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Burlington Resources Inc.
A wholly owned subsidiary

January 17, 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: San Juan 28-6 Unit (#14-08-001-1051)
Commerciality Determination
Mancos Formation
Rio Arriba County, New Mexico
Property-A717743

Gentlemen:

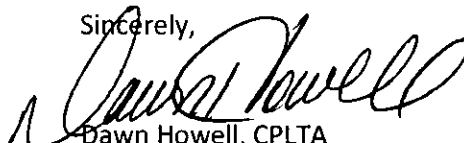
Pursuant to the provisions of Section 11 (a) of the San Juan 28-6 Unit Agreement, #14-08-001-1051, approved, August 31, 1953, Burlington Resources Oil & Gas Company, as Operator, has determined that the well listed below is not capable of producing unitized substances in paying quantities from the Mancos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

Well Name	Dedication	Lease No.	Comp. Date	Determination
SJ 28-6 Unit #181P	N/2 14-27N-06W	SF-079365	11-19-12	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 to Communitization Agreement NMNM129706.

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

SJ 28-6 Unit 4.5

**SAN JUAN 28-6 UNIT #181P
MANCOS FORMATION
WORKING INTEREST OWNERS**

Burlington Resources Oil & Gas Co, LP

Carolyn Beamon Tilley

Cathryn Beamon

Claudia Lundell Gilmer

Harrington Energy Resources LP

Harrington Southwest Energy LP

James Robert Beamon

Linda Jeanne Lundell Lindsey

Robert Beamon

Robert Walter Lundell

Sharon Beamon Burns

Sharon Beamon Porter

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
 SAN JUAN 28-6 UNIT 181P

WELL INFORMATION

LEASE	SAN JUAN 28-6 UNIT 181P
LOCATION	1427N06WC
COUNTY, STATE	RIO ARRIBA, NM
FORMATION	MANCOS
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS CO
SPUD DATE	7/31/2012
COMP DATE	11/19/2012
1ST DELIVERY	11/19/2012
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

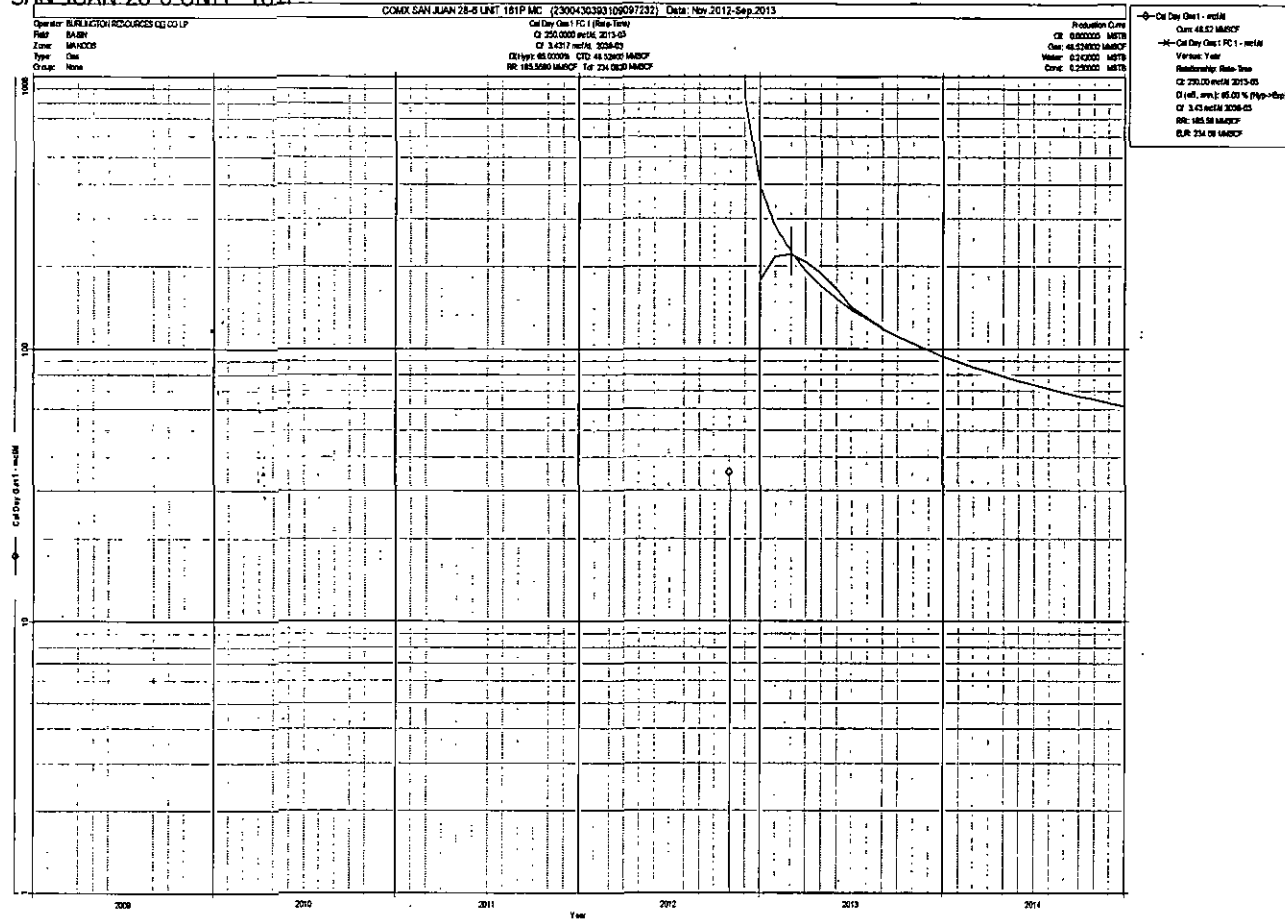
PRODUCTION TAXES

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

WELL COST AND ECONOMICS

760.82	M\$	AVERAGE WELL COST
221.22	MMCF	ULT. GROSS GAS RESERVES
222.81	MCFD	INITIAL GAS RATE
1.39	%	RATE OF RETURN
-0.22	\$/ \$	P/I, DISC. @ 10.00 %
-169.92	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
11.94	YRS	PAYOUT

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION BLM DATA SHEET SAN JUAN 28-6 UNIT 181P



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	222.8	6.9	4.97	0.04	0.56	3.87	3.87	81.16	33.37	38.5	3.84	0.88	33.76	760.82	-727.06

Peep 2011.1

SHARA GRAHAM

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BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 28-6 UNIT 181P

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	208.1	6.2	4.49	0.03	0.51	3.87	3.87	81.16	33.37	34.3	3.42	0.88	29.96	0.00	29.96
2013 05	188.2	5.8	4.19	0.02	0.47	3.87	3.87	81.16	33.37	31.7	3.16	0.88	27.62	0.00	27.62
2013 06	165.0	4.9	3.56	0.02	0.40	3.87	3.87	81.16	33.37	27.0	2.69	0.88	23.38	0.00	23.38
2013 07	141.5	4.4	3.15	0.01	0.36	3.87	3.87	81.16	33.37	23.4	2.34	0.88	20.18	0.00	20.18
2013 08	129.1	4.0	2.88	0.02	0.33	3.87	3.87	81.16	33.37	21.8	2.18	0.88	18.73	0.00	18.73
2013 09	118.4	3.6	2.55	0.02	0.29	3.87	3.87	81.16	33.37	19.4	1.94	0.88	16.58	0.00	16.58
2013 10	108.7	3.4	2.42	0.01	0.27	3.87	3.87	81.16	33.37	18.2	1.81	0.88	15.46	0.00	15.46
2013 11	105.8	3.2	2.28	0.01	0.26	3.87	3.87	81.16	33.37	17.1	1.70	0.88	14.47	0.00	14.47
2013 12	96.9	3.0	2.16	0.01	0.24	3.87	3.87	81.16	33.37	16.1	1.61	0.88	13.61	0.00	13.61
2014 01	92.1	2.9	2.05	0.01	0.23	3.87	3.87	81.16	33.37	15.3	1.53	0.88	12.87	0.00	12.87
2014 02	97.3	2.7	1.96	0.01	0.22	3.87	3.87	81.16	33.37	14.5	1.45	0.88	12.21	0.00	12.21
2014 03	84.1	2.6	1.87	0.01	0.21	3.87	3.87	81.16	33.37	13.9	1.39	0.88	11.63	0.00	11.63
2014 04	83.4	2.5	1.80	0.01	0.20	3.87	3.87	81.16	33.37	13.3	1.33	0.88	11.11	0.00	11.11
2014 05	77.6	2.4	1.73	0.01	0.20	3.87	3.87	81.16	33.37	12.8	1.28	0.88	10.63	0.00	10.63
2014 06	77.3	2.3	1.67	0.01	0.19	3.87	3.87	81.16	33.37	12.3	1.23	0.88	10.20	0.00	10.20
2014 07	72.2	2.2	1.61	0.00	0.18	3.87	3.87	81.16	33.37	11.9	1.19	0.88	9.81	0.00	9.81
2014 08	69.9	2.2	1.56	0.00	0.18	3.87	3.87	81.16	33.37	11.5	1.15	0.88	9.46	0.00	9.46
2014 09	70.0	2.1	1.51	0.00	0.17	3.87	3.87	81.16	33.37	11.1	1.11	0.88	9.13	0.00	9.13
2014 10	65.7	2.0	1.46	0.00	0.17	3.87	3.87	81.16	33.37	10.8	1.08	0.88	8.82	0.00	8.82
Sub.	---	69.4	49.88	0.24	5.65	---	---	---	---	374.7	37.43	17.66	319.61	760.82	-441.21
Rem.	---	151.8	109.18	0.12	12.36	---	---	---	---	790.0	79.07	245.47	465.46	0.00	465.46
Total	---	221.2	159.06	0.36	18.01	---	---	---	---	1,164.7	116.50	263.13	785.06	760.82	24.24