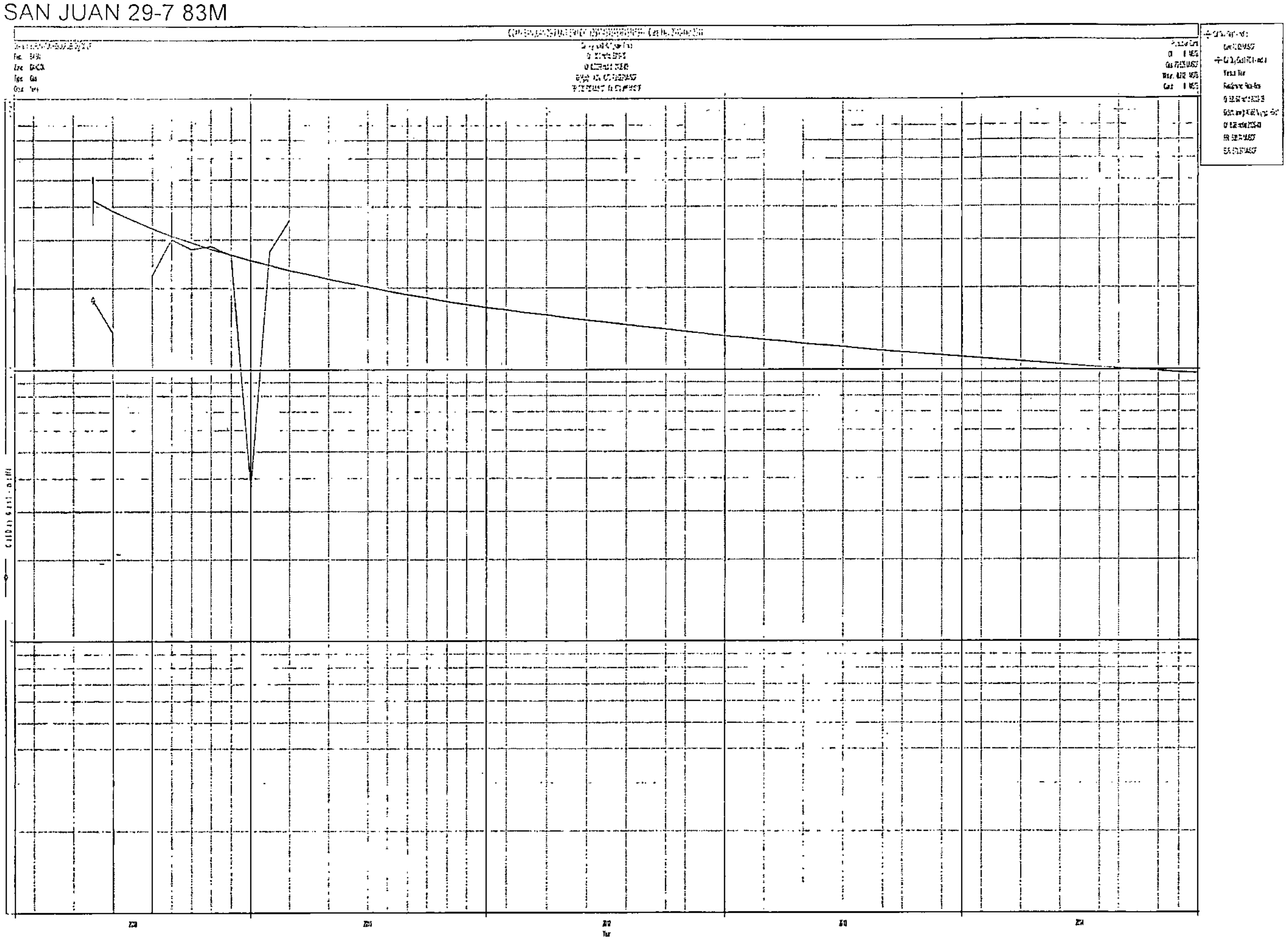
	GAS % OF REVENUE
SEVERANCE:	
Severance, School, Conservation	7.93
AD VALOREM:	
Production, Equipment	1.40
TOTAL %:	9.33

WELL COST AND ECONOMICS

1,478.00	M$	AVERAGE WELL COST
539.85	MMCF	ULT. GROSS GAS RESERVES
207.50	MCFD	INITIAL GAS RATE
6.96	%	RATE OF RETURN
-0.11	$/$	P/I, DISC. @ 10.00 %
-159.12	M$	NET PRESENT VALUE, DISC. @ 10.00 %
7.89	YRS	PAYOUT

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET

SAN JUAN 29-7 83M



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$

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 83M

CASH FLOW SUMMARY

Date	Gas1 Rate mcf/d	Gas1 Volume MMCF	Net Gas Volume MMSCF	Net Cond Volume MSTB	Net Oth Volume MSTB	Gas1 Price S/MMBTU	Gas Price S/mcf	Cond Price S/Bbl	Oth Price S/Bbl	Net Revenue MS	Prod Taxes MS	Total Opcosts MS	Total Oper Inc MS	Total Capital MS	Total BT Cash MS
2010 05	180.6	5.6	4.00	0.00	0.39	4.86	4.86	35.51	22.66	27.2	2.77	1.07	23.32	1,478.00	-1,454.68
2010 06	135.6	4.1	2.91	0.00	0.28	4.86	4.86	35.51	22.66	19.7	2.02	1.07	16.65	0.00	16.65
2010 07	0.0	0.0	0.00	0.00	0.00	4.86	4.86	35.51	22.66	0.0	0.00	1.07	-1.07	0.00	-1.07
2010 08	222.5	6.9	4.93	0.00	0.48	4.86	4.86	35.51	22.66	33.4	3.42	1.07	28.97	0.00	28.97
2010 09	301.0	9.0	6.45	0.00	0.63	4.86	4.86	35.51	22.66	43.8	4.47	1.07	38.26	0.00	38.26
2010 10	276.8	8.6	6.13	0.00	0.60	4.86	4.86	35.51	22.66	41.6	4.25	1.07	36.30	0.00	36.30
2010 11	283.8	8.5	6.08	0.00	0.59	4.86	4.86	35.51	22.66	41.3	4.22	1.07	36.02	0.00	36.02
2010 12	262.8	8.1	5.82	0.00	0.57	4.86	4.86	35.51	22.66	39.5	4.04	1.07	34.42	0.00	34.42
2011 01	37.0	1.1	0.82	0.00	0.08	4.86	4.86	35.51	22.66	5.6	0.57	1.07	3.93	0.00	3.93
2011 02	270.9	7.6	5.42	0.00	0.53	4.86	4.86	35.51	22.66	36.8	3.76	1.07	31.97	0.00	31.97
2011 03	356.7	11.1	7.90	0.00	0.77	4.86	4.86	35.51	22.66	53.6	5.48	1.07	47.09	0.00	47.09
2011 04	226.2	6.8	4.85	0.00	0.47	4.86	4.86	35.51	22.66	32.9	3.36	1.07	28.49	0.00	28.49
2011 05	211.1	6.5	4.68	0.00	0.45	4.86	4.86	35.51	22.66	31.7	3.24	1.07	27.44	0.00	27.44
2011 06	210.8	6.3	4.52	0.00	0.44	4.86	4.86	35.51	22.66	30.7	3.13	1.07	26.47	0.00	26.47
2011 07	197.4	6.1	4.37	0.00	0.43	4.86	4.86	35.51	22.66	29.7	3.03	1.07	25.59	0.00	25.59
2011 08	191.4	5.9	4.24	0.00	0.41	4.86	4.86	35.51	22.66	28.8	2.94	1.07	24.77	0.00	24.77
2011 09	192.0	5.8	4.12	0.00	0.40	4.86	4.86	35.51	22.66	27.9	2.85	1.07	24.01	0.00	24.01
2011 10	180.6	5.6	4.00	0.00	0.39	4.86	4.86	35.51	22.66	27.2	2.77	1.07	23.31	0.00	23.31
2011 11	181.6	5.4	3.89	0.00	0.38	4.86	4.86	35.51	22.66	26.4	2.70	1.07	22.65	0.00	22.65
2011 12	171.2	5.3	3.79	0.00	0.37	4.86	4.86	35.51	22.66	25.7	2.63	1.07	22.04	0.00	22.04
Sub.	---	124.4	88.93	0.00	8.65	---	---	---	---	603.6	61.67	21.34	520.64	1,478.00	-957.36
Rem.	---	415.4	296.85	0.00	28.86	---	---	---	---	2,015.0	205.84	294.49	1,514.62	0.00	1,514.62
Total	---	539.8	385.78	0.00	37.51	---	---	---	---	2,618.6	267.51	315.83	2,035.26	1,478.00	557.26

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 83M

WELL INFORMATION

LEASE	SAN JUAN 29-7 83M
LOCATION	3029N007WH
COUNTY, STATE	RIO ARRIBA, NM
FORMATION	DAKOTA
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS CO
SPUD DATE	12/13/2009
COMP DATE	6/4/2010
1ST DELIVERY	2/3/2011
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

PRODUCTION TAXES

TAXES FOR: RIO ARRIBA, NM
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

1,478.00	M$	AVERAGE WELL COST
539.85	MMCF	ULT. GROSS GAS RESERVES
207.50	MCFD	INITIAL GAS RATE
6.96	%	RATE OF RETURN
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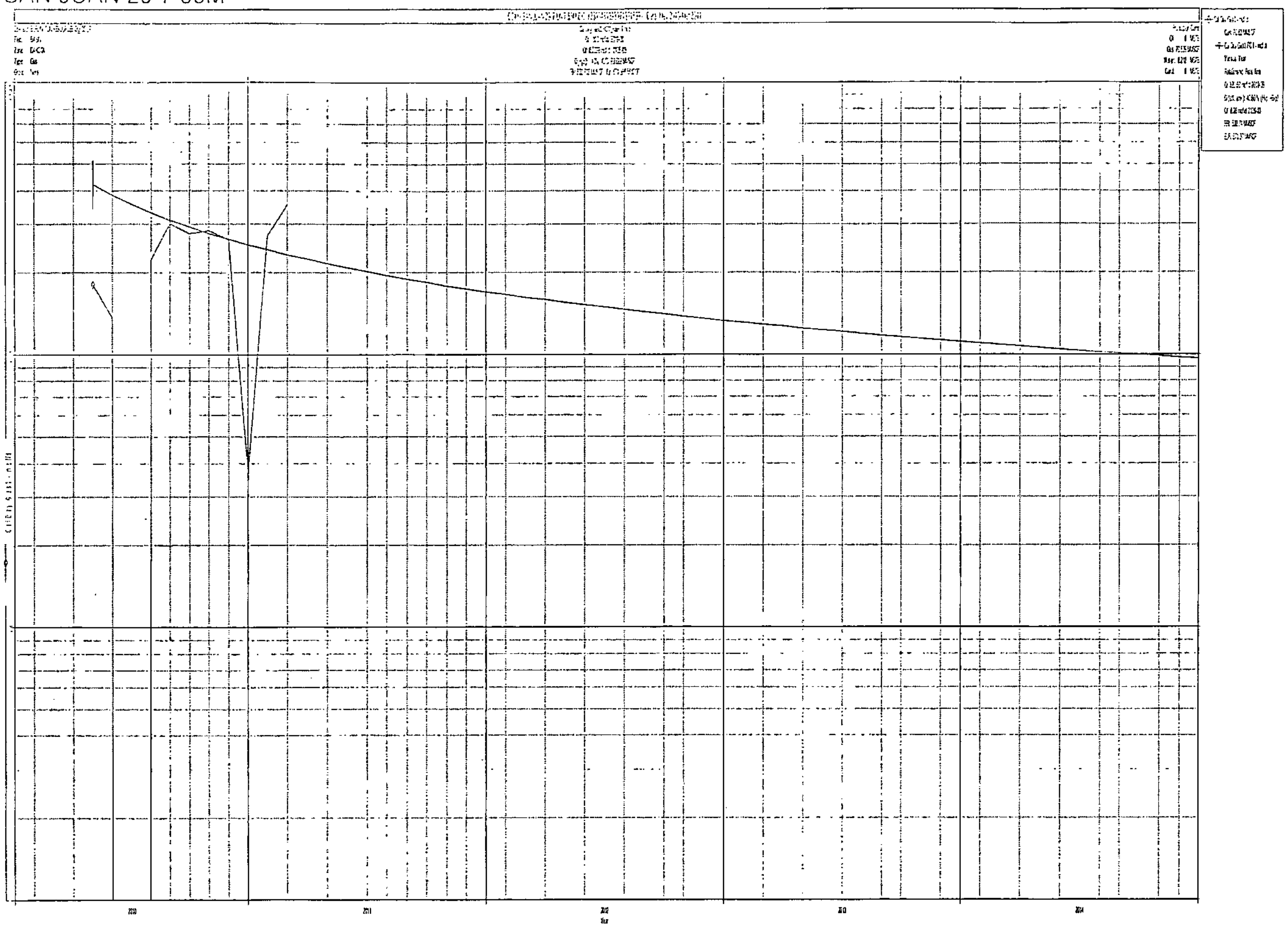
BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET

SAN JUAN 29-7 83M



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$

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 83M

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
	Mcfd	MMCF	MMSCF	MSTB	MSTB	$/MMBTU	$/mcf	$/Bbl	$/Bbl	M$	M$	M$	M$	M$	M$
2010 05	180.6	5.6	4.00	0.00	0.39	4.86	4.86	35.51	22.66	27.2	2.77	1.07	23.32	1,478.00	-1,454.68
2010 06	135.6	4.1	2.91	0.00	0.28	4.86	4.86	35.51	22.66	19.7	2.02	1.07	16.65	0.00	16.65
2010 07	0.0	0.0	0.00	0.00	0.00	4.86	4.86	35.51	22.66	0.0	0.00	1.07	-1.07	0.00	-1.07
2010 08	222.5	6.9	4.93	0.00	0.48	4.86	4.86	35.51	22.66	33.4	3.42	1.07	28.97	0.00	28.97
2010 09	301.0	9.0	6.45	0.00	0.63	4.86	4.86	35.51	22.66	43.8	4.47	1.07	38.26	0.00	38.26
2010 10	276.3	8.6	6.13	0.00	0.60	4.86	4.86	35.51	22.66	41.6	4.25	1.07	36.30	0.00	36.30
2010 11	283.8	8.5	6.08	0.00	0.59	4.86	4.86	35.51	22.66	41.3	4.22	1.07	36.02	0.00	36.02
2010 12	262.8	8.1	5.82	0.00	0.57	4.86	4.86	35.51	22.66	39.5	4.04	1.07	34.42	0.00	34.42
2011 01	37.0	1.1	0.82	0.00	0.08	4.86	4.86	35.51	22.66	5.6	0.57	1.07	3.93	0.00	3.93
2011 02	270.9	7.6	5.42	0.00	0.53	4.86	4.86	35.51	22.66	36.8	3.76	1.07	31.97	0.00	31.97
2011 03	356.7	11.1	7.90	0.00	0.77	4.86	4.86	35.51	22.66	53.6	5.48	1.07	47.09	0.00	47.09
2011 04	226.2	6.8	4.85	0.00	0.47	4.86	4.86	35.51	22.66	32.9	3.36	1.07	28.49	0.00	28.49
2011 05	211.1	6.5	4.68	0.00	0.45	4.86	4.86	35.51	22.66	31.7	3.24	1.07	27.44	0.00	27.44
2011 06	210.8	6.3	4.52	0.00	0.44	4.86	4.86	35.51	22.66	30.7	3.13	1.07	26.47	0.00	26.47
2011 07	197.4	6.1	4.37	0.00	0.43	4.86	4.86	35.51	22.66	29.7	3.03	1.07	25.59	0.00	25.59
2011 08	191.4	5.9	4.24	0.00	0.41	4.86	4.86	35.51	22.66	28.8	2.94	1.07	24.77	0.00	24.77
2011 09	192.0	5.8	4.12	0.00	0.40	4.86	4.86	35.51	22.66	27.9	2.85	1.07	24.01	0.00	24.01
2011 10	180.6	5.6	4.00	0.00	0.39	4.86	4.86	35.51	22.66	27.2	2.77	1.07	23.31	0.00	23.31
2011 11	181.6	5.4	3.89	0.00	0.38	4.86	4.86	35.51	22.66	26.4	2.70	1.07	22.65	0.00	22.65
2011 12	171.2	5.3	3.79	0.00	0.37	4.86	4.86	35.51	22.66	25.7	2.63	1.07	22.04	0.00	22.04
Sub.	---	124.4	88.93	0.00	8.65	---	---	---	---	603.6	61.67	21.34	520.64	1,478.00	-957.36
Rem.	---	415.4	296.85	0.00	28.86	---	---	---	---	2,015.0	205.84	294.49	1,514.62	0.00	1,514.62
Total	---	539.8	385.78	0.00	37.51	---	---	---	---	2,618.6	267.51	315.83	2,035.26	1,478.00	557.26

ConocoPhillips

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

September 2, 2011

Bureau of Land Management
Farmington Resource Area
Attn: Mr. Wayne Townsend
1235 La Plata Highway
Farmington, NM 87401

State of New Mexico
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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 29-7 Unit (#14-08-001-1650)
Commerciality Determination
Pictured Cliffs Formation
Rio Arriba County, New Mexico

Gentlemen:

Pursuant to Section 11(a) of the San Juan 29-7 Unit Agreement, #14-08-001-1650, approved September 3, 1954, Burlington Resources Oil & Gas Company, as Operator, has determined that the well listed below is capable of producing unitized substances in paying quantities from the Pictured Cliffs formation. Burlington is seeking confirmation of the paying well determination enclosed.

Well Name	Dedication	Lease No.	Completion	Determination
SJ 29-7 Unit 586	NE/4 Sec. 27-29N-7W	SF 078424	7/8/2009	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 formal Participating Area Schedules will be prepared and submitted.

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 326-9848.

Sincerely,

Richard Davis
Land Analyst

SJ 29-7 Unit, 4.3

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 UNIT 586

WELL INFORMATION

LEASE	SAN JUAN 29-7 UNIT 586
LOCATION	30029N006W
COUNTY, STATE	RIO ARRIBA, NEW MEXICO
FORMATION	PICTURED CLIFFS
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS CO
SPUD DATE	3/6/2009
COMP DATE	7/8/2009
1ST DELIVERY	8/12/2009
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

PRODUCTION TAXES

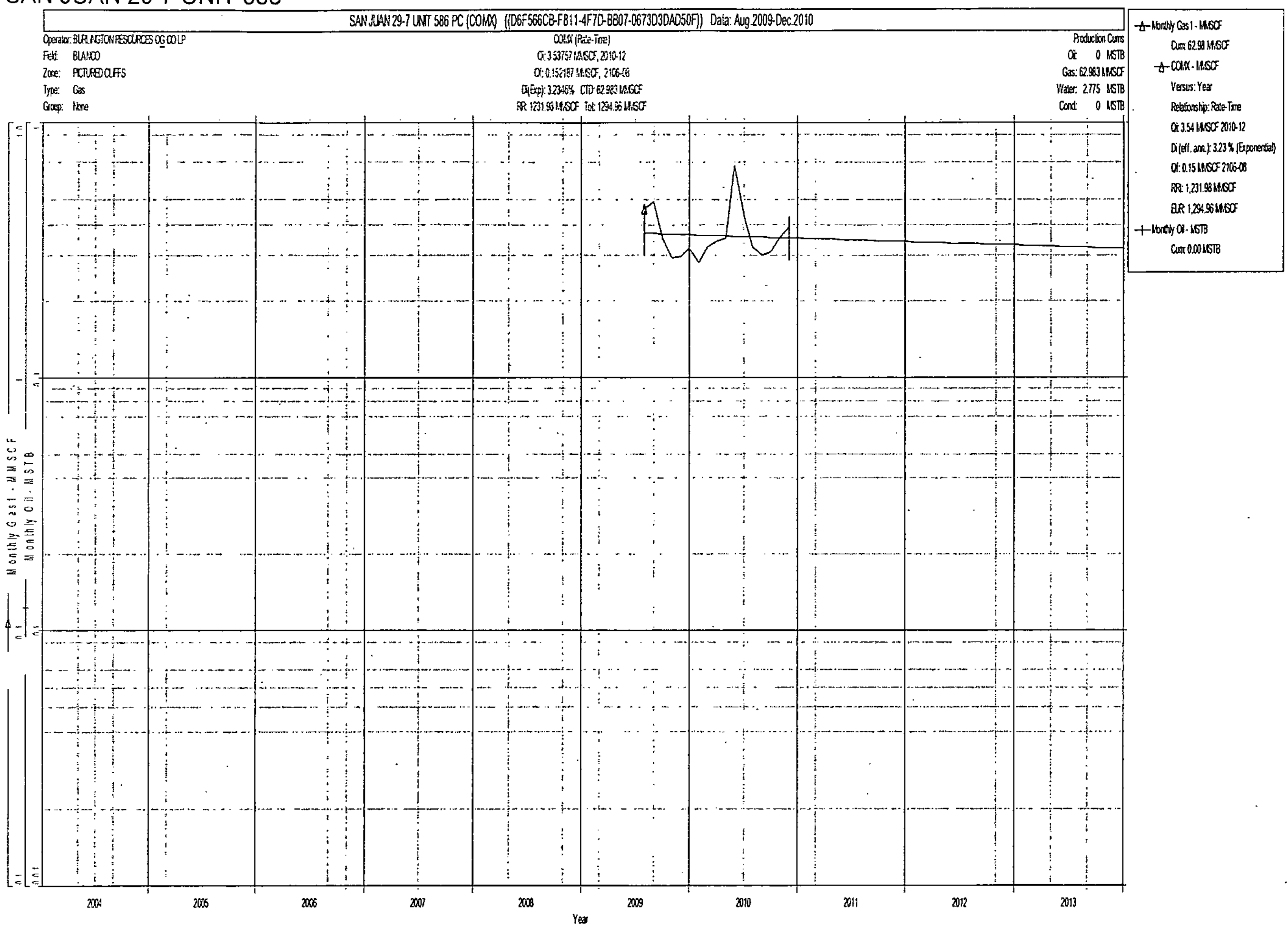
TAXES FOR: RIO ARRIBA, NEW MEXICO
2003 - 2004 Commerciality

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

WELL COST AND ECONOMICS

1,085.00	M$	AVERAGE WELL COST
1,184.22	MMCF	ULT. GROSS GAS RESERVES
113.11	MCFD	INITIAL GAS RATE
11.78	%	RATE OF RETURN
0.12	$/$	P/I, DISC. @ 10.00 %
130.50	M$	NET PRESENT VALUE, DISC. @ 10.00 %
7.79	YRS	PAYOUT

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 UNIT 586



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$

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 UNIT 586

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$
2011 04	116.5	3.5	2.37	0.00	0.21	4.86	4.86	35.51	22.66	15.7	1.61	1.02	13.07	1,085.00	-1,071.93
2011 05	112.4	3.5	2.36	0.00	0.21	4.86	4.86	35.51	22.66	15.7	1.60	1.02	13.03	0.00	13.03
2011 06	115.8	3.5	2.36	0.00	0.21	4.86	4.86	35.51	22.66	15.6	1.60	1.02	12.99	0.00	12.99
2011 07	111.8	3.5	2.35	0.00	0.21	4.86	4.86	35.51	22.66	15.6	1.59	1.02	12.95	0.00	12.95
2011 08	111.5	3.5	2.34	0.00	0.21	4.86	4.86	35.51	22.66	15.5	1.59	1.02	12.91	0.00	12.91
2011 09	114.9	3.4	2.34	0.00	0.21	4.86	4.86	35.51	22.66	15.5	1.58	1.02	12.87	0.00	12.87
2011 10	110.9	3.4	2.33	0.00	0.21	4.86	4.86	35.51	22.66	15.4	1.58	1.02	12.84	0.00	12.84
2011 11	114.3	3.4	2.33	0.00	0.21	4.86	4.86	35.51	22.66	15.4	1.58	1.02	12.80	0.00	12.80
2011 12	110.3	3.4	2.32	0.00	0.21	4.86	4.86	35.51	22.66	15.4	1.57	1.02	12.76	0.00	12.76
2012 01	110.0	3.4	2.31	0.00	0.21	4.86	4.86	35.51	22.66	15.3	1.57	1.02	12.72	0.00	12.72
2012 02	117.2	3.4	2.31	0.00	0.20	4.86	4.86	35.51	22.66	15.3	1.56	1.02	12.69	0.00	12.69
2012 03	109.4	3.4	2.30	0.00	0.20	4.86	4.86	35.51	22.66	15.2	1.56	1.02	12.65	0.00	12.65
2012 04	112.7	3.4	2.29	0.00	0.20	4.86	4.86	35.51	22.66	15.2	1.55	1.02	12.61	0.00	12.61
2012 05	108.8	3.4	2.29	0.00	0.20	4.86	4.86	35.51	22.66	15.1	1.55	1.02	12.57	0.00	12.57
2012 06	112.1	3.4	2.28	0.00	0.20	4.86	4.86	35.51	22.66	15.1	1.55	1.02	12.54	0.00	12.54
2012 07	108.2	3.4	2.28	0.00	0.20	4.86	4.86	35.51	22.66	15.1	1.54	1.02	12.50	0.00	12.50
2012 08	107.9	3.3	2.27	0.00	0.20	4.86	4.86	35.51	22.66	15.0	1.54	1.02	12.46	0.00	12.46
2012 09	111.2	3.3	2.26	0.00	0.20	4.86	4.86	35.51	22.66	15.0	1.53	1.02	12.42	0.00	12.42
2012 10	107.3	3.3	2.26	0.00	0.20	4.86	4.86	35.51	22.66	14.9	1.53	1.02	12.39	0.00	12.39
2012 11	110.6	3.3	2.25	0.00	0.20	4.86	4.86	35.51	22.66	14.9	1.53	1.02	12.35	0.00	12.35
Sub.	---	68.1	46.20	0.00	4.10	---	---	---	---	305.9	31.32	20.50	254.12	1,085.00	-830.88
Rem.	---	1,116.1	757.26	0.00	67.28	---	---	---	---	5,014.3	513.26	960.42	3,540.61	0.00	3,540.61
Total	---	1,184.2	803.47	0.00	71.38	---	---	---	---	5,320.2	544.58	980.92	3,794.73	1,085.00	2,709.73

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 UNIT 586

WELL INFORMATION

LEASE	SAN JUAN 29-7 UNIT 586
LOCATION	30029N006W
COUNTY, STATE	RIO ARRIBA, NEW MEXICO
FORMATION	PICTURED CLIFFS
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS CO
SPUD DATE	3/6/2009
COMP DATE	7/8/2009
1ST DELIVERY	8/12/2009
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

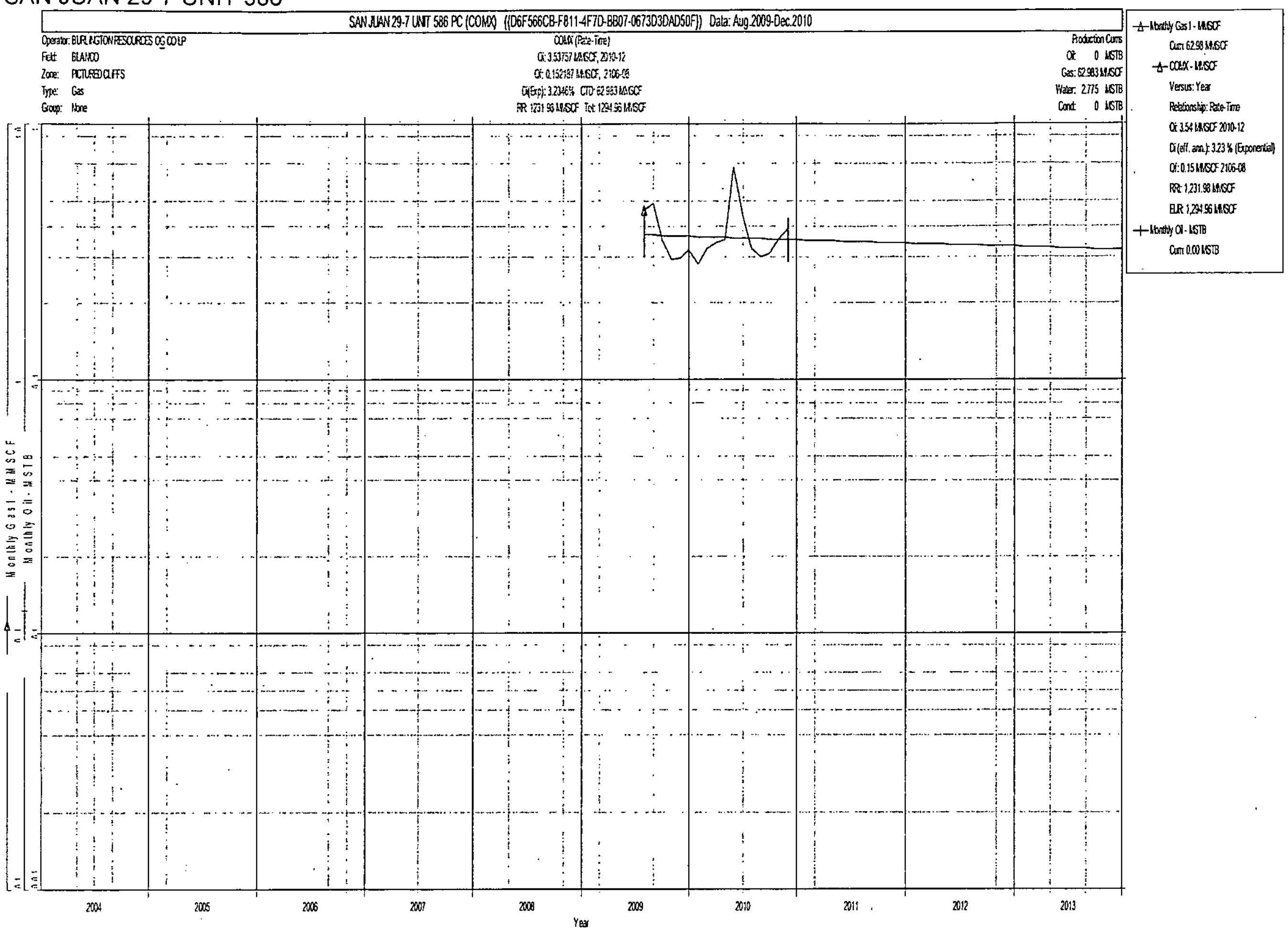
AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

WELL COST AND ECONOMICS

1,085.00	M$	AVERAGE WELL COST
1,184.22	MMCF	ULT. GROSS GAS RESERVES
113.11	MCFD	INITIAL GAS RATE
11.78	%	RATE OF RETURN
0.12	$/$	P/I, DISC. @ 10.00 %
130.50	M$	NET PRESENT VALUE, DISC. @ 10.00 %
7.79	YRS	PAYOUT

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 UNIT 586



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$

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 UNIT 586

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$
2011 04	116.5	3.5	2.37	0.00	0.21	4.86	4.86	35.51	22.66	15.7	1.61	1.02	13.07	1,085.00	-1,071.93
2011 05	112.4	3.5	2.36	0.00	0.21	4.86	4.86	35.51	22.66	15.7	1.60	1.02	13.03	0.00	13.03
2011 06	115.8	3.5	2.36	0.00	0.21	4.86	4.86	35.51	22.66	15.6	1.60	1.02	12.99	0.00	12.99
2011 07	111.8	3.5	2.35	0.00	0.21	4.86	4.86	35.51	22.66	15.6	1.59	1.02	12.95	0.00	12.95
2011 08	111.5	3.5	2.34	0.00	0.21	4.86	4.86	35.51	22.66	15.5	1.59	1.02	12.91	0.00	12.91
2011 09	114.9	3.4	2.34	0.00	0.21	4.86	4.86	35.51	22.66	15.5	1.58	1.02	12.87	0.00	12.87
2011 10	110.9	3.4	2.33	0.00	0.21	4.86	4.86	35.51	22.66	15.4	1.58	1.02	12.84	0.00	12.84
2011 11	114.3	3.4	2.33	0.00	0.21	4.86	4.86	35.51	22.66	15.4	1.58	1.02	12.80	0.00	12.80
2011 12	110.3	3.4	2.32	0.00	0.21	4.86	4.86	35.51	22.66	15.4	1.57	1.02	12.76	0.00	12.76
2012 01	110.0	3.4	2.31	0.00	0.21	4.86	4.86	35.51	22.66	15.3	1.57	1.02	12.72	0.00	12.72
2012 02	117.2	3.4	2.31	0.00	0.20	4.86	4.86	35.51	22.66	15.3	1.56	1.02	12.69	0.00	12.69
2012 03	109.4	3.4	2.30	0.00	0.20	4.86	4.86	35.51	22.66	15.2	1.56	1.02	12.65	0.00	12.65
2012 04	112.7	3.4	2.29	0.00	0.20	4.86	4.86	35.51	22.66	15.2	1.55	1.02	12.61	0.00	12.61
2012 05	108.8	3.4	2.29	0.00	0.20	4.86	4.86	35.51	22.66	15.1	1.55	1.02	12.57	0.00	12.57
2012 06	112.1	3.4	2.28	0.00	0.20	4.86	4.86	35.51	22.66	15.1	1.55	1.02	12.54	0.00	12.54
2012 07	108.2	3.4	2.28	0.00	0.20	4.86	4.86	35.51	22.66	15.1	1.54	1.02	12.50	0.00	12.50
2012 08	107.9	3.3	2.27	0.00	0.20	4.86	4.86	35.51	22.66	15.0	1.54	1.02	12.46	0.00	12.46
2012 09	111.2	3.3	2.26	0.00	0.20	4.86	4.86	35.51	22.66	15.0	1.53	1.02	12.42	0.00	12.42
2012 10	107.3	3.3	2.26	0.00	0.20	4.86	4.86	35.51	22.66	14.9	1.53	1.02	12.39	0.00	12.39
2012 11	110.6	3.3	2.25	0.00	0.20	4.86	4.86	35.51	22.66	14.9	1.53	1.02	12.35	0.00	12.35
Sub.	---	68.1	46.20	0.00	4.10	---	---	---	---	305.9	31.32	20.50	254.12	1,085.00	-830.88
Rem.	---	1,116.1	757.26	0.00	67.28	---	---	---	---	5,014.3	513.26	960.42	3,540.61	0.00	3,540.61
Total	---	1,184.2	803.47	0.00	71.38	---	---	---	---	5,320.2	544.58	980.92	3,794.73	1,085.00	2,709.73

ConocoPhillips

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

RECEIVED OCD

2011 SEP -8 P 11:45

September 2, 2011

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 29-7 Unit (#14-08-001-1650)
Commerciality Determination
Dakota Formation
Rio Arriba County, New Mexico

Gentlemen:

Pursuant to Section 11(a) of the San Juan 29-7 Unit Agreement, #14-08-001-1650, approved September 3, 1954, Burlington Resources Oil & Gas Company, as Operator, has determined that the well listed below is capable of producing unitized substances in paying quantities from the Dakota formation. Burlington is seeking confirmation of the paying well determination enclosed.

Well Name	Dedication	Lease No.	Completion	Determination
SJ 29-7 Unit 75M	E/2 Sec. 23-29N-7W	FEE	7/1/2010	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 formal Participating Area Schedules will be prepared and submitted.

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 326-9848.

Sincerely,

Richard Davis
Land Analyst

SJ 29-7 Unit, 4.3

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 75M

WELL INFORMATION

LEASE	SAN JUAN 29-7 75M
LOCATION	23029N007WA
COUNTY, STATE	RIO ARRIBA, NM
FORMATION	DAKOTA
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS CO
SPUD DATE	3/22/2010
COMP DATE	7/1/2010
1ST DELIVERY	6/30/2010
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

PRODUCTION TAXES

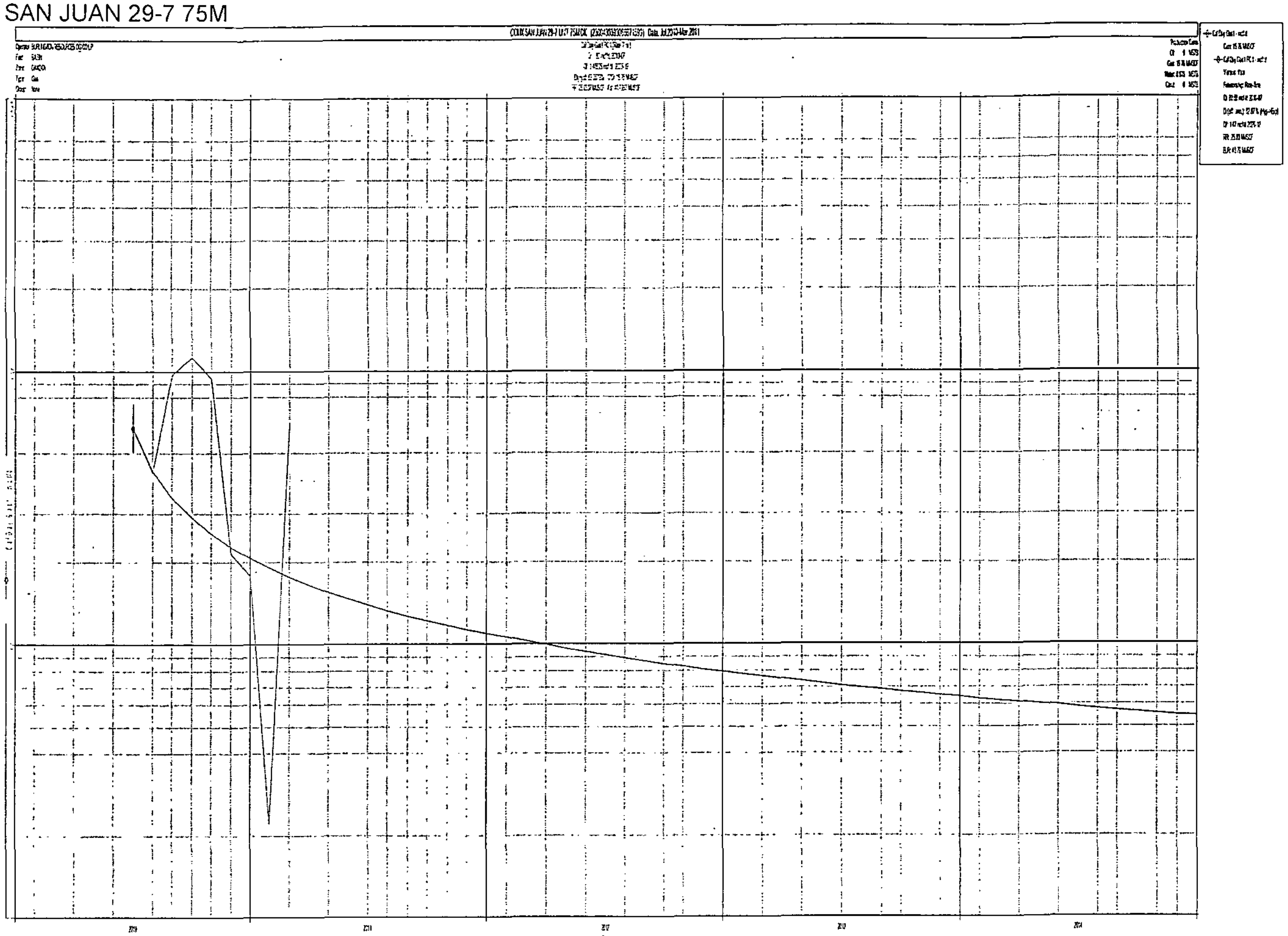
TAXES FOR: RIO ARRIBA, NM
2003 - 2004 Commerciality

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

WELL COST AND ECONOMICS

1,478.00	M$	AVERAGE WELL COST
40.79	MMCF	ULT. GROSS GAS RESERVES
71.43	MCFD	INITIAL GAS RATE
38.11	%	RATE OF RETURN
1.96	$/$	P/I, DISC. @ 10.00 %
2,891.42	M$	NET PRESENT VALUE, DISC. @ 10.00 %
3.12	YRS	PAYOUT

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 75M



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$

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 75M

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$
2010 07	61.7	1.9	1.37	0.00	2.15	4.86	4.86	35.51	22.66	49.4	4.72	1.07	43.57	1,478.00	-1,434.43
2010 08	42.5	1.3	0.94	0.00	2.15	4.86	4.86	35.51	22.66	47.3	4.50	1.07	41.71	0.00	41.71
2010 09	97.3	2.9	2.09	0.00	2.08	4.86	4.86	35.51	22.66	51.5	4.96	1.07	45.45	0.00	45.45
2010 10	113.0	3.5	2.50	0.00	2.15	4.86	4.86	35.51	22.66	54.9	5.30	1.07	48.51	0.00	48.51
2010 11	94.0	2.8	2.02	0.00	2.08	4.86	4.86	35.51	22.66	51.1	4.92	1.07	45.14	0.00	45.14
2010 12	21.6	0.7	0.48	0.00	2.15	4.86	4.86	35.51	22.66	45.0	4.26	1.07	39.70	0.00	39.70
2011 01	17.8	0.6	0.40	0.00	2.15	4.86	4.86	35.51	22.66	44.6	4.22	1.07	39.34	0.00	39.34
2011 02	2.2	0.1	0.04	0.00	1.95	4.86	4.86	35.51	22.66	38.8	3.65	1.07	34.07	0.00	34.07
2011 03	64.5	2.0	1.43	0.00	2.15	4.86	4.86	35.51	22.66	49.7	4.75	1.07	43.84	0.00	43.84
2011 04	16.8	0.5	0.36	0.00	2.08	4.86	4.86	35.51	22.66	43.1	4.07	1.07	37.94	0.00	37.94
2011 05	15.3	0.5	0.34	0.00	2.15	4.86	4.86	35.51	22.66	44.4	4.19	1.07	39.09	0.00	39.09
2011 06	14.9	0.4	0.32	0.00	2.08	4.86	4.86	35.51	22.66	42.9	4.05	1.07	37.77	0.00	37.77
2011 07	13.7	0.4	0.30	0.00	2.15	4.86	4.86	35.51	22.66	44.2	4.17	1.07	38.94	0.00	38.94
2011 08	13.1	0.4	0.29	0.00	2.15	4.86	4.86	35.51	22.66	44.1	4.17	1.07	38.88	0.00	38.88
2011 09	12.9	0.4	0.28	0.00	2.08	4.86	4.86	35.51	22.66	42.7	4.03	1.07	37.58	0.00	37.58
2011 10	12.0	0.4	0.27	0.00	2.15	4.86	4.86	35.51	22.66	44.0	4.15	1.07	38.78	0.00	38.78
2011 11	11.9	0.4	0.26	0.00	2.08	4.86	4.86	35.51	22.66	42.6	4.02	1.07	37.49	0.00	37.49
2011 12	11.1	0.3	0.25	0.00	2.15	4.86	4.86	35.51	22.66	43.9	4.14	1.07	38.69	0.00	38.69
2012(12)	9.4	3.4	2.45	0.00	25.43	4.86	4.86	35.51	22.66	516.1	48.69	12.80	454.61	0.00	454.61
2013(12)	7.2	2.6	1.87	0.00	25.36	4.86	4.86	35.51	22.66	511.9	48.27	12.80	450.86	0.00	450.86
Sub.	---	25.5	18.24	0.00	88.93	---	---	---	---	1,852.0	175.24	44.81	1,631.95	1,478.00	153.95
Rem.	---	15.3	10.91	0.00	532.91	---	---	---	---	10,619.3	999.69	268.88	9,350.75	0.00	9,350.75
Total	---	40.8	29.15	0.00	621.85	---	---	---	---	12,471.3	1,174.93	313.70	10,982.70	1,478.00	9,504.70

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 75M

WELL INFORMATION

LEASE	SAN JUAN 29-7 75M
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FORMATION	DAKOTA
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WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS CO
SPUD DATE	3/22/2010
COMP DATE	7/1/2010
1ST DELIVERY	6/30/2010
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

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TAXES FOR:	RIO ARRIBA, NM 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

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71.43	MCFD	INITIAL GAS RATE
38.11	%	RATE OF RETURN
1.96	$/$	P/I, DISC. @ 10.00 %
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3.12	YRS	PAYOUT

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
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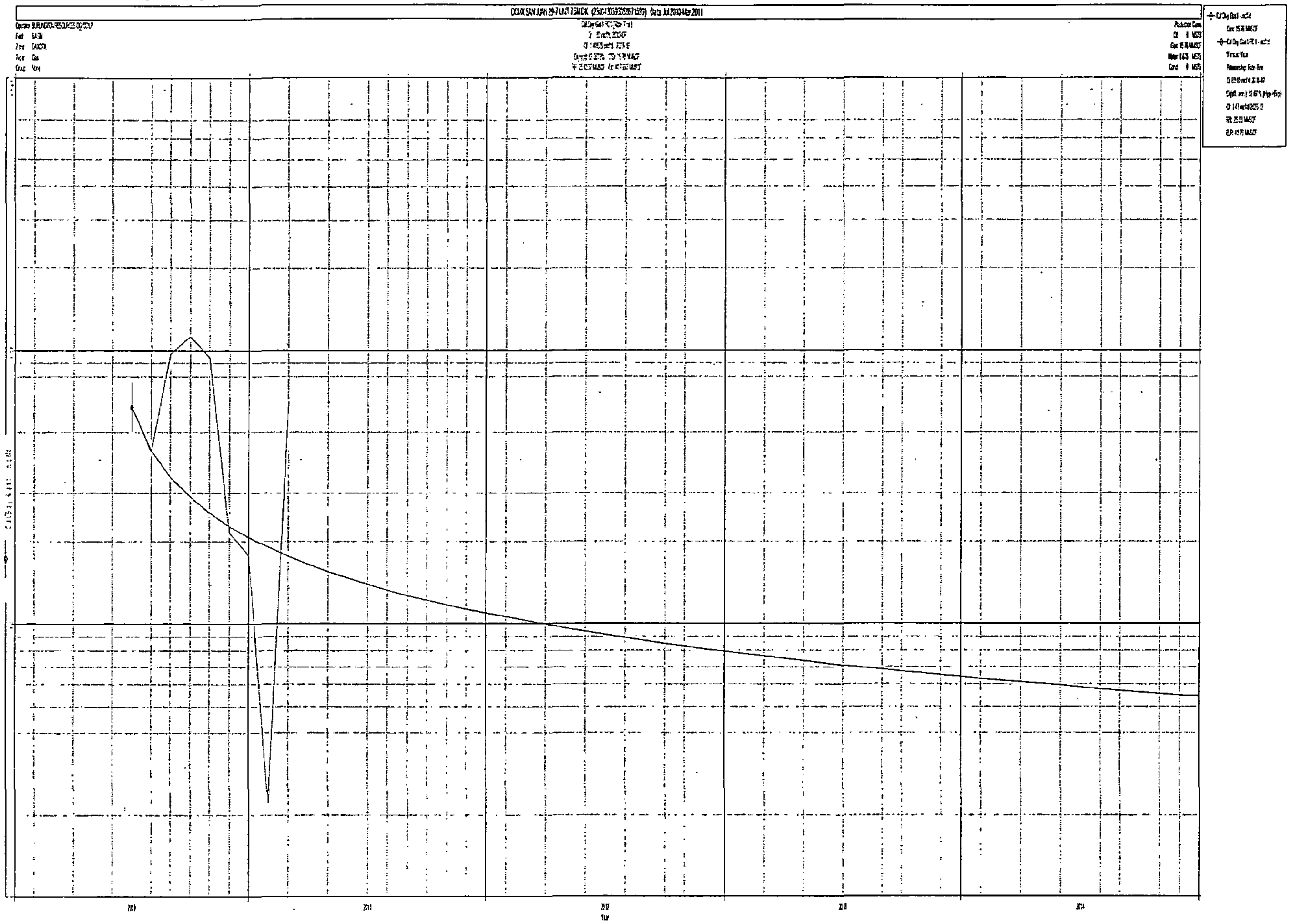

CASH FLOW SUMMARY

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$

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET

SAN JUAN 29-7 75M

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$
2010 07	61.7	1.9	1.37	0.00	2.15	4.86	4.86	35.51	22.66	49.4	4.72	1.07	43.57	1,478.00	-1,434.43
2010 08	42.5	1.3	0.94	0.00	2.15	4.86	4.86	35.51	22.66	47.3	4.50	1.07	41.71	0.00	41.71
2010 09	97.3	2.9	2.09	0.00	2.08	4.86	4.86	35.51	22.66	51.5	4.96	1.07	45.45	0.00	45.45
2010 10	113.0	3.5	2.50	0.00	2.15	4.86	4.86	35.51	22.66	54.9	5.30	1.07	48.51	0.00	48.51
2010 11	94.0	2.8	2.02	0.00	2.08	4.86	4.86	35.51	22.66	51.1	4.92	1.07	45.14	0.00	45.14
2010 12	21.6	0.7	0.48	0.00	2.15	4.86	4.86	35.51	22.66	45.0	4.26	1.07	39.70	0.00	39.70
2011 01	17.8	0.6	0.40	0.00	2.15	4.86	4.86	35.51	22.66	44.6	4.22	1.07	39.34	0.00	39.34
2011 02	2.2	0.1	0.04	0.00	1.95	4.86	4.86	35.51	22.66	38.8	3.65	1.07	34.07	0.00	34.07
2011 03	64.5	2.0	1.43	0.00	2.15	4.86	4.86	35.51	22.66	49.7	4.75	1.07	43.84	0.00	43.84
2011 04	16.8	0.5	0.36	0.00	2.08	4.86	4.86	35.51	22.66	43.1	4.07	1.07	37.94	0.00	37.94
2011 05	15.3	0.5	0.34	0.00	2.15	4.86	4.86	35.51	22.66	44.4	4.19	1.07	39.09	0.00	39.09
2011 06	14.9	0.4	0.32	0.00	2.08	4.86	4.86	35.51	22.66	42.9	4.05	1.07	37.77	0.00	37.77
2011 07	13.7	0.4	0.30	0.00	2.15	4.86	4.86	35.51	22.66	44.2	4.17	1.07	38.94	0.00	38.94
2011 08	13.1	0.4	0.29	0.00	2.15	4.86	4.86	35.51	22.66	44.1	4.17	1.07	38.88	0.00	38.88
2011 09	12.9	0.4	0.28	0.00	2.08	4.86	4.86	35.51	22.66	42.7	4.03	1.07	37.58	0.00	37.58
2011 10	12.0	0.4	0.27	0.00	2.15	4.86	4.86	35.51	22.66	44.0	4.15	1.07	38.78	0.00	38.78
2011 11	11.9	0.4	0.26	0.00	2.08	4.86	4.86	35.51	22.66	42.6	4.02	1.07	37.49	0.00	37.49
2011 12	11.1	0.3	0.25	0.00	2.15	4.86	4.86	35.51	22.66	43.9	4.14	1.07	38.69	0.00	38.69
2012(12)	9.4	3.4	2.45	0.00	25.43	4.86	4.86	35.51	22.66	516.1	48.69	12.80	454.61	0.00	454.61
2013(12)	7.2	2.6	1.87	0.00	25.36	4.86	4.86	35.51	22.66	511.9	48.27	12.80	450.86	0.00	450.86
Sub.	---	25.5	18.24	0.00	88.93	---	---	---	---	1,852.0	175.24	44.81	1,631.95	1,478.00	153.95
Rem.	---	15.3	10.91	0.00	532.91	---	---	---	---	10,619.3	999.69	268.88	9,350.75	0.00	9,350.75
Total	---	40.8	29.15	0.00	621.85	---	---	---	---	12,471.3	1,174.93	313.70	10,982.70	1,478.00	9,504.70