



417

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

March 18, 2009

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 30-5 Unit (14-08-001-346)
Commerciality Determinations
Pictured Cliffs Formation
Rio Arriba County, New Mexico**

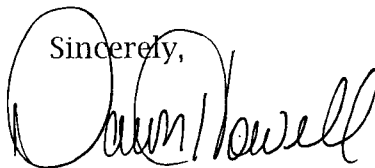
Ladies and Gentlemen:

Pursuant to the provisions of Section 11(a) of the San Juan 30-5 Unit Agreement, #14-06-001-346 approved September 8, 1952, ConocoPhillips Company, as Operator, has determined that the well listed below is capable of producing unitized substances in paying quantities from the Pictured Cliffs Formation. ConocoPhillips is seeking confirmation of the well determination enclosed.

Well Name	Dedication	Lease No.	Completion Date	Determination
SJ 30-5 Unit #62	NE/4 Sec. 21-30N-5W	SF-078739	11/1/2005	Commercial

Upon receipt of response from the Bureau of Land Management and concurring response from the New Mexico Oil Conservation Division, the formal Participating Area Schedules will be prepared and submitted.

Copies of this letter are being sent to the working interest owners on the attached sheet. If you have any questions or need any additional information, please contact the undersigned at (505) 599-4030.

Sincerely,

Dawn Howell
Staff Land Technician

San Juan 30-5 Unit 4.1

BURLINGTON RESOURCES

COMMERCIALITY DETERMINATION

BLM DATA SHEET

SAN JUAN 30-5 UNIT 62

WELL INFORMATION

LEASE SAN JUAN 30-5 UNIT 62
 LOCATION 21030N005W
 COUNTY, STATE SAN JUAN, NEW MEXICO
 FORMATION PICTURED CLIFFS
 PROJECT TYPE NEWDRILL
 WELL TYPE GAS WELL
 OPERATOR CONOCOPHILLIPS COMPANY
 SPUD DATE 4/19/2005
 COMP DATE 11/1/2005
 1ST DELIVERY 12/10/2005
 COMM GWI % 100.00
 COMM NRI % 87.50
 BOARD RATE % 10.00

PRODUCTION TAXES

TAXES FOR: SAN JUAN, NEW MEXICO
 2003 - 2004 Commerciality

GAS % OF REVENUE

SEVERANCE:
 Severance, School, Conservation 7.93

AD VALOREM:
 Production, Equipment 1.40

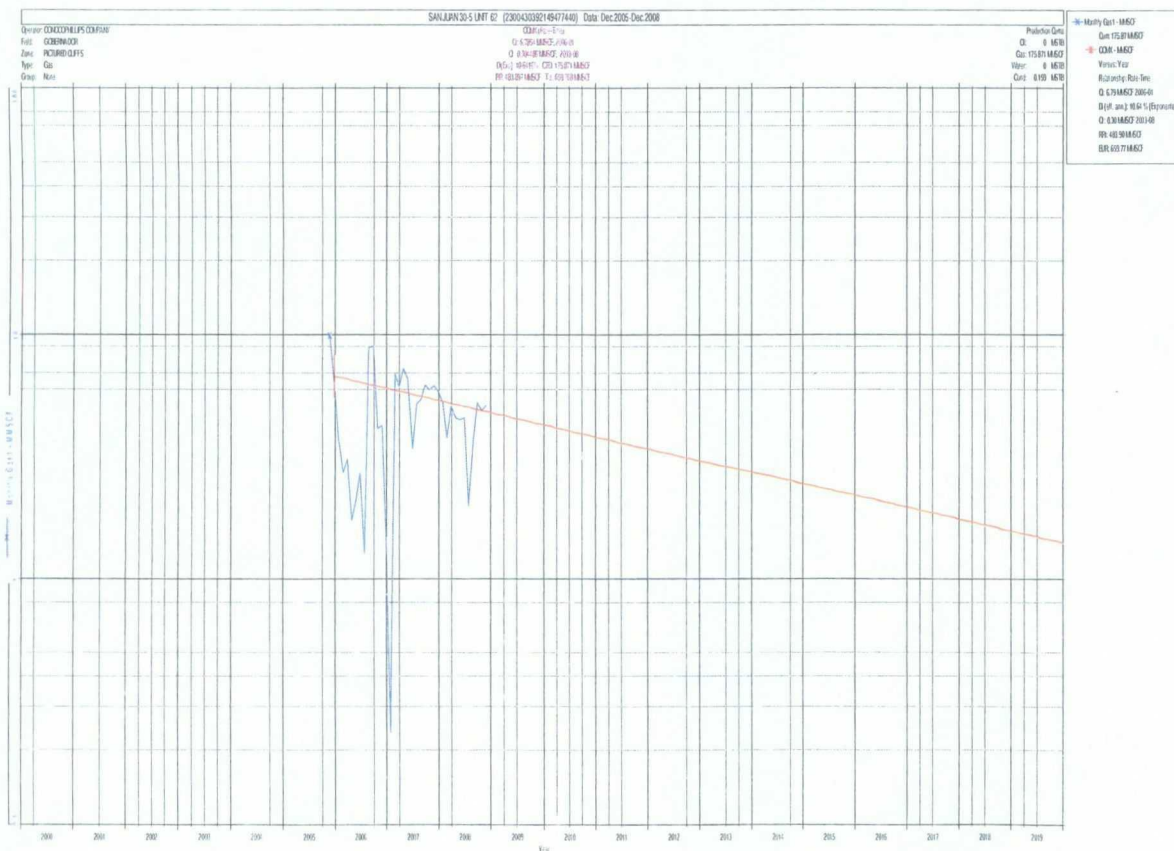
TOTAL %: 9.33

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

WELL COST AND ECONOMICS

628.00	M\$	AVERAGE WELL COST
659.77	MMCF	ULT. GROSS GAS RESERVES
320.55	MCFD	INITIAL GAS RATE
36.87	%	RATE OF RETURN
1.10	\$/	P/I, DISC. @ 10.00 %
690.67	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
2.90	YRS	PAYOUT



BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 30-5 UNIT 62

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\$
2005(12)	320.5	9.9	6.74	0.00	0.60	4.86	4.86	35.51	22.66	44.6	4.57	1.34	38.74	628.00	-589.26
2006(12)	137.1	50.0	33.94	0.00	3.02	4.86	4.86	35.51	22.66	224.7	23.00	16.04	185.69	0.00	185.69
2007(12)	167.2	61.0	41.39	0.00	3.68	4.86	4.86	35.51	22.66	274.1	28.06	16.04	229.99	0.00	229.99
2008(12)	150.0	54.9	37.25	0.00	3.31	4.86	4.86	35.51	22.66	246.6	25.25	16.04	205.35	0.00	205.35
2009(12)	150.5	54.9	37.28	0.00	3.31	4.86	4.86	35.51	22.66	246.9	25.27	16.04	205.55	0.00	205.55
2010(12)	134.5	49.1	33.31	0.00	2.96	4.86	4.86	35.51	22.66	220.6	22.58	16.04	181.97	0.00	181.97
2011(12)	120.2	43.9	29.77	0.00	2.64	4.86	4.86	35.51	22.66	197.1	20.18	16.04	160.90	0.00	160.90
2012(12)	107.1	39.2	26.60	0.00	2.36	4.86	4.86	35.51	22.66	176.1	18.03	16.04	142.07	0.00	142.07
2013(12)	96.0	35.0	23.77	0.00	2.11	4.86	4.86	35.51	22.66	157.4	16.11	16.04	125.24	0.00	125.24
2014(12)	85.8	31.3	21.24	0.00	1.89	4.86	4.86	35.51	22.66	140.6	14.40	16.04	110.21	0.00	110.21
2015(12)	76.6	28.0	18.98	0.00	1.69	4.86	4.86	35.51	22.66	125.7	12.86	16.04	96.77	0.00	96.77
2016(12)	68.3	25.0	16.96	0.00	1.51	4.86	4.86	35.51	22.66	112.3	11.50	16.04	84.77	0.00	84.77
2017(12)	61.2	22.3	15.16	0.00	1.35	4.86	4.86	35.51	22.66	100.4	10.27	16.04	74.04	0.00	74.04
2018(12)	54.7	20.0	13.54	0.00	1.20	4.86	4.86	35.51	22.66	89.7	9.18	16.04	64.45	0.00	64.45
2019(12)	48.9	17.8	12.10	0.00	1.08	4.86	4.86	35.51	22.66	80.1	8.20	16.04	55.89	0.00	55.89
2020(12)	43.5	15.9	10.81	0.00	0.96	4.86	4.86	35.51	22.66	71.6	7.33	16.04	48.23	0.00	48.23
2021(12)	39.0	14.2	9.66	0.00	0.86	4.86	4.86	35.51	22.66	64.0	6.55	16.04	41.39	0.00	41.39
2022(12)	34.9	12.7	8.63	0.00	0.77	4.86	4.86	35.51	22.66	57.2	5.85	16.04	35.28	0.00	35.28
2023(12)	31.2	11.4	7.72	0.00	0.69	4.86	4.86	35.51	22.66	51.1	5.23	16.04	29.82	0.00	29.82
2024(12)	27.8	10.2	6.89	0.00	0.61	4.86	4.86	35.51	22.66	45.7	4.67	16.04	24.94	0.00	24.94
Sub.	---	606.9	411.76	0.00	36.58	---	---	---	---	2,726.5	279.09	306.17	2,141.28	628.00	1,513.28
Rem.	---	50.3	34.14	0.00	3.03	---	---	---	---	226.1	23.14	127.02	75.90	0.00	75.90
Total	---	657.2	445.90	0.00	39.62	---	---	---	---	2,952.6	302.23	433.19	2,217.18	628.00	1,589.18

SAN JUAN 30-5 UNIT
PICTURED CLIFFS FORMATION
WORKING INTEREST OWNERS

CONOCOPHILLIPS

WILLIAMS PRODUCTION COMPANY



ConocoPhillips
San Juan Business Unit
P.O. Box 4289
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COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 30-5 UNIT 62

WELL INFORMATION

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COUNTY, STATE	SAN JUAN, NEW MEXICO
FORMATION	PICTURED CLIFFS
PROJECT TYPE	NEWDRIILL
WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS COMPANY
SPUD DATE	4/19/2005
COMP DATE	11/1/2005
1ST DELIVERY	12/10/2005
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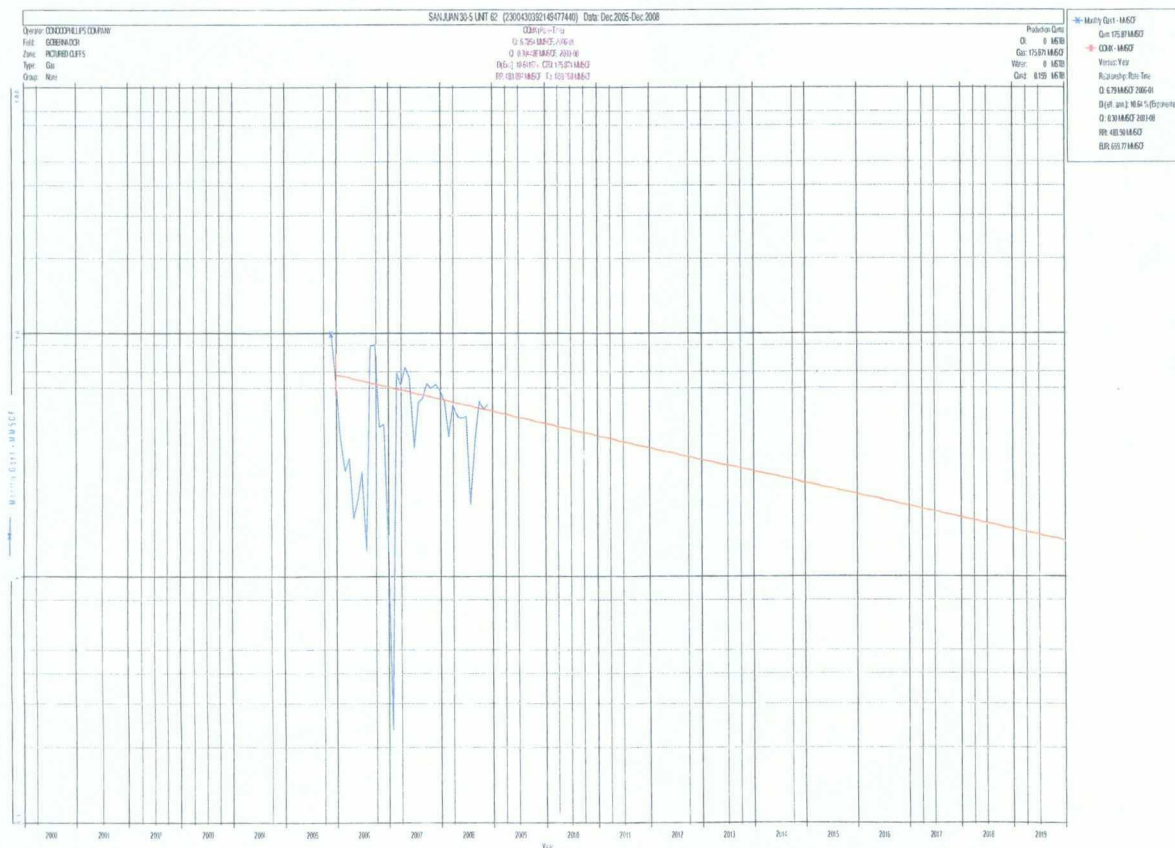
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