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2007 APR 20 PM 12 01

San Juan Business Unit

ConocoPhillips Company
P.O. Box 4289
Farmington, NM 87499-4289

Burlington Resources Inc.
A wholly owned subsidiary of
ConocoPhillips

April 18, 2007

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

State of New Mexico
Oil Conservation Division
Attn: Ms. Lori Wrotenbery
1220 S. St. Francis Drive
Santa Fe, NM 87505-4000

RE: San Juan 28-6 Unit (#14-08-001-1051)
Commercial Determination
Mesaverde Formation
Rio Arriba County, New Mexico

Gentlemen:

Per letter dated March 27, 2007, Burlington Resources indicated that the well listed below was capable of producing unitized substances in paying quantities from the Mesaverde formation. After further review, we found this to be incorrect. This well is **unable** to produce in paying quantities from the Mesaverde formation. Attached for your consideration is a revised paying well determination.

Unit Well Name	Well Dedication	Dedicated Leases	Completion Date	Commerciality Determination
S J 28-6 Unit #133E	W/2 Sec. 4-27N-6W	USA SF-079051	6/2/06	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, the well will be carried as non-commercial on a lease basis.

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 Karen Stevens at 326-9754, all other questions to the undersigned at 599-4030.

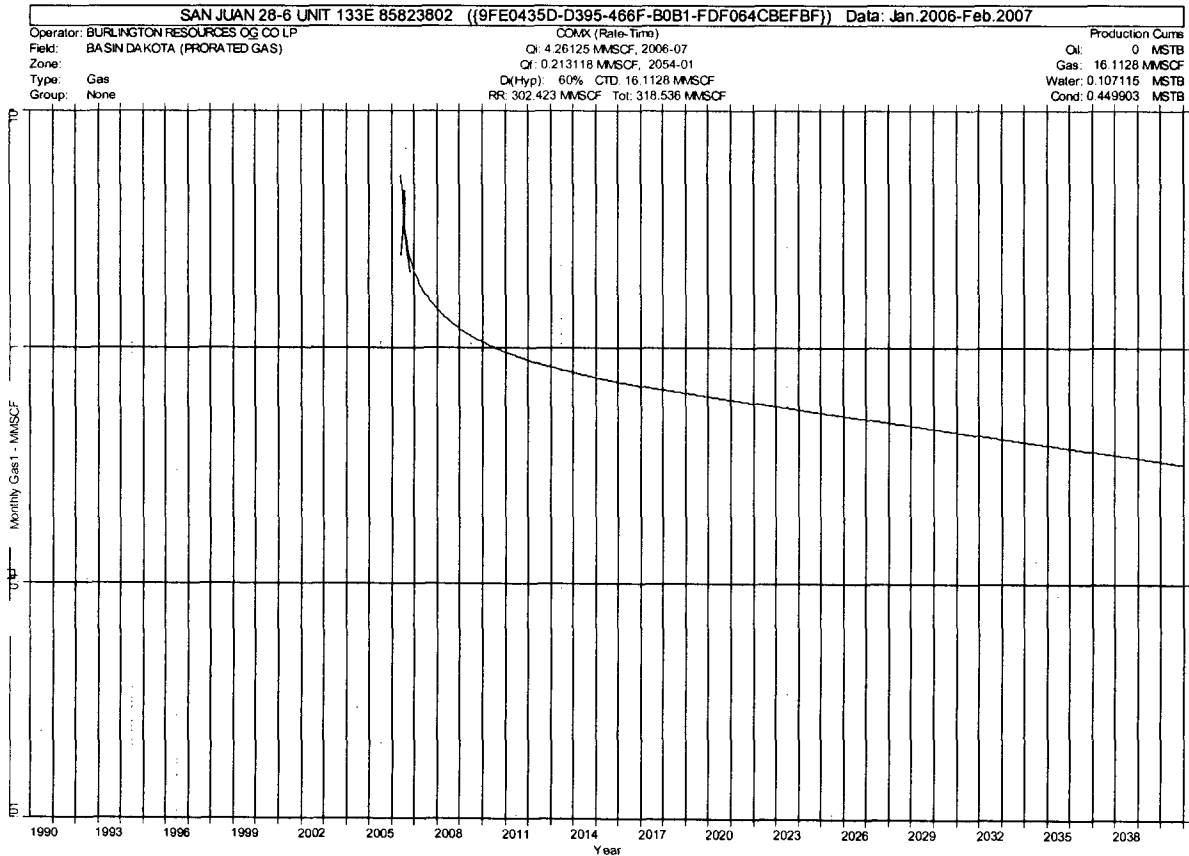
Sincerely,

Dawn Howell
Staff Land Technician

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 28-6 UNIT 133E

WELL INFORMATION		PRODUCTION TAXES	
LEASE	SAN JUAN 28-6 UNIT 133E	TAXES FOR:	RIO ARRIBA, New Mexico
LOCATION	04027N006WD		2003 - 2004 Commerciality
COUNTY, STATE	RIO ARRIBA, New Mexico		
FORMATION	MESAVERDE		GAS % OF REVENUE
PROJECT TYPE	NEWDRILL		
WELL TYPE	GAS WELL	SEVERANCE:	
OPERATOR	BURLINGTON RESOURCES O&G CO LP	Severance, School, Conservation	7.93
SPUD DATE	1/10/2006		
COMP DATE	6/2/2006	AD VALOREM:	
1ST DELIVERY	6/6/2006	Production, Equipment	1.40
COMM GWI %	100.00		
COMM NRI %	87.50	TOTAL %:	9.33
BOARD RATE %	10.00		

AVERAGE HEAT CONTENT		WELL COST AND ECONOMICS	
1,000	MMBtu / Mcf	712.00	M\$ AVERAGE WELL COST
		316.09	MMCF ULT. GROSS GAS RESERVES
		86.40	MCFD INITIAL GAS RATE
		5.65	% RATE OF RETURN
		-0.24	\$/ \$ P/I, DISC. @ 10.00 %
		-169.22	M\$ NET PRESENT VALUE, DISC. @ 10.00 %
		12.96	YRS PAYOUT



BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 28-6 UNIT 133E

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 Opccosts	Total Oper Inc	Total Capital	Total BT Cash
	mcf/d	MMSCF	MMSCF	MSTB	MSTB	\$/MMBTU	\$/mcf	\$/Bbl	\$/Bbl	M\$	M\$	M\$	M\$	M\$	M\$
2006(12)	86.4	15.9	11.12	0.31	1.33	4.86	4.86	35.51	22.66	90.1	9.08	3.84	77.13	712.00	-634.87
2007(12)	57.2	20.9	14.61	0.44	1.75	4.86	4.86	35.51	22.66	119.4	12.04	7.68	99.71	0.00	99.71
2008(12)	43.5	15.9	11.13	0.34	1.33	4.86	4.86	35.51	22.66	91.0	9.17	7.68	74.18	0.00	74.18
2009(12)	37.2	13.6	9.51	0.29	1.14	4.86	4.86	35.51	22.66	77.7	7.83	7.68	62.22	0.00	62.22
2010(12)	33.3	12.1	8.49	0.26	1.02	4.86	4.86	35.51	22.66	69.5	7.00	7.68	54.78	0.00	54.78
2011(12)	30.5	11.1	7.78	0.24	0.93	4.86	4.86	35.51	22.66	63.6	6.41	7.68	49.55	0.00	49.55
2012(12)	28.3	10.4	7.24	0.22	0.87	4.86	4.86	35.51	22.66	59.2	5.97	7.68	45.58	0.00	45.58
2013(12)	26.7	9.7	6.82	0.21	0.82	4.86	4.86	35.51	22.66	55.7	5.62	7.68	42.44	0.00	42.44
2014(12)	25.3	9.2	6.47	0.20	0.77	4.86	4.86	35.51	22.66	52.9	5.33	7.68	39.87	0.00	39.87
2015(12)	24.2	8.8	6.17	0.19	0.74	4.86	4.86	35.51	22.66	50.5	5.09	7.68	37.71	0.00	37.71
2016(12)	23.1	8.5	5.92	0.18	0.71	4.86	4.86	35.51	22.66	48.4	4.88	7.68	35.85	0.00	35.85
2017(12)	22.3	8.1	5.70	0.17	0.68	4.86	4.86	35.51	22.66	46.6	4.70	7.68	34.24	0.00	34.24
2018(12)	21.6	7.9	5.51	0.17	0.66	4.86	4.86	35.51	22.66	45.0	4.54	7.68	32.82	0.00	32.82
2019(12)	20.9	7.6	5.33	0.16	0.64	4.86	4.86	35.51	22.66	43.6	4.40	7.68	31.54	0.00	31.54
2020(12)	20.2	7.4	5.17	0.16	0.62	4.86	4.86	35.51	22.66	42.3	4.26	7.68	30.32	0.00	30.32
2021(12)	19.6	7.2	5.01	0.15	0.60	4.86	4.86	35.51	22.66	40.9	4.13	7.68	29.13	0.00	29.13
2022(12)	19.0	6.9	4.85	0.15	0.58	4.86	4.86	35.51	22.66	39.7	4.00	7.68	27.99	0.00	27.99
2023(12)	18.4	6.7	4.70	0.14	0.56	4.86	4.86	35.51	22.66	38.4	3.87	7.68	26.87	0.00	26.87
2024(12)	17.8	6.5	4.55	0.14	0.54	4.86	4.86	35.51	22.66	37.2	3.75	7.68	25.80	0.00	25.80
2025(12)	17.3	6.3	4.41	0.13	0.53	4.86	4.86	35.51	22.66	36.1	3.64	7.68	24.75	0.00	24.75
Sub.	---	200.8	140.49	4.25	16.80	---	---	---	---	1,147.9	115.70	149.76	882.47	712.00	170.47
Rem.	---	115.2	80.63	2.45	9.64	---	---	---	---	659.3	66.45	215.04	377.84	0.00	377.84
Total	---	316.1	221.13	6.70	26.44	---	---	---	---	1,807.3	182.15	364.80	1,260.31	712.00	548.31

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