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Burlington Resources Inc.
A wholly owned subsidiary

January 15, 2014

Bureau of Land Management
Farmington Resource Area
Attn: Mr. Wayne Townsend
6251 N College, Suite A
Farmington, NM 87402

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: Canyon Largo Unit (14-08-001-1059)
Commerciality Determination
Dakota Formation
Rio Arriba County, New Mexico**

Gentlemen:

Pursuant to the provisions of Section 11(a) of the Canyon Largo Unit Agreement, #14-08-001-1059, approved, September 18, 1953, Burlington Resources Oil & Gas Company LP, 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 well determination enclosed.

Well Name	Dedication	Dedicated Lease	Compl. Date	Determination
CLU #485E	E/2 8-25N-6W	SF-078883	8-15-12	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 Shara Graham at 326-9819, all other questions to the undersigned at 599-4030.

Sincerely,

Dawn Howell, CPLTA
Senior Land Analyst

CLU 4.3 File

**CANYON LARGO UNIT
WORKING INTEREST OWNERS
DAKOTA FORMATION**

Burlington Resources
ConocoPhillips Company
Carolyn Beamon Tilley
CB Lifeline Partnership
Claudia Marcia Gilmer
Four Star Oil & Gas
Huntington Canyon Largo LLC
James Robert Beamon
Jeanne Lundell Lindsey
Kimbell Oil Company
Omimex Petroleum Inc.
Richard Tully
Robert Beamon
Robert Walter Lundell
Susan Beamon Porter
Sharon Beamon Burns
Speerex Limited Partnership

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
CANYON LARGO UNIT 485E

WELL INFORMATION

LEASE	CANYON LARGO UNIT 485E
LOCATION	825N06WJ
COUNTY, STATE	RIO ARRIBA, NM
FORMATION	DAKOTA
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS CO
SPUD DATE	6/14/2012
COMP DATE	8/15/2012
1ST DELIVERY	12/14/2012
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

AVERAGE HEAT CONTENT

1,000	MMBtu / Mcf
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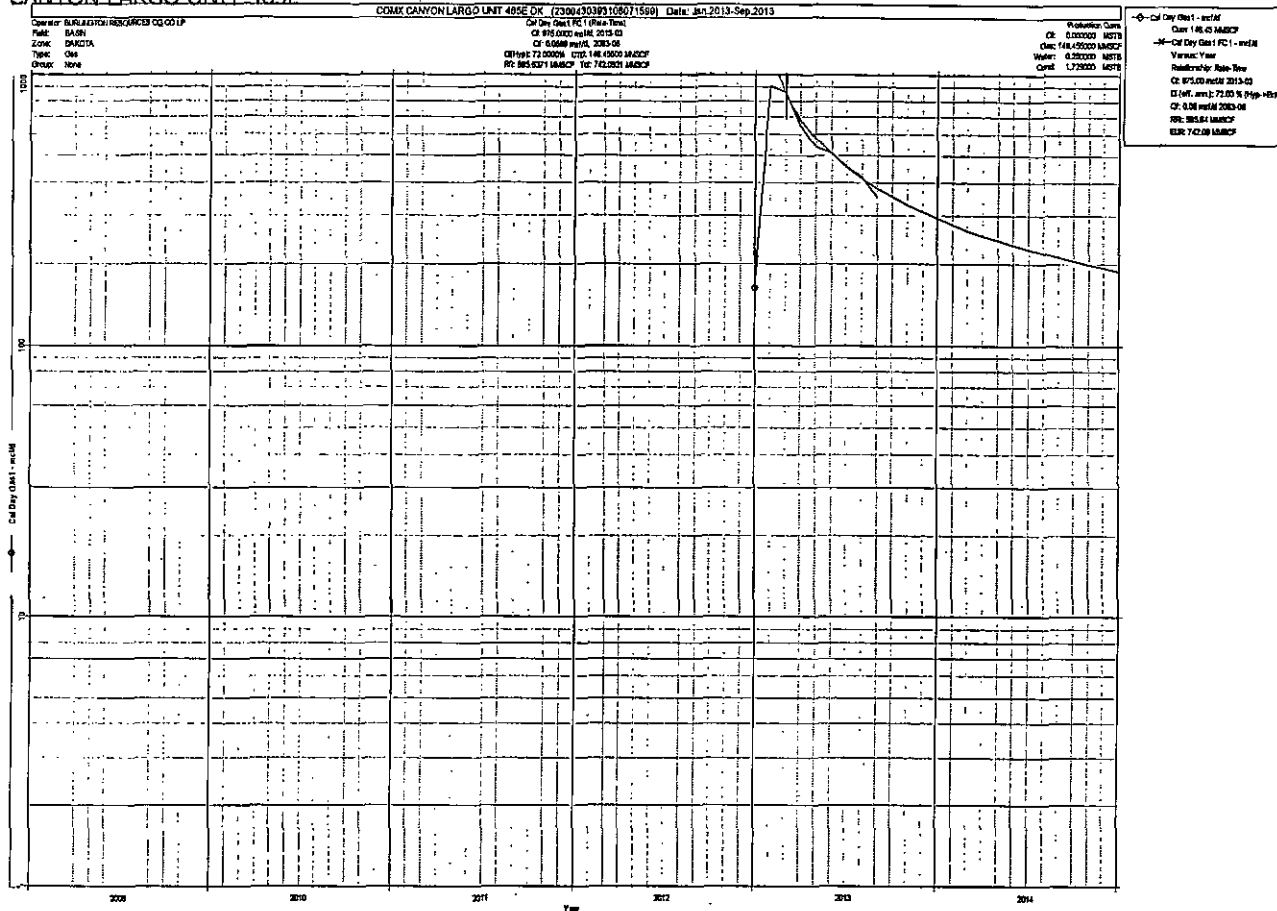
PRODUCTION TAXES

TAXES FOR:	RIO ARRIBA, NM
	2012 - 2013 Commerciality
	GAS % OF REVENUE
SEVERANCE:	
Severance, School, Conservation	7.93
AD VALOREM:	
Production, Equipment	1.40
TOTAL %:	9.33

WELL COST AND ECONOMICS

1,060.99	M\$	AVERAGE WELL COST
678.23	MMCF	ULT. GROSS GAS RESERVES
863.81	MCFD	INITIAL GAS RATE
92.87	%	RATE OF RETURN
1.26	\$/ \$	P/I, DISC. @ 10.00 %
1,337.98	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
1.19	YRS	PAYOUT

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
CANYON LARGO UNIT 485F



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\$
2013 03	863.8	26.8	18.33	0.32	2.77	3.87	3.87	81.16	33.37	175.0	17.26	0.79	156.91	1,060.99	-904.08

Perp 2011.1

SHARA GRAHAM

01/08/2014 16:25

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
CANYON LARGO UNIT 485E

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\$
2013 04	650.7	19.5	13.36	0.26	2.02	3.87	3.87	81.16	33.37	129.2	12.74	0.79	115.66	0.00	115.66
2013 05	539.4	16.7	11.45	0.23	1.73	3.87	3.87	81.16	33.37	111.0	10.94	0.79	99.29	0.00	99.29
2013 06	512.6	15.4	10.53	0.17	1.59	3.87	3.87	81.16	33.37	99.1	9.78	0.79	88.52	0.00	88.52
2013 07	457.5	14.2	9.71	0.14	1.47	3.87	3.87	81.16	33.37	90.3	8.92	0.79	80.61	0.00	80.61
2013 08	417.0	12.9	8.85	0.15	1.34	3.87	3.87	81.16	33.37	83.9	8.28	0.79	74.83	0.00	74.83
2013 09	350.7	10.5	7.20	0.14	1.09	3.87	3.87	81.16	33.37	69.7	6.87	0.79	62.03	0.00	62.03
2013 10	346.6	10.7	7.36	0.11	1.11	3.87	3.87	81.16	33.37	68.5	6.77	0.79	60.98	0.00	60.98
2013 11	335.2	10.1	6.88	0.10	1.04	3.87	3.87	81.16	33.37	63.8	6.31	0.79	56.75	0.00	56.75
2013 12	305.4	9.5	6.48	0.09	0.98	3.87	3.87	81.16	33.37	59.9	5.92	0.79	53.17	0.00	53.17
2014 01	289.0	9.0	6.13	0.08	0.93	3.87	3.87	81.16	33.37	56.4	5.58	0.79	50.07	0.00	50.07
2014 02	304.1	8.5	5.83	0.07	0.88	3.87	3.87	81.16	33.37	53.4	5.28	0.79	47.37	0.00	47.37
2014 03	261.9	8.1	5.56	0.07	0.84	3.87	3.87	81.16	33.37	50.8	5.02	0.79	45.00	0.00	45.00
2014 04	259.0	7.8	5.32	0.06	0.80	3.87	3.87	81.16	33.37	48.5	4.79	0.79	42.89	0.00	42.89
2014 05	240.4	7.5	5.10	0.06	0.77	3.87	3.87	81.16	33.37	46.4	4.59	0.79	41.00	0.00	41.00
2014 06	238.9	7.2	4.91	0.05	0.74	3.87	3.87	81.16	33.37	44.5	4.40	0.79	39.30	0.00	39.30
2014 07	222.8	6.9	4.73	0.05	0.72	3.87	3.87	81.16	33.37	42.8	4.23	0.79	37.75	0.00	37.75
2014 08	215.2	6.7	4.57	0.05	0.69	3.87	3.87	81.16	33.37	41.2	4.08	0.79	36.35	0.00	36.35
2014 09	215.1	6.5	4.42	0.04	0.67	3.87	3.87	81.16	33.37	39.8	3.94	0.79	35.06	0.00	35.06
2014 10	201.7	6.3	4.28	0.04	0.65	3.87	3.87	81.16	33.37	38.5	3.81	0.79	33.87	0.00	33.87
Sub.	---	220.6	151.00	2.28	22.83	---	---	---	---	1,412.6	139.49	15.72	1,257.40	1,060.99	196.41
Rem.	---	457.7	313.32	1.43	47.37	---	---	---	---	2,691.9	266.87	218.51	2,206.49	0.00	2,206.49
Total	---	678.2	464.32	3.70	70.20	---	---	---	---	4,104.5	406.37	234.23	3,463.89	1,060.99	2,402.90