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Burlington Resources Inc.
A wholly owned subsidiary

February 19, 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 29-7 Unit (#14-08-001-1650)
Commerciality Determinations
Mancos Formation
Rio Arriba County, New Mexico

Gentlemen:

Pursuant to the provisions of 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 wells listed below are not capable of producing unitized substances in paying quantities from the Mancos formation. Burlington is seeking confirmation of the paying well determinations enclosed.

Well Name	Dedication	Lease No.	Completion	Determination
SJ 29-7 Unit #82M	E/2 4-29N-R7W	SF-078919	10-1-12	Non-Commercial
SJ 29-7 Unit #138M	W/2 25-29N-7W	SF-078425	4-10-12	Non-Commercial
SJ 29-7 Unit #141M	E/2 8-29N-7W	SF-078423	3-26-12	Non-Commercial

Upon receipt of response from the Bureau of Land Management and concurring response from the New Mexico Oil Conservation Division, these wells will continue to be reported to their respected lease or Communitization Agreement.

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

DH
SJ 29-7 Unit, 4.4

BURLINGTON RESOURCES

COMMERCIALITY DETERMINATION

BLM DATA SHEET

SAN JUAN 29-7 UNIT 82M

WELL INFORMATION

LEASE SAN JUAN 29-7 UNIT 82M
 LOCATION 429N07W1
 COUNTY, STATE RIO ARRIBA, NM
 FORMATION MANCOS
 PROJECT TYPE NEWDRILL
 WELL TYPE GAS WELL
 OPERATOR BURLINGTON RESOURCES O&G CO
 SPUD DATE 9/21/2012
 COMP DATE 9/28/2012
 1ST DELIVERY 9/28/2012
 COMM GWI % 100.00
 COMM NRI % 87.50
 BOARD RATE % 10.00

PRODUCTION TAXES

TAXES FOR: RIO ARRIBA, NM
 2012 - 2013 Commerciality

GAS % OF REVENUE

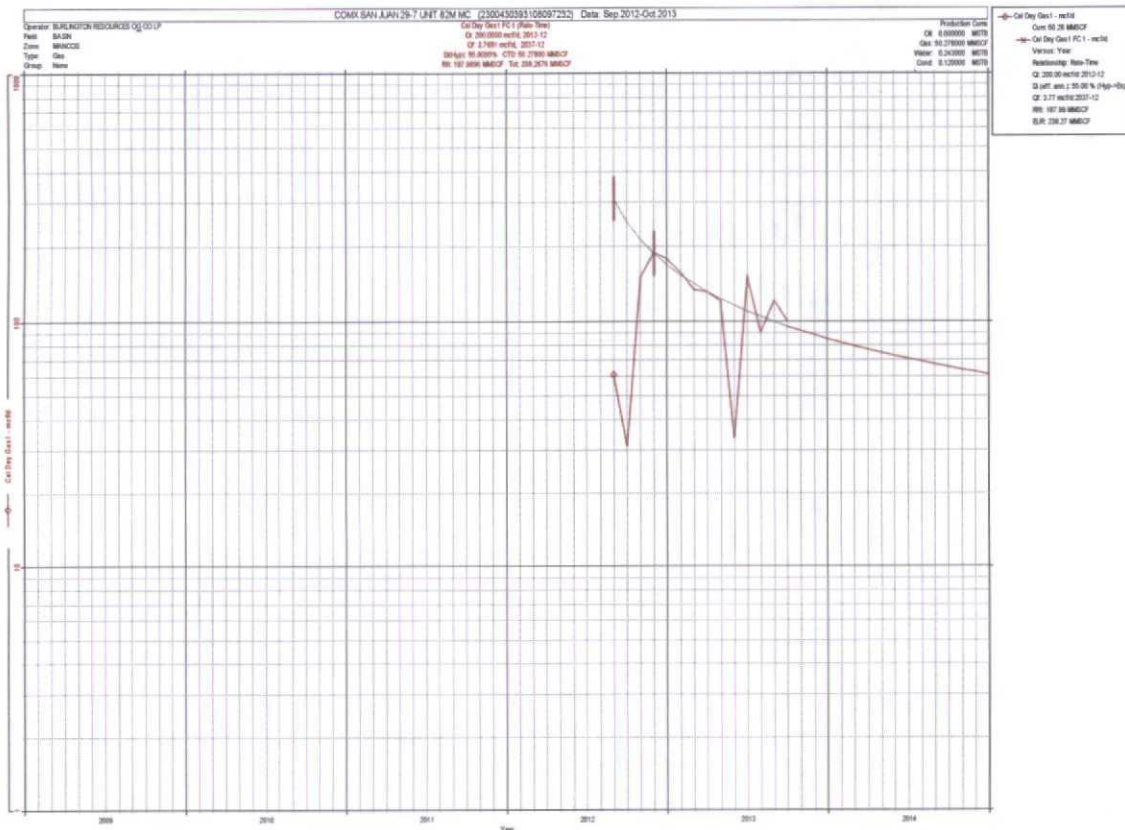
SEVERANCE:
 Severance, School, Conservation 7.93
 AD VALOREM:
 Production, Equipment 1.40
 TOTAL %: 9.33

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

WELL COST AND ECONOMICS

705.30 M\$ AVERAGE WELL COST
 229.62 MMCF ULT. GROSS GAS RESERVES
 188.48 MCFD INITIAL GAS RATE
 0.00 % RATE OF RETURN
 -0.44 \$/\$ P/I, DISC. @ 10.00 %
 -312.44 M\$ NET PRESENT VALUE, DISC. @ 10.00 %
 0.00 YRS PAYOUT



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\$
2012 12	188.5	5.8	4.30	0.01	0.38	2.31	2.31	81.16	33.37	22.1	2.19	0.88	19.05	705.30	-686.25

Peep 2011.1

SHARA GRAHAM

02/13/2014 09:14

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 UNIT 82M

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 01	178.2	5.5	4.06	0.01	0.36	2.31	2.31	81.16	33.37	21.0	2.08	0.88	18.01	0.00	18.01
2013 02	157.3	4.4	3.24	0.02	0.29	2.31	2.31	81.16	33.37	17.0	1.68	0.88	14.43	0.00	14.43
2013 03	134.3	4.2	3.06	0.01	0.27	2.31	2.31	81.16	33.37	15.7	1.56	0.88	13.25	0.00	13.25
2013 04	131.4	3.9	2.90	0.01	0.26	2.31	2.31	81.16	33.37	14.9	1.48	0.88	12.53	0.00	12.53
2013 05	121.0	3.8	2.76	0.01	0.25	2.31	2.31	81.16	33.37	14.1	1.40	0.88	11.85	0.00	11.85
2013 06	33.8	1.0	0.75	0.01	0.07	2.31	2.31	81.16	33.37	4.1	0.40	0.88	2.81	0.00	2.81
2013 07	152.8	4.7	3.48	0.00	0.31	2.31	2.31	81.16	33.37	17.1	1.70	0.88	14.54	0.00	14.54
2013 08	90.8	2.8	2.07	0.01	0.18	2.31	2.31	81.16	33.37	11.2	1.11	0.88	9.19	0.00	9.19
2013 09	121.8	3.7	2.69	0.00	0.24	2.31	2.31	81.16	33.37	13.4	1.33	0.88	11.21	0.00	11.21
2013 10	100.4	3.1	2.29	0.02	0.20	2.31	2.31	81.16	33.37	12.4	1.23	0.88	10.28	0.00	10.28
2013 11	93.1	2.8	2.05	0.01	0.18	2.31	2.31	81.16	33.37	10.5	1.04	0.88	8.59	0.00	8.59
2013 12	86.7	2.7	1.98	0.01	0.18	2.31	2.31	81.16	33.37	10.1	1.00	0.88	8.22	0.00	8.22
2014 01	83.6	2.6	1.91	0.01	0.17	2.31	2.31	81.16	33.37	9.7	0.96	0.88	7.88	0.00	7.88
2014 02	89.4	2.5	1.84	0.00	0.16	2.31	2.31	81.16	33.37	9.4	0.93	0.88	7.57	0.00	7.57
2014 03	78.1	2.4	1.78	0.00	0.16	2.31	2.31	81.16	33.37	9.1	0.90	0.88	7.28	0.00	7.28
2014 04	78.2	2.3	1.73	0.00	0.15	2.31	2.31	81.16	33.37	8.8	0.87	0.88	7.02	0.00	7.02
2014 05	73.4	2.3	1.67	0.00	0.15	2.31	2.31	81.16	33.37	8.5	0.84	0.88	6.78	0.00	6.78
2014 06	73.7	2.2	1.63	0.00	0.15	2.31	2.31	81.16	33.37	8.3	0.82	0.88	6.56	0.00	6.56
2014 07	69.4	2.2	1.58	0.00	0.14	2.31	2.31	81.16	33.37	8.0	0.80	0.88	6.35	0.00	6.35
Sub.	---	64.9	47.75	0.15	4.27	---	---	---	---	245.4	24.33	17.66	203.39	705.30	-501.91
Rem.	---	164.7	121.09	0.12	10.82	---	---	---	---	604.0	59.98	237.53	306.51	0.00	306.51
Total	---	229.6	168.84	0.27	15.08	---	---	---	---	849.4	84.31	255.19	509.91	705.30	-195.39

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 UNIT 138M

WELL INFORMATION

LEASE	SAN JUAN 29-7 UNIT 138M
LOCATION	2529N07WD
COUNTY, STATE	RIO ARriba, NM
FORMATION	MANCOS
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	BURLINGTON RESOURCES O&G CO
SPUD DATE	11/28/2011
COMP DATE	4/10/2012
1ST DELIVERY	4/9/2012
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

PRODUCTION TAXES

TAXES FOR: RIO ARRIBA, NM
2012 - 2013 Commerciality

GAS % OF REVENUE

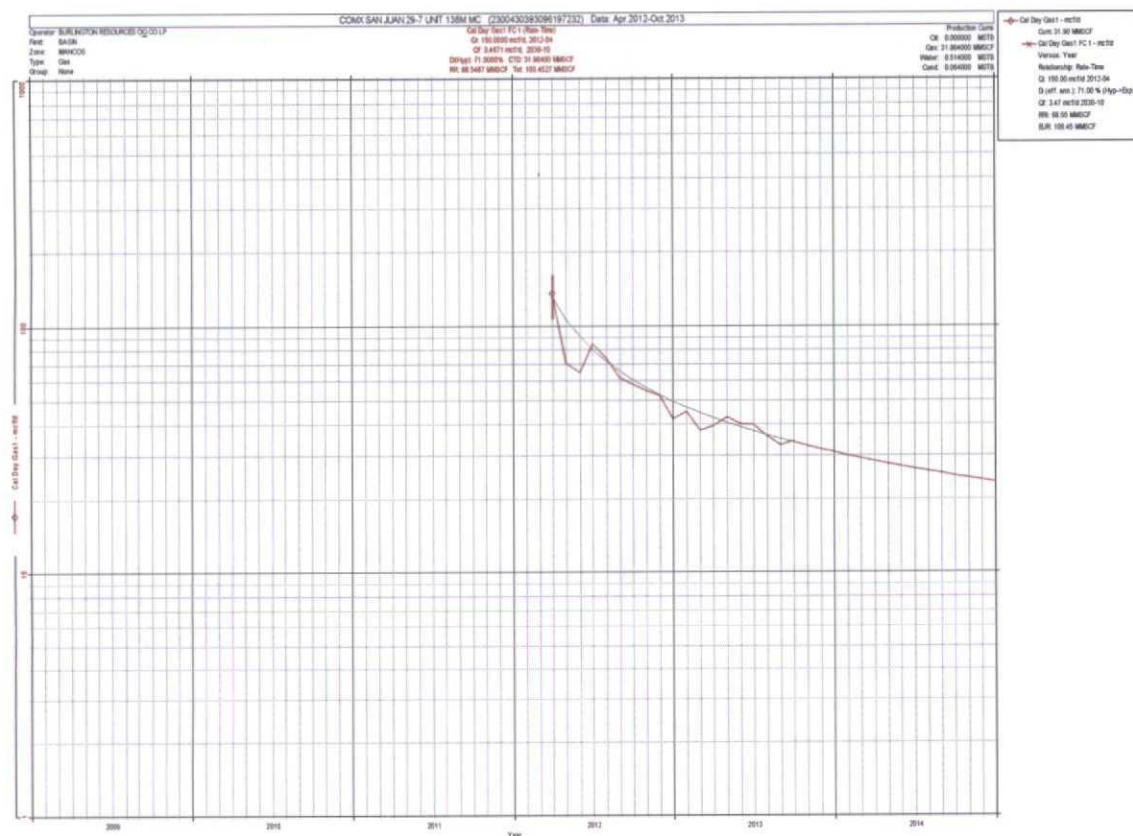
SEVERANCE:	
Severance, School, Conservation	7.93
AD VALOREM:	
Production, Equipment	1.40
TOTAL %:	9.33

AVERAGE HEAT CONTENT

997 MMBtu / Mcf

WELL COST AND ECONOMICS

752.83	M\$	AVERAGE WELL COST
100.45	MMCF	ULT. GROSS GAS RESERVES
135.93	MCFD	INITIAL GAS RATE
0.00	%	RATE OF RETURN
-0.82	\$/ \$	P/I, DISC. @ 10.00 %
-617.38	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
0.00	YRS	PAYOUT



CASH FLOW SUMMARY

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\$
2012 04	135.9	4.1	2.99	0.00	0.28	2.31	2.31	81.16	33.37	15.2	1.51	0.88	12.79	752.83	-740.04

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION

BLM DATA SHEET
SAN JUAN 29-7 UNIT 138M

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\$
2012 05	70.7	2.2	1.61	0.00	0.15	2.31	2.31	81.16	33.37	8.2	0.81	0.88	6.47	0.00	6.47
2012 06	64.7	1.9	1.42	0.01	0.13	2.31	2.31	81.16	33.37	8.1	0.80	0.88	6.40	0.00	6.40
2012 07	84.8	2.6	1.93	0.00	0.18	2.31	2.31	81.16	33.37	9.8	0.97	0.88	7.93	0.00	7.93
2012 08	74.1	2.3	1.68	0.00	0.16	2.31	2.31	81.16	33.37	8.9	0.88	0.88	7.14	0.00	7.14
2012 09	61.4	1.8	1.35	0.00	0.13	2.31	2.31	81.16	33.37	7.2	0.71	0.88	5.62	0.00	5.62
2012 10	57.9	1.8	1.32	0.00	0.12	2.31	2.31	81.16	33.37	6.9	0.68	0.88	5.33	0.00	5.33
2012 11	54.8	1.6	1.20	0.00	0.11	2.31	2.31	81.16	33.37	6.5	0.64	0.88	4.95	0.00	4.95
2012 12	52.3	1.6	1.19	0.01	0.11	2.31	2.31	81.16	33.37	6.4	0.63	0.88	4.88	0.00	4.88
2013 01	42.1	1.3	0.96	0.00	0.09	2.31	2.31	81.16	33.37	5.1	0.50	0.88	3.69	0.00	3.69
2013 02	45.0	1.3	0.92	0.00	0.09	2.31	2.31	81.16	33.37	4.9	0.49	0.88	3.54	0.00	3.54
2013 03	37.9	1.2	0.86	0.00	0.08	2.31	2.31	81.16	33.37	4.5	0.45	0.88	3.18	0.00	3.18
2013 04	39.4	1.2	0.87	0.00	0.08	2.31	2.31	81.16	33.37	4.7	0.46	0.88	3.34	0.00	3.34
2013 05	42.7	1.3	0.97	0.00	0.09	2.31	2.31	81.16	33.37	5.1	0.51	0.88	3.75	0.00	3.75
2013 06	40.3	1.2	0.89	0.00	0.08	2.31	2.31	81.16	33.37	4.8	0.47	0.88	3.43	0.00	3.43
2013 07	39.9	1.2	0.91	0.00	0.09	2.31	2.31	81.16	33.37	4.8	0.48	0.88	3.46	0.00	3.46
2013 08	35.9	1.1	0.82	0.00	0.08	2.31	2.31	81.16	33.37	4.4	0.43	0.88	3.04	0.00	3.04
2013 09	33.1	1.0	0.73	0.00	0.07	2.31	2.31	81.16	33.37	3.9	0.39	0.88	2.64	0.00	2.64
2013 10	34.5	1.1	0.78	0.00	0.07	2.31	2.31	81.16	33.37	4.1	0.40	0.88	2.77	0.00	2.77
2013 11	33.3	1.0	0.73	0.00	0.07	2.31	2.31	81.16	33.37	3.9	0.38	0.88	2.59	0.00	2.59
Sub.	---	32.9	24.12	0.07	2.29	---	---	---	---	127.2	12.59	17.66	96.93	752.83	-655.90
Rem.	---	67.6	49.52	0.06	4.70	---	---	---	---	255.7	25.35	244.59	-14.21	0.00	-14.21
Total	---	100.5	73.63	0.13	6.98	---	---	---	---	382.9	37.94	262.25	82.72	752.83	-670.11

BURLINGTON RESOURCES

COMMERCIALITY DETERMINATION

BLM DATA SHEET

SAN JUAN 29-7 UNIT 141M

WELL INFORMATION

LEASE SAN JUAN 29-7 UNIT 141M
 LOCATION 829N07WG
 COUNTY, STATE RIO ARRIBA, NM
 FORMATION MANCOS
 PROJECT TYPE NEWDRILL
 WELL TYPE GAS WELL
 OPERATOR BURLINGTON RESOURCES O&G CO
 SPUD DATE 12/10/2011
 COMP DATE 3/26/2012
 1ST DELIVERY 3/26/2012
 COMM GWI % 100.00
 COMM NRI % 87.50
 BOARD RATE % 10.00

PRODUCTION TAXES

TAXES FOR: RIO ARRIBA, NM
 2012 - 2013 Commerciality

GAS % OF REVENUE

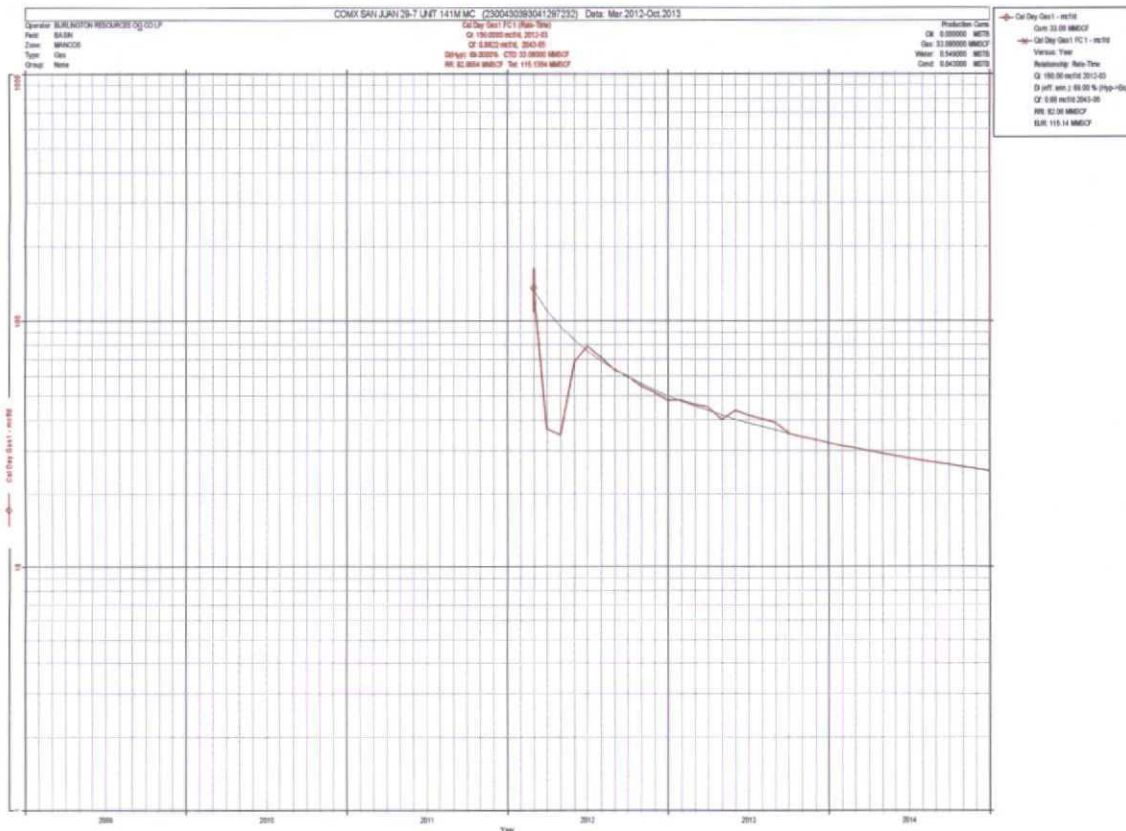
SEVERANCE:
 Severance, School, Conservation 7.93
 AD VALOREM:
 Production, Equipment 1.40
 TOTAL %: 9.33

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

WELL COST AND ECONOMICS

771.49 M\$ AVERAGE WELL COST
 89.84 MMCF ULT. GROSS GAS RESERVES
 45.90 MCFD INITIAL GAS RATE
 0.00 % RATE OF RETURN
 -0.89 \$/\$ P/I, DISC. @ 10.00 %
 -688.80 M\$ NET PRESENT VALUE, DISC. @ 10.00 %
 0.00 YRS PAYOUT



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	45.9	1.4	1.04	0.00	0.10	2.31	2.31	81.16	33.37	5.4	0.54	0.88	3.99	771.49	-767.50

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-7 UNIT 141M

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	45.1	1.4	0.99	0.00	0.09	2.31	2.31	81.16	33.37	5.0	0.50	0.88	3.63	0.00	3.63
2013 05	40.1	1.2	0.91	0.00	0.08	2.31	2.31	81.16	33.37	4.7	0.46	0.88	3.33	0.00	3.33
2013 06	43.7	1.3	0.96	0.00	0.09	2.31	2.31	81.16	33.37	4.9	0.49	0.88	3.56	0.00	3.56
2013 07	41.7	1.3	0.95	0.00	0.09	2.31	2.31	81.16	33.37	4.8	0.48	0.88	3.44	0.00	3.44
2013 08	40.3	1.3	0.92	0.00	0.08	2.31	2.31	81.16	33.37	4.7	0.47	0.88	3.36	0.00	3.36
2013 09	39.1	1.2	0.86	0.00	0.08	2.31	2.31	81.16	33.37	4.4	0.44	0.88	3.11	0.00	3.11
2013 10	35.5	1.1	0.81	0.00	0.07	2.31	2.31	81.16	33.37	4.2	0.41	0.88	2.87	0.00	2.87
2013 11	34.7	1.0	0.76	0.00	0.07	2.31	2.31	81.16	33.37	3.9	0.38	0.88	2.61	0.00	2.61
2013 12	32.6	1.0	0.74	0.00	0.07	2.31	2.31	81.16	33.37	3.8	0.37	0.88	2.51	0.00	2.51
2014 01	31.8	1.0	0.72	0.00	0.07	2.31	2.31	81.16	33.37	3.7	0.36	0.88	2.42	0.00	2.42
2014 02	34.3	1.0	0.70	0.00	0.06	2.31	2.31	81.16	33.37	3.6	0.35	0.88	2.33	0.00	2.33
2014 03	30.2	0.9	0.68	0.00	0.06	2.31	2.31	81.16	33.37	3.5	0.35	0.88	2.25	0.00	2.25
2014 04	30.4	0.9	0.67	0.00	0.06	2.31	2.31	81.16	33.37	3.4	0.34	0.88	2.18	0.00	2.18
2014 05	28.8	0.9	0.65	0.00	0.06	2.31	2.31	81.16	33.37	3.3	0.33	0.88	2.10	0.00	2.10
2014 06	29.1	0.9	0.64	0.00	0.06	2.31	2.31	81.16	33.37	3.2	0.32	0.88	2.04	0.00	2.04
2014 07	27.5	0.9	0.62	0.00	0.06	2.31	2.31	81.16	33.37	3.2	0.31	0.88	1.97	0.00	1.97
2014 08	26.9	0.8	0.61	0.00	0.06	2.31	2.31	81.16	33.37	3.1	0.31	0.88	1.91	0.00	1.91
2014 09	27.3	0.8	0.60	0.00	0.06	2.31	2.31	81.16	33.37	3.0	0.30	0.88	1.85	0.00	1.85
2014 10	25.9	0.8	0.59	0.00	0.05	2.31	2.31	81.16	33.37	3.0	0.30	0.88	1.80	0.00	1.80
Sub.	---	21.1	15.43	0.03	1.42	---	---	---	---	78.8	7.81	17.66	53.29	771.49	-718.20
Rem.	---	68.8	50.37	0.03	4.62	---	---	---	---	253.3	25.15	245.47	-17.28	0.00	-17.28
Total	---	89.8	65.79	0.05	6.04	---	---	---	---	332.1	32.96	263.13	36.01	771.49	-735.48