XTO ENERGY

195

RECEIVED OCD

2010 APR 14 A 10:55

April 12, 2010

CERTIFIED MAIL

Bureau of Land Management
Farmington Resource Area
Attn: Mr. Wayne Townsend
1235 La Plata Highway
Farmington, New Mexico 87401

RE: Huerfano Unit
Commerciality Determinations
Dakota Formation
San Juan County, New Mexico

Dear Mr. Townsend:

XTO Energy Inc. (XTO) is in receipt of ConocoPhillips' (COP) Commerciality Determination letter dated February 25, 2010, actually received by XTO on March 12, 2010, recommending the Huerfano Unit No. 306, Huerfano Unit No. 310, and Huerfano Unit No. 313, all be determined as wells not capable of producing unitized substances in paying quantities from the Dakota formation. Since XTO drilled and completed the wells in question and currently owns a 100% working interest in each, XTO requested COP review their economics with XTO prior to sending said letter to the Bureau of Land Management (BLM) and the other applicable agencies. Unfortunately, XTO was never contacted and therefore had no input in regard to the economic analysis. XTO hereby submits the enclosed information and requests the BLM and other agencies take said information and the statements below into consideration while conducting their own commerciality determination.

The primary difference between XTO's analysis and the analysis submitted is due to the production profile used in the analysis. In looking at all wells drilled by COP in the Huerfano Unit since 1998, the average well has a steep decline for approximately one year, then it flattens to a 25% decline for the next 18 months, and then ultimately flattens out to 8% decline to the economic limit. Using this production profile on the proposed wells, XTO developed the decline curves and economics for each well. XTO utilized the same costs and price assumptions as used by COP. For the Huerfano No. 310 well, by running two scenarios, one based on current production as production rose in December 2009, and the second using data through November 2009, the rate of return was calculated at 24% and 12%, respectively.

In regard to pricing, COP utilized an oil price of $22.66 per barrel in their analysis which XTO mirrored in the above economics. However, the average oil price realized in the San Juan Basin over the last 6 month period was $60.60 per barrel. By using this oil price with a production profile based all wells in the area drilled since 1998, it increases the rate of return on the Huerfano Unit No. 306 to 5.2% which is commercial.

XTO believes in light of the above information as well as the additional analysis enclosed, both the Huerfano Unit 310 and Huerfano Unit No. 306 wells should be deemed commercial. XTO does, however, believe the Huerfano Unit No. 313 is a non-commercial well. Again, XTO requests that the commerciality determination conducted by the BLM and other agencies be considered with this additional information. For technical questions please contact Mary Flynn, XTO Reservoir Engineer, at (817)885-2866. Should you have any other questions, please feel free to contact me at (817)885-3091.

Sincerely,
XTO ENERGY INC.

Ryan O'Kelley
Landman

Enclosures

cc: State of New Mexico
Commissioner of Public Lands
Attn: Mr. Pete Martinez
P.O. Box 1148
Santa Fe, NM

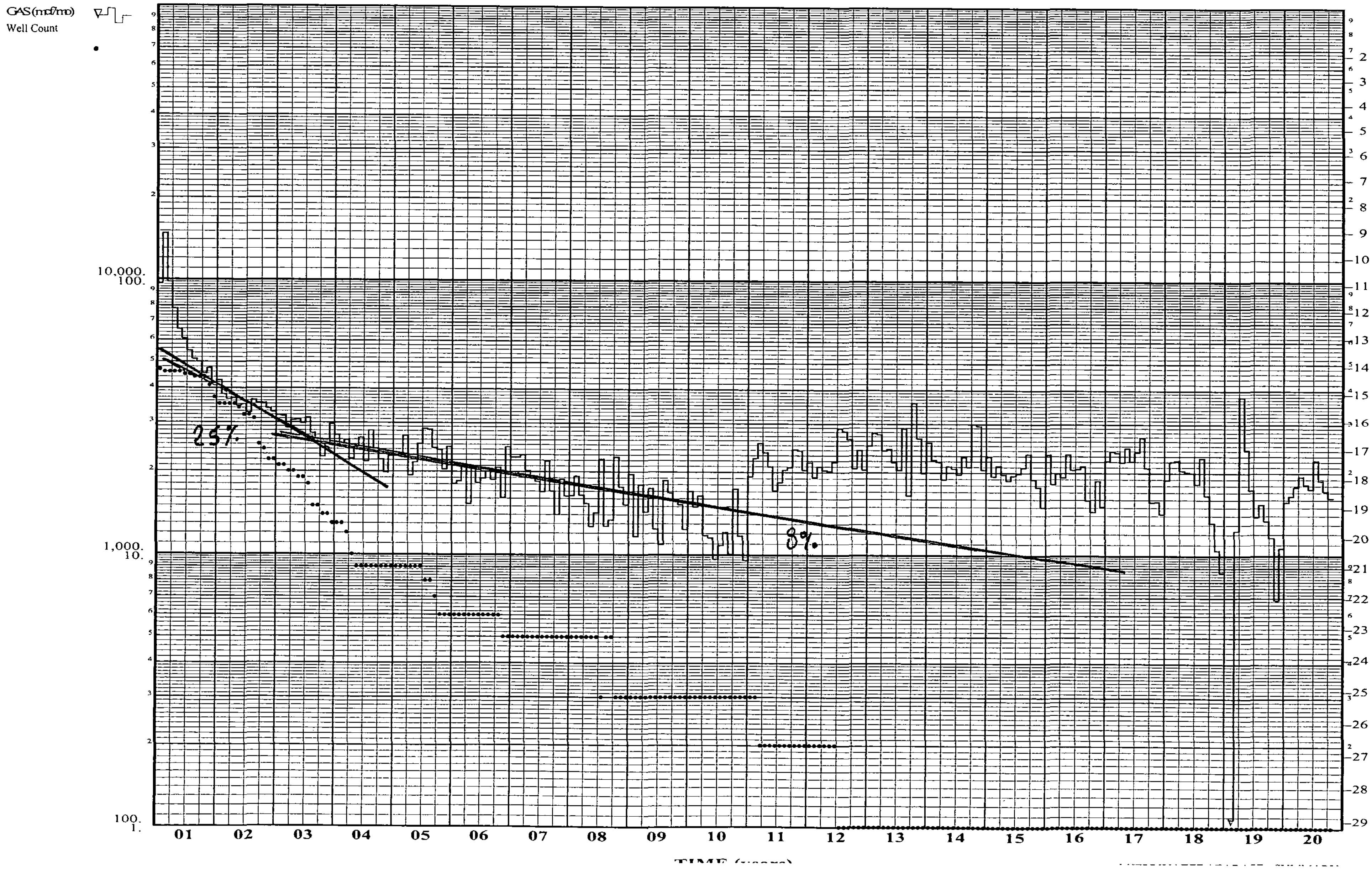
New Mexico Oil Conservation Division
Energy Minerals & Natural Resources
Attn: Ms. Lori Wrotenbery
1220 S. Saint Francis Drive
Santa Fe, NM 87505-4000

ConocoPhillips – San Juan Business Unit
Attn: Ms. Dawn Howell
P.O. Box 4289
Farmington, NM 87499-4289

XTO Energy Inc.

DAKOTA
Post 1998 wells operated by Burlington/COP in T25N and T26N and R9W and R10W
Normalized to first prod. date

Run Date :
Run Time:



Low Oil Price Case

XTO Energy Inc.

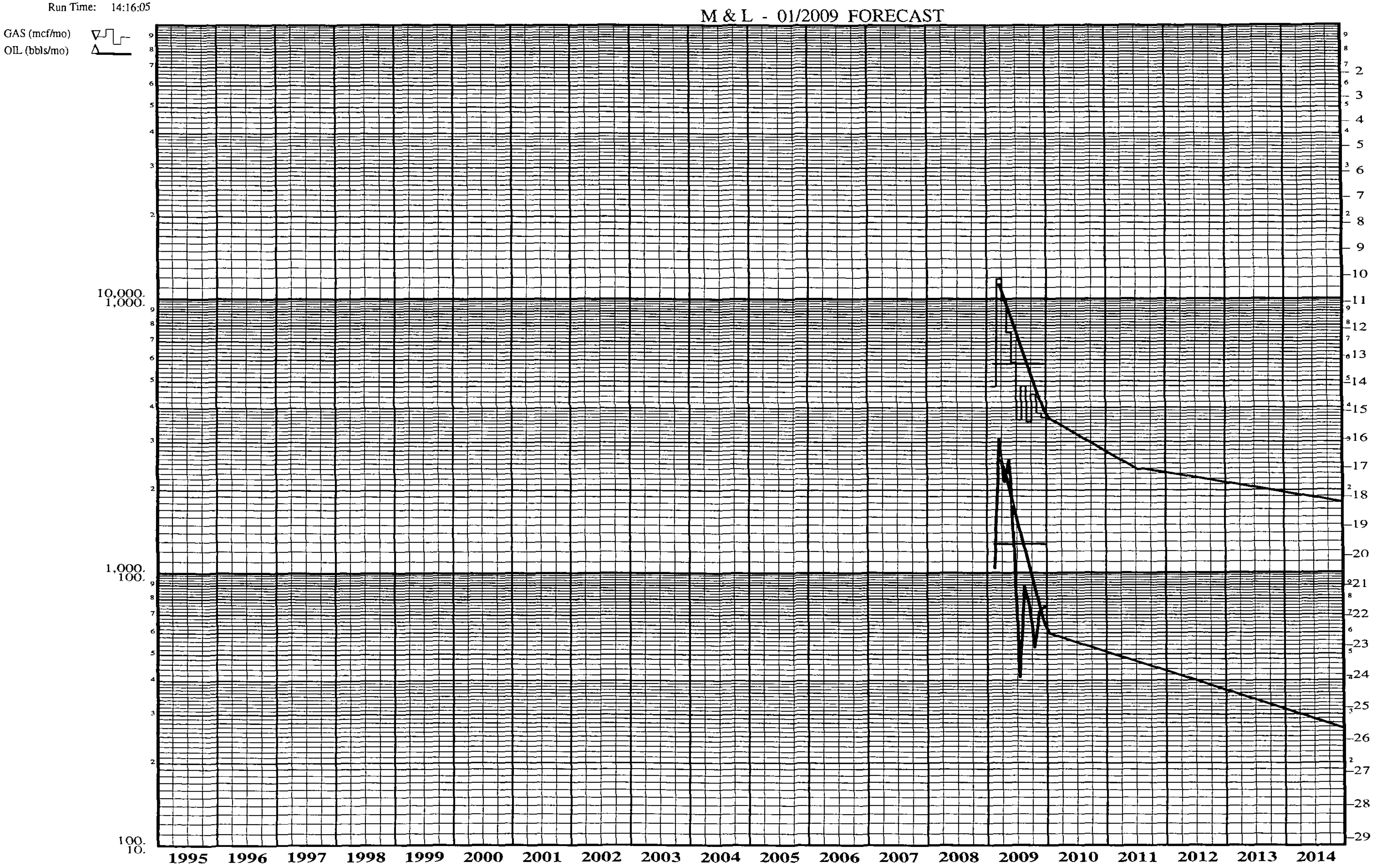
	Oil (bbls/mo)	Gas (mcf/mo)		Oil (bbls)	Gas (mcf)
Qi	0	0	Gross Cum @12/08	0	0
Qel	1	295	Gross Remaining	5,864	430,047
Decline	85.5 %	75.6 %	Gross Ultimate	5,864	430,047
			Net Remaining	5,131	376,292

Res_Cat.	
Life	27.750
As-of-Date	01/2009
Settings	XTOFLAT09
Scenario	CTOC09
DBS	HUERFANO

	Oil Price ($/bbl)	Gas Price ($/mcf)	OPC ($/bbl)	Flat Life (years)	First | Last Production	2009 Net Cash Flow	P.W. @ 10.0 %
WI - 0.00000 % NRI - 0.00000 %	22.66	4.86	1.08	5.9	02/09 | 12/09	$ -993,413	$ -370,767

HUERFANO UNIT 306
BURLINGTON RESOURCES O&G CO LP
BASIN (DAKOTA) A
SAN JUAN, NM
4E2 NW SE 25N 9W

Run Date : 04/06/10
Run Time: 14:16:05



04 / 06 / 2010 15 : 34 : 38 21 Pw 30045345650000 MJFPRIVATEDATABASE L45LAQVTCW

HUERFANO UNIT 306 BASIN DAKOTA

Date:	04/06/2010
Time:	15:35:45
DBS:	HUERFANO
Settings:	XTOFLAT09
Scenario:	CTOC08

COMBINED INPUT DATA — INITIAL CALCULATED DATA

KEYWORD & Ref. Code	Beginning, Ending Rates			Schedule Limit		Method & Value		Ultimate @	End Pt.	Init.Deff	Init. Rate	Final Rate
400 START	03/2009											
401 GAS	12000.00	3700.00	M/M	0.83	YRS	EXP	X	70.544	12/2009	75.6317	12000.	3700.
402 "	3700.00	2400.00	M/M	X	YRS	EXP	25.00	127.011	7/2011	25.0000	3700.	2346.
403 "	2400.00	NL	M/M	X	YRS	EXP	8.00	470.974	4/2077	8.0000	2400.	10.
404 START	03/2009											
405 OIL	300.00	70.00	B/M	0.83	YR	EXP	X	1.580	12/2009	82.5589	300.	70.
406 "	70.00	X	B/M	TO	LIFE	EXP	15.00	6.749	4/2077	15.0000	70.	0.
500 PRI/GAS	4.8600	X	$/M	TO	LIFE	PC	0.00		12/2048		4.860	4.860
501 PRI/OIL	22.6600	X	$/B	TO	LIFE	PC	0.00		12/2048		22.660	22.660
600 OPC/W	1250.00	X	$/M	TO	LIFE	ESC	EOPR		12/2048		1250.000	1250.000
601 PAJ/OIL	01/2009	600*0	#						12/2058			
602 PAJ/NGL	01/2009	600*0	#						12/2058			
603 PAJ/GAS	01/2009	600*0	#						12/2058			
705 LSE/WI	100.0000	D	%	TO	LIFE	FLAT	0.00		12/2048		1.000	1.000
720 NET/OIL	87.5000	D	%	TO	LIFE	FLAT	0.00		12/2048		0.875	0.875
740 NET/GAS	87.5000	D	%	TO	LIFE	FLAT	0.00		12/2048		0.875	0.875
741 ATX	1.26	X	%	TO	LIFE	PC	0.00		12/2048		0.013	0.013
747 STX/OIL	7.93	X	%	TO	LIFE	PC	0.00		12/2048		0.079	0.079

OVERLAYS	Beginning, Ending Rates			Schedule Limit		Method & Value		Ultimate @	End Pt.	Init.Deff	Init. Rate	Final Rate
901 S/266	0.00	X	$/M	TO	LIFE	PLUS	196.00		4/2077			

INVESTMENTS	Tangible	Intang	Units	Invest. Point	Method & Value		Total T&I	Month	Risk Inv.	Tot. T&I&R	Esc. T&I&R
800 CAPITAL	1304.00	X	M$G	01/2009 AD	ESC	ECAP	1304.000	1/2009	0	1304.0	0.0

MISCELLANEOUS DATA PARAMETERS

201 WELLS	0.00	1.00
250 LOSS	NO	
275 LIFE	40.00	

PROJECT RUN SETTINGS

Base Date : 01/2009 Time Frames : 00001 01/2009 100*12
P.W. Date : 01/2009 Primary PW% : 10.0 Discount Freq. : MID
Report Date : 01/2009
Qualifiers : Prod = CTOC08 Price = DEFAULT Cost = DEFAULT Owner = DEFAULT
Title = DEFAULT Misc = DEFAULT Invest = DEFAULT Overlay = DEFAULT

BACKUP PARAMETERS USED

STX/GAS 0.00 %

TIME: 15:35:45
DATE: 04/06/10
DBS : HUERFANO
SETS: XTOFLAT09
SCEN: CTOC08

BEFORE FEDERAL INCOME TAX ECONOMICS

HUERFANO UNIT 306 BASIN DAKOTA

AS OF DATE: 1/09

	OIL & COND		NATURAL GAS		NGL		AVG PRICE		
-END- MO-YR	GROSS MBBL	NET MBBL	GROSS MMCF	NET MMCF	GROSS MBBL	NET MBBL	OIL $/BBL	GAS $/MCF	NGL $/BBL
12-09	1.580	1.383	70.544	61.726	0.000	0.000	22.66	4.86	0.00
12-10	0.775	0.678	38.584	33.761	0.000	0.000	22.66	4.86	0.00
12-11	0.659	0.577	29.677	25.967	0.000	0.000	22.66	4.86	0.00
12-12	0.560	0.490	26.688	23.352	0.000	0.000	22.66	4.86	0.00
12-13	0.476	0.417	24.553	21.484	0.000	0.000	22.66	4.86	0.00
12-14	0.405	0.354	22.589	19.765	0.000	0.000	22.66	4.86	0.00
12-15	0.344	0.301	20.782	18.184	0.000	0.000	22.66	4.86	0.00
12-16	0.292	0.256	19.119	16.730	0.000	0.000	22.66	4.86	0.00
12-17	0.249	0.217	17.590	15.391	0.000	0.000	22.66	4.86	0.00
12-18	0.211	0.185	16.183	14.160	0.000	0.000	22.66	4.86	0.00
12-19	0.180	0.157	14.888	13.027	0.000	0.000	22.66	4.86	0.00
12-20	0.153	0.134	13.697	11.985	0.000	0.000	22.66	4.86	0.00
12-21	0.130	0.114	12.601	11.026	0.000	0.000	22.66	4.86	0.00
12-22	0.110	0.096	11.593	10.144	0.000	0.000	22.66	4.86	0.00
12-23	0.094	0.082	10.666	9.333	0.000	0.000	22.66	4.86	0.00
SUB.	6.218	5.441	349.755	306.036	0.000	0.000	22.66	4.86	0.00
REM.	0.464	0.406	80.293	70.256	0.000	0.000	22.66	4.86	0.00
TOT.	6.682	5.847	430.048	376.292	0.000	0.000	22.66	4.86	0.00

	GROSS REVENUE TO THE NET INTEREST				NET COSTS, M$			FUTURE NET REVENUE	
-END- MO-YR	OIL M$	GAS M$	NGL M$	TOTAL M$	OPER. EXPNS	LOCAL TAXES	CAPITAL	ANNUAL M$	DISC. * M$
12-09	31.336	299.988	0.000	331.324	12.500	6.628	1304.000	-991.805	-1006.333
12-10	15.372	164.080	0.000	179.452	15.000	3.465	0.000	160.987	139.541
12-11	13.066	126.199	0.000	139.266	15.000	2.778	0.000	121.488	95.731
12-12	11.106	113.493	0.000	124.599	15.000	2.440	0.000	107.160	76.764
12-13	9.440	104.413	0.000	113.854	15.000	2.174	0.000	96.680	62.961
12-14	8.024	96.060	0.000	104.085	15.000	1.940	0.000	87.145	51.592
12-15	6.821	88.375	0.000	95.196	15.000	1.734	0.000	78.463	42.229
12-16	5.798	81.305	0.000	87.103	15.000	1.551	0.000	70.552	34.519
12-17	4.928	74.801	0.000	79.729	15.000	1.390	0.000	63.338	28.173
12-18	4.189	68.817	0.000	73.006	15.000	1.248	0.000	56.758	22.951
12-19	3.560	63.312	0.000	66.872	15.000	1.121	0.000	50.751	18.656
12-20	3.026	58.247	0.000	61.273	15.000	1.009	0.000	45.264	15.126
12-21	2.572	53.587	0.000	56.159	15.000	0.909	0.000	40.250	12.228
12-22	2.187	49.300	0.000	51.486	15.000	0.820	0.000	35.667	9.851
12-23	1.859	45.356	0.000	47.215	15.000	0.740	0.000	31.474	7.902
SUB.	123.285	1487.333	0.000	1610.618	222.500	29.947	1304.000	54.171	-388.110
REM.	9.206	341.446	0.000	350.652	191.250	5.139	0.000	154.263	26.482
TOT.	132.491	1828.779	0.000	1961.270	413.750	35.086	1304.000	208.434	-361.628

* FNR DISCOUNT RATE = 10.00 PERCENT PER ANNUM

	INITIAL	FINAL
W.I. FRACTION	1.000000	1.000000
NET OIL FRACTION	0.875000	0.875000
NET GAS FRACTION	0.875000	0.875000

GROSS WELLS	1.00
PROJECT LIFE (YEARS)	27.75
INTEREST REVERSION (YEARS)	0.00
SHRINK FACTOR	1.00
RATE OF RETURN, PCT.	2.91
UNDISCOUNTED PAYOUT, YRS.	13.36
DISCOUNTED PAYOUT, YRS.	27.75
UNDISCOUNTED NET/INVEST.	1.160
DISCOUNTED NET/INVEST.	0.723

**** PRESENT WORTH PROFILE ****

DISC RATE	PV OF FNR, M$	DISC RATE	PV OF FNR, M$	DISC RATE	PV OF FNR, M$
0.0	208.43	15.0	-499.07	50.0	-852.51
5.0	-149.82	20.0	-594.90	75.0	-937.32
8.0	-288.58	25.0	-665.50	100.0	-987.61
10.0	-361.63	30.0	-719.78	200.0	-1081.70
12.5	-437.05	40.0	-798.16	300.0	-1122.90

Higher Oil Price Case

XTO Energy Inc.

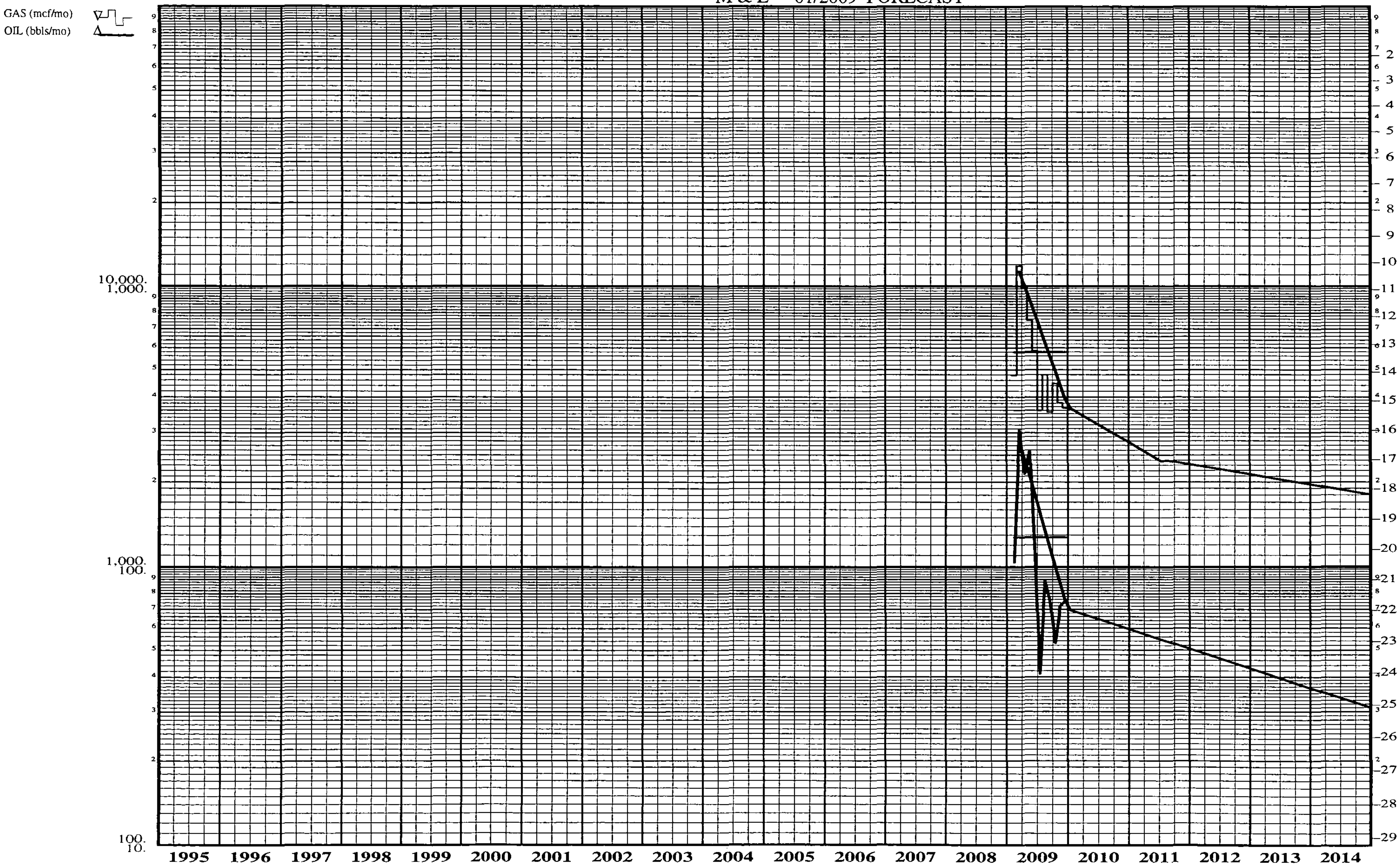
	Oil (bbls/mo)	Gas (mcf/mo)		Oil (bbls)	Gas (mcf)	Res_Cat.	
Qi	0	0	Gross Cum @12/08	0	0	Life	28.000
Qel	1	289	Gross Remaining	6,684	430,921	As-of-Date	01/2009
Decline	82.6 %	75.6 %	Gross Ultimate	6,684	430,921	Settings	XTOFLAT09
			Net Remaining	5,849	377,056	Scenario	CTOC09
						DBS	HUERFANO

	Oil Price ($/bbl)	Gas Price ($/mcf)	OPC ($/bbl)	Flat Life (years)	First | Last Production	2009 Net Cash Flow	P.W. @ 10.0 %
WI - 0.00000 % / NRI - 0.00000 %	60.60	4.86	1.07	5.9	02/09 | 12/09	$ -944,107	$ -226.999

Run Date : 04/06/10
Run Time: 16:00:06

HUERFANO UNIT **306**
BURLINGTON RESOURCES O&G CO LP
BASIN (DAKOTA) A
SAN JUAN, NM
4E2 NW SE 25N 9W

M & L - 01/2009 FORECAST



04 / 06 / 2010 16 : 00 : 30 21 Pw 30045345650000 MJFPRIVATEDATABASE L45LAQVTCW

HUERFANO UNIT 306   BASIN DAKOTA

Date: 04/06/2010
Time: 15:56:02
DBS: HUERFANO
Settings: XTOFLAT09
Scenario: CTOC08

KEYWORD & Ref. Code	COMBINED INPUT DATA Beginning, Ending Rates			Schedule Limit		Method & Value		INITIAL CALCULATED DATA Ultimate	@ End Pt.	Init.Deff	Init. Rate	Final Rate
400 START	03/2009											
401 GAS	12000.00	3700.00	M/M	0.83	YRS	EXP	X	70.544	12/2009	75.6317	12000.	3700.
402 "	3700.00	2400.00	M/M	X	YRS	EXP	25.00	127.011	7/2011	25.0000	3700.	2346.
403 "	2400.00	NL	M/M	X	YRS	EXP	8.00	470.974	4/2077	8.0000	2400.	10.
404 START	03/2009											
405 OIL	300.00	70.00	B/M	0.83	YR	EXP	X	1.580	12/2009	82.5589	300.	70.
406 "	70.00	X	B/M	TO	LIFE	EXP	15.00	6.749	4/2077	15.0000	70.	0.
500 PRI/GAS	4.8600	X	$/M	TO	LIFE	PC	0.00		12/2048		4.860	4.860
501 PRI/OIL	60.6000	X	$/B	TO	LIFE	PC	0.00		12/2048		60.600	60.600
600 OPC/W	1250.00	X	$/M	TO	LIFE	ESC	EOPR		12/2048		1250.000	1250.000
601 PAJ/OIL	01/2009 600*0 #								12/2058			
602 PAJ/NGL	01/2009 600*0 #								12/2058			
603 PAJ/GAS	01/2009 600*0 #								12/2058			
705 LSE/WI	100.0000	D	%	TO	LIFE	FLAT	0.00		12/2048		1.000	1.000
720 NET/OIL	87.5000	D	%	TO	LIFE	FLAT	0.00		12/2048		0.875	0.875
740 NET/GAS	87.5000	D	%	TO	LIFE	FLAT	0.00		12/2048		0.875	0.875
741 ATX	1.26	X	%	TO	LIFE	PC	0.00		12/2048		0.013	0.013
747 STX/OIL	7.93	X	%	TO	LIFE	PC	0.00		12/2048		0.079	0.079

OVERLAYS	Beginning, Ending Rates			Schedule Limit		Method & Value		Ultimate	@ End Pt.	Init.Deff	Init. Rate	Final Rate
901 S/266	0.00	X	$/M	TO	LIFE	PLUS	196.00		4/2077			

INVESTMENTS	Tangible	Intang	Units	Invest. Point		Method & Value		Total T&I	Month	Risk Inv.	Tot. T&I&R	Esc. T&I&R
800 CAPITAL	1304.00	X	M$G	01/2009	AD	ESC	ECAP	1304.000	1/2009	0	1304.0	0.0

MISCELLANEOUS DATA PARAMETERS

201 WELLS	0.00	1.00
250 LOSS	NO	
275 LIFE	40.00	

PROJECT RUN SETTINGS

Base Date : 01/2009 Time Frames : 00001 01/2009 100*12
P.W. Date : 01/2009 Primary PW% : 10.0 Discount Freq. : MID
Report Date : 01/2009
Qualifiers : Prod = CTOC08 Price = DEFAULT Cost = DEFAULT Owner = DEFAULT
Title = DEFAULT Misc = DEFAULT Invest = DEFAULT Overlay = DEFAULT

BACKUP PARAMETERS USED

STX/GAS 0.00 %

TIME: 15:56:02
DATE: 04/06/10
DBS : HUERFANO
SETS: XTOFLAT09
SCEN: CTOC08

B E F O R E   F E D E R A L   I N C O M E   T A X   E C O N O M I C S

HUERFANO UNIT 306   BASIN DAKOTA

AS OF DATE: 1/09

	OIL & COND		NATURAL GAS		NGL		AVG PRICE		
-END- MO-YR	GROSS MBBL	NET MBBL	GROSS MMCF	NET MMCF	GROSS MBBL	NET MBBL	OIL $/BBL	GAS $/MCF	NGL $/BBL
12-09	1.580	1.383	70.544	61.726	0.000	0.000	60.60	4.86	0.00
12-10	0.775	0.678	38.584	33.761	0.000	0.000	60.60	4.86	0.00
12-11	0.659	0.577	29.677	25.967	0.000	0.000	60.60	4.86	0.00
12-12	0.560	0.490	26.688	23.352	0.000	0.000	60.60	4.86	0.00
12-13	0.476	0.417	24.553	21.484	0.000	0.000	60.60	4.86	0.00
12-14	0.405	0.354	22.589	19.765	0.000	0.000	60.60	4.86	0.00
12-15	0.344	0.301	20.782	18.184	0.000	0.000	60.60	4.86	0.00
12-16	0.292	0.256	19.119	16.730	0.000	0.000	60.60	4.86	0.00
12-17	0.249	0.217	17.590	15.391	0.000	0.000	60.60	4.86	0.00
12-18	0.211	0.185	16.183	14.160	0.000	0.000	60.60	4.86	0.00
12-19	0.180	0.157	14.888	13.027	0.000	0.000	60.60	4.86	0.00
12-20	0.153	0.134	13.697	11.985	0.000	0.000	60.60	4.86	0.00
12-21	0.130	0.114	12.601	11.026	0.000	0.000	60.60	4.86	0.00
12-22	0.110	0.096	11.593	10.144	0.000	0.000	60.60	4.86	0.00
12-23	0.094	0.082	10.666	9.333	0.000	0.000	60.60	4.86	0.00
SUB.	6.218	5.441	349.755	306.036	0.000	0.000	60.60	4.86	0.00
REM.	0.467	0.409	81.167	71.021	0.000	0.000	60.60	4.86	0.00
TOT.	6.685	5.849	430.922	377.057	0.000	0.000	60.60	4.86	0.00

	GROSS REVENUE TO THE NET INTEREST				NET COSTS, M$			FUTURE NET REVENUE	
-END- MO-YR	OIL M$	GAS M$	NGL M$	TOTAL M$	OPER. EXPNS	LOCAL TAXES	CAPITAL	ANNUAL M$	DISC. * M$
12-09	83.803	299.988	0.000	383.791	12.500	11.398	1304.000	-944.107	-960.856
12-10	41.110	164.080	0.000	205.190	15.000	5.804	0.000	184.385	159.822
12-11	34.943	126.199	0.000	161.143	15.000	4.767	0.000	141.376	111.403
12-12	29.702	113.493	0.000	143.195	15.000	4.130	0.000	124.065	88.874
12-13	25.247	104.413	0.000	129.660	15.000	3.611	0.000	111.049	72.318
12-14	21.460	96.060	0.000	117.520	15.000	3.161	0.000	99.359	58.823
12-15	18.241	88.375	0.000	106.616	15.000	2.772	0.000	88.845	47.817
12-16	15.505	81.305	0.000	96.810	15.000	2.434	0.000	79.376	38.837
12-17	13.179	74.801	0.000	87.980	15.000	2.140	0.000	70.839	31.509
12-18	11.202	68.817	0.000	80.019	15.000	1.885	0.000	63.134	25.529
12-19	9.522	63.312	0.000	72.833	15.000	1.663	0.000	56.170	20.648
12-20	8.094	58.247	0.000	66.340	15.000	1.470	0.000	49.871	16.666
12-21	6.879	53.587	0.000	60.466	15.000	1.301	0.000	44.166	13.418
12-22	5.848	49.300	0.000	55.148	15.000	1.153	0.000	38.995	10.770
12-23	4.970	45.356	0.000	50.326	15.000	1.023	0.000	34.303	8.613
SUB.	329.704	1487.333	0.000	1817.036	222.500	48.711	1304.000	241.825	-255.810
REM.	24.760	345.163	0.000	369.923	195.000	6.600	0.000	168.323	28.810
TOT.	354.464	1832.495	0.000	2186.959	417.500	55.311	1304.000	410.149	-227.000

* FNR DISCOUNT RATE = 10.00 PERCENT PER ANNUM

	INITIAL	FINAL
W.I. FRACTION	1.000000	1.000000
NET OIL FRACTION	0.875000	0.875000
NET GAS FRACTION	0.875000	0.875000
GROSS WELLS		1.00
PROJECT LIFE (YEARS)		28.00
INTEREST REVERSION (YEARS)		0.00
SHRINK FACTOR		1.00
RATE OF RETURN, PCT.		5.20
UNDISCOUNTED PAYOUT, YRS.		9.71
DISCOUNTED PAYOUT, YRS.		28.00
UNDISCOUNTED NET/INVEST.		1.315
DISCOUNTED NET/INVEST.		0.826

**** PRESENT WORTH PROFILE ****

DISC RATE	PV OF FNR, M$	DISC RATE	PV OF FNR, M$	DISC RATE	PV OF FNR, M$
0.0	410.15	15.0	-381.89	50.0	-784.18
5.0	10.51	20.0	-490.34	75.0	-881.61
8.0	-144.95	25.0	-570.52	100.0	-939.49
10.0	-227.00	30.0	-632.34	200.0	-1047.88
12.5	-311.91	40.0	-721.89	300.0	-1095.34

Lower Prod Case

XTO Energy Inc.

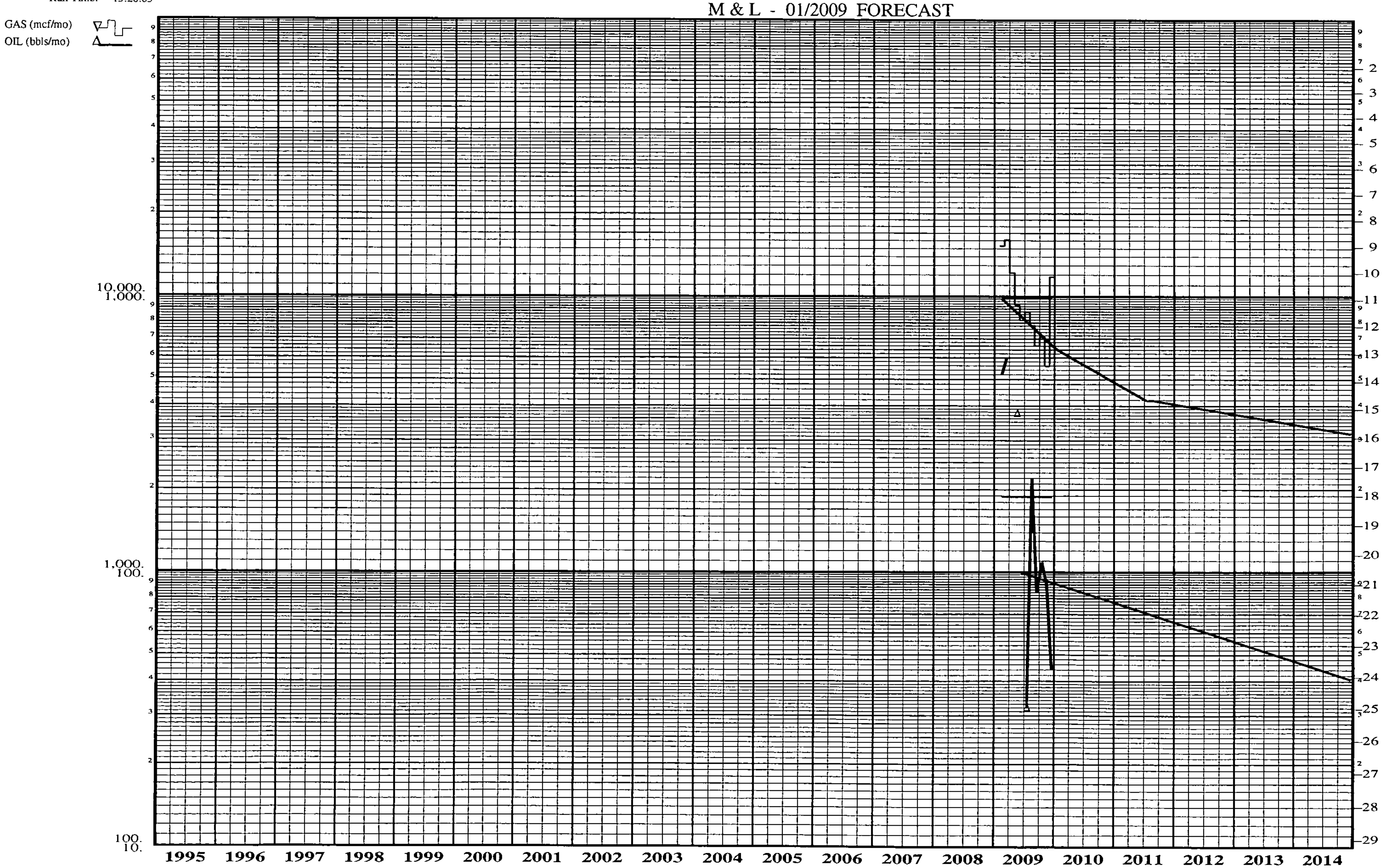
	Oil (bbls/mo)	Gas (mcf/mo)		Oil (bbls)	Gas (mcf)		
Qi	0	0	Gross Cum @12/08	0	0	Res_Cat.	
Qel	0	296	Gross Remaining	7,354	750,499	Life	34.417
Decline	15.0 %	37.5 %	Gross Ultimate	7,354	750,499	As-of-Date	01/2009
			Net Remaining	6.435	624,290	Settings	XTOFLAT09
						Scenario	CTOC08
						DBS	HUERFANO

	Oil Price ($/bbl)	Gas Price ($/mcf)	OPC ($/bbl)	Flat Life (years)	First | Last Production	2009 Net Cash Flow	P.W. @ 10.0 %
WI - 0.00000 % NRI - 0.00000 %	22.66	4.86	1.06	13.4	02/09 | 12/09	$ -1,079,871	$ 122,114

HUERFANO UNIT 310
BURLINGTON RESOURCES O&G CO LP
BASIN (DAKOTA) A
SAN JUAN, NM
9NE SW SE 25N 9W

Run Date : 04/06/10
Run Time: 15:26:03

M & L - 01/2009 FORECAST



04 / 06 / 2010 15 : 27 : 01 21 Pw

30045345620000 MJFPRIVATEDATABASE L45LAQ8SAW

HUERFANO UNIT 310 BASIN DAKOTA

Date:	04/06/2010
Time:	15:26:02
DBS:	HUERFANO
Settings:	XTOFLAT09
Scenario:	CTOC08

	C O M B I N E D	I N P U T	D A T A					I N I T I A L	C A L C U L A T E D	D A T A		
KEYWORD & Ref. Code	Beginning,	Ending	Rates	Schedule	Limit	Method &	Value	Ultimate @	End Pt.	Init.Deff	Init. Rate	Final Rate
400 START	02/2009											
401 GAS	10000.00	6500.00	M/M	0.92	YR	EXP	X	89.372	12/2009	37.4963	10000.	6500.
402 "	6500.00	4200.00	MM	X	YRS	EXP	25.00	188.571	7/2011	25.0000	6500.	4122.
403 "	4200.00	NL	M/M	X	YRS	EXP	8.00	791.588	1/2084	8.0000	4200.	10.
404 START	06/2009											
405 OIL	100.00	X	B/M	TO	LIFE	EXP	15.00	7.384	1/2084	15.0000	100.	0.
500 PRI/GAS	4.8600	X	$/M	TO	LIFE	PC	0.00		12/2048		4.860	4.860
501 PRI/OIL	22.6600	X	$/B	TO	LIFE	PC	0.00		12/2048		22.660	22.660
600 OPC/W	1250.00	X	$/M	TO	LIFE	ESC	EOPR		12/2048		1250.000	1250.000
601 STX									11/1999			
602 ATX	1.26	X	%	TO	LIFE	PC	0.00		12/2048		0.013	0.013
603 PAJ/OIL	01/2009 600*0 #								12/2058			
604 PAJ/NGL	01/2009 600*0 #								12/2058			
605 PAJ/GAS	01/2009 600*0 #								12/2058			
705 LSE/WI	100.0000	D	%	TO	LIFE	FLAT	0.00		12/2048		1.000	1.000
720 NET/OIL	87.5000	D	%	TO	LIFE	FLAT	0.00		12/2048		0.875	0.875
740 NET/GAS	87.5000	D	%	TO	LIFE	FLAT	0.00		12/2048		0.875	0.875

OVERLAYS	Beginning,	Ending	Rates	Schedule	Limit	Method &	Value	Ultimate @	End Pt.	Init.Deff	Init. Rate	Final Rate
901 S/266	0.00	X	$/M	TO	LIFE	PLUS	196.00		1/2084			

INVESTMENTS	Tangible	Intang	Units	Invest.	Point	Method &	Value	Total T&I	Month	Risk Inv.	Tot. T&I&R	Esc. T&I&R
800 CAPITAL	1304.00	X	M$G	01/2009	AD	ESC	ECAP	1304.000	1/2009	0	1304.0	0.0

MISCELLANEOUS DATA PARAMETERS

201 WELLS	0.00	1.00
250 LOSS	NO	
275 LIFE	40.00	

PROJECT RUN SETTINGS

Base Date : 01/2009 Time Frames : 00001 01/2009 100*12
P.W. Date : 01/2009 Primary PW% : 10.0 Discount Freq. : MID
Report Date : 01/2009
Qualifiers : Prod = CTOC08 Price = DEFAULT Cost = DEFAULT Owner = DEFAULT
Title = DEFAULT Misc = DEFAULT Invest = DEFAULT Overlay = DEFAULT

BACKUP PARAMETERS USED

STX/OIL	0.00 %
STX/GAS	0.00 %

TIME: 15:26:02
DATE: 04/06/10
DBS : HUERFANO
SETS: XTOFLAT09
SCEN: CTOC08

BEFORE FEDERAL INCOME TAX ECONOMICS

HUERFANO UNIT 310 BASIN DAKOTA

AS OF DATE: 1/09

	OIL & COND		NATURAL GAS		NGL		AVG PRICE		
-END- MO-YR	GROSS MBBL	NET MBBL	GROSS MMCF	NET MMCF	GROSS MBBL	NET MBBL	OIL $/BBL	GAS $/MCF	NGL $/BBL
12-09	0.668	0.584	89.372	45.804	0.000	0.000	22.66	4.86	0.00
12-10	1.007	0.881	67.783	59.310	0.000	0.000	22.66	4.86	0.00
12-11	0.856	0.749	52.055	45.548	0.000	0.000	22.66	4.86	0.00
12-12	0.728	0.637	46.705	40.867	0.000	0.000	22.66	4.86	0.00
12-13	0.619	0.541	42.968	37.597	0.000	0.000	22.66	4.86	0.00
12-14	0.526	0.460	39.531	34.590	0.000	0.000	22.66	4.86	0.00
12-15	0.447	0.391	36.368	31.822	0.000	0.000	22.66	4.86	0.00
12-16	0.380	0.332	33.459	29.277	0.000	0.000	22.66	4.86	0.00
12-17	0.323	0.283	30.782	26.935	0.000	0.000	22.66	4.86	0.00
12-18	0.275	0.240	28.320	24.780	0.000	0.000	22.66	4.86	0.00
12-19	0.233	0.204	26.054	22.797	0.000	0.000	22.66	4.86	0.00
12-20	0.198	0.174	23.970	20.974	0.000	0.000	22.66	4.86	0.00
12-21	0.169	0.148	22.052	19.296	0.000	0.000	22.66	4.86	0.00
12-22	0.143	0.125	20.288	17.752	0.000	0.000	22.66	4.86	0.00
12-23	0.122	0.107	18.665	16.332	0.000	0.000	22.66	4.86	0.00
SUB.	6.694	5.857	578.373	473.680	0.000	0.000	22.66	4.86	0.00
REM.	0.661	0.578	172.126	150.610	0.000	0.000	22.66	4.86	0.00
TOT.	7.354	6.435	750.499	624.291	0.000	0.000	22.66	4.86	0.00

	GROSS REVENUE TO THE NET INTEREST				NET COSTS, M$			FUTURE NET REVENUE	
-END- MO-YR	OIL M$	GAS M$	NGL M$	TOTAL M$	OPER. EXPNS	LOCAL TAXES	CAPITAL	ANNUAL M$	DISC. * M$
12-09	13.242	222.609	0.000	235.850	8.750	2.972	1304.000	-1079.871	-1090.302
12-10	19.974	288.248	0.000	308.222	15.000	3.884	0.000	289.338	250.794
12-11	16.978	221.363	0.000	238.341	15.000	3.003	0.000	220.337	173.623
12-12	14.431	198.612	0.000	213.044	15.000	2.684	0.000	195.359	139.946
12-13	12.267	182.723	0.000	194.990	15.000	2.457	0.000	177.533	115.614
12-14	10.427	168.105	0.000	178.532	15.000	2.250	0.000	161.283	95.483
12-15	8.863	154.657	0.000	163.520	15.000	2.060	0.000	146.459	78.825
12-16	7.533	142.285	0.000	149.818	15.000	1.888	0.000	132.930	65.040
12-17	6.403	130.902	0.000	137.305	15.000	1.730	0.000	120.575	53.631
12-18	5.443	120.430	0.000	125.872	15.000	1.586	0.000	109.286	44.191
12-19	4.626	110.795	0.000	115.422	15.000	1.454	0.000	98.967	36.380
12-20	3.932	101.932	0.000	105.864	15.000	1.334	0.000	89.530	29.919
12-21	3.343	93.777	0.000	97.120	15.000	1.224	0.000	80.896	24.576
12-22	2.841	86.275	0.000	89.116	15.000	1.123	0.000	72.993	20.160
12-23	2.415	79.373	0.000	81.788	15.000	1.031	0.000	65.757	16.510
SUB.	132.717	2302.085	0.000	2434.802	218.750	30.679	1304.000	881.373	54.391
REM.	13.102	731.967	0.000	745.068	291.250	9.388	0.000	444.431	67.722
TOT.	145.818	3034.052	0.000	3179.870	510.000	40.066	1304.000	1325.804	122.114

* FNR DISCOUNT RATE = 10.00 PERCENT PER ANNUM

	INITIAL	FINAL
W.I. FRACTION	1.000000	1.000000
NET OIL FRACTION	0.875000	0.875000
NET GAS FRACTION	0.748129	0.875000
GROSS WELLS		1.00
PROJECT LIFE (YEARS)		34.42
INTEREST REVERSION (YEARS)		0.00
SHRINK FACTOR		1.00
RATE OF RETURN, PCT.		12.10
UNDISCOUNTED PAYOUT, YRS.		6.25
DISCOUNTED PAYOUT, YRS.		12.28
UNDISCOUNTED NET/INVEST.		2.017
DISCOUNTED NET/INVEST.		1.094

**** PRESENT WORTH PROFILE ****

DISC RATE	PV OF FNR, M$	DISC RATE	PV OF FNR, M$	DISC RATE	PV OF FNR, M$
0.0	1325.80	15.0	-140.50	50.0	-763.78
5.0	547.77	20.0	-317.29	75.0	-897.91
8.0	266.01	25.0	-444.14	100.0	-972.63
10.0	122.11	30.0	-539.56	200.0	-1098.79
12.5	-23.31	40.0	-673.72	300.0	-1146.91

Higher Prod Case

XTO Energy Inc.

	Oil (bbls/mo)	Gas (mcf/mo)		Oil (bbls)	Gas (mcf)
Qi	0	0	Gross Cum @12/08	0	0
Qel	0	299	Gross Remaining	7,369	1,118,329
Decline	15.0 %	25.0 %	Gross Ultimate	7,369	1,118,329
			Net Remaining	6,448	943,538

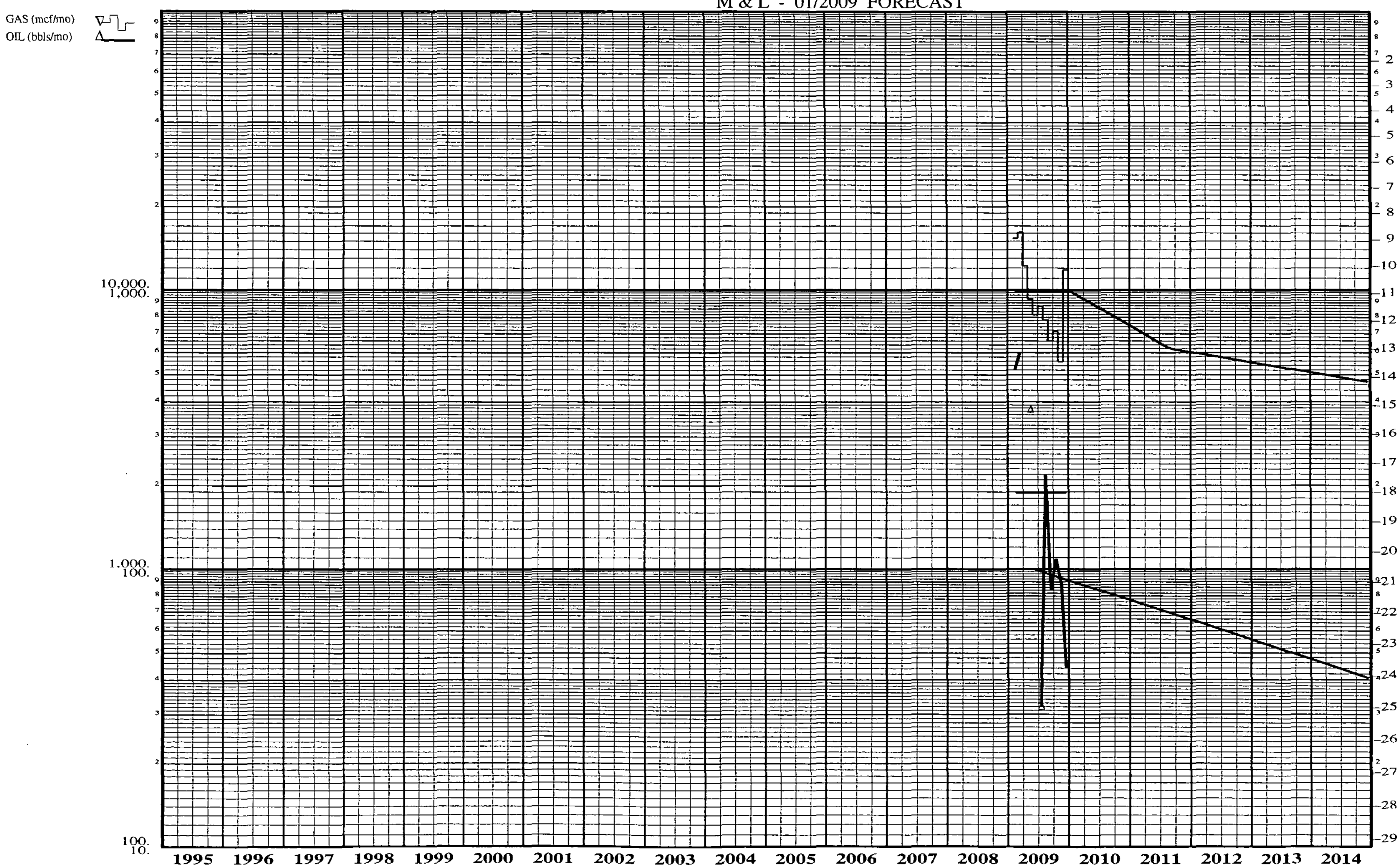
Res_Cat.
Life 39.083
As-of-Date 01/2009
Settings XTOFLAT09
Scenario CTOC09
DBS HUERFANO

	Oil Price ($/bbl)	Gas Price ($/mcf)	OPC ($/bbl)	Flat Life (years)	First | Last Production	2009 Net Cash Flow	P.W. @ 10.0 %
WI - 0.00000 % NRI - 0.00000 %	22.66	4.86	0.81	15.2	02/09 | 12/09	$ -1,005,751	$ 831,606

HUERFANO UNIT **310**
BURLINGTON RESOURCES O&G CO LP
BASIN (DAKOTA) A
SAN JUAN, NM
9NE SW SE 25N 9W

Run Date : 04/06/10
Run Time: 12:59:46

M & L - 01/2009 FORECAST



04 / 06 / 2010 14 : 13 : 22 21 Pw 30045345620000 MJFPRIVATEDATABASE L45LAQ8SAW

HUERFANO UNIT 310 BASIN DAKOTA

Date: 04/06/2010
Time: 12:59:46
DBS: HUERFANO
Settings: XTOFLAT09
Scenario: CTOC09

KEYWORD & Ref. Code	COMBINED INPUT DATA: Beginning, Ending Rates			Schedule Limit		Method & Value		INITIAL CALCULATED DATA: Ultimate @	End Pt.	Init.Deff	Init. Rate	Final Rate
400 START	02/2009											
401 GAS	10000.00	10000.00	M/M	0.92	YR			110.000	12/2009		10000.	10000.
402 "	10000.00	6200.00	MM	X	YRS	EXP	25.00	268.879	8/2011	25.0000	10000.	6191.
403 "	6200.00	NL	M/M	X	YRS	EXP	8.00	1159.729	10/2088	8.0000	6200.	10.
404 START	06/2009											
405 OIL	100.00	X	B/M	TO	LIFE	EXP	15.00	7.384	10/2088	15.0000	100.	0.
500 PRI/GAS	4.8600	X	$/M	TO	LIFE	PC	0.00		12/2048		4.860	4.860
501 PRI/OIL	22.6600	X	$/B	TO	LIFE	PC	0.00		12/2048		22.660	22.660
600 OPC/W	1250.00	X	$/M	TO	LIFE	ESC	EOPR		12/2048		1250.000	1250.000
601 STX									11/1999			
602 ATX	1.26	X	%	TO	LIFE	PC	0.00		12/2048		0.013	0.013
603 PAJ/OIL	01/2009	600*0	#						12/2058			
604 PAJ/NGL	01/2009	600*0	#						12/2058			
605 PAJ/GAS	01/2009	600*0	#						12/2058			
705 LSE/WI	100.0000	D	%	TO	LIFE	FLAT	0.00		12/2048		1.000	1.000
720 NET/OIL	87.5000	D	%	TO	LIFE	FLAT	0.00		12/2048		0.875	0.875
740 NET/GAS	87.5000	D	%	TO	LIFE	FLAT	0.00		12/2048		0.875	0.875

OVERLAYS	Beginning, Ending Rates			Schedule Limit		Method & Value		Ultimate @	End Pt.	Init.Deff	Init. Rate	Final Rate
901 S/266	0.00	X	$/M	TO	LIFE	PLUS	196.00		10/2088			

INVESTMENTS	Tangible	Intang	Units	Invest. Point		Method & Value		Total T&I	Month	Risk Inv.	Tot. T&I&R	Esc. T&I&R
800 CAPITAL	1304.00	X	M$G	01/2009	AD	ESC	ECAP	1304.000	1/2009	0	1304.0	0.0

MISCELLANEOUS DATA PARAMETERS

201 WELLS	0.00	1.00
250 LOSS	NO	
275 LIFE	40.00	

PROJECT RUN SETTINGS

Base Date : 01/2009 Time Frames : 00001 01/2009 100*12
P.W. Date : 01/2009 Primary PW% : 10.0 Discount Freq. : MID
Report Date : 01/2009
Qualifiers : Prod = CTOC10 Price = CTOC10 Cost = CTOC10 Owner = CTOC10
Title = DEFAULT Misc = CTOC10 Invest = CTOC10 Overlay = DEFAULT

BACKUP PARAMETERS USED

STX/OIL 0.00 %
STX/GAS 0.00 %

TIME: 12:59:46
DATE: 04/06/10
DBS : HUERFANO
SETS: XTOFLAT09
SCEN: CTOC09

B E F O R E   F E D E R A L   I N C O M E   T A X   E C O N O M I C S

HUERFANO UNIT 310   BASIN DAKOTA

AS OF DATE: 1/09

	OIL & COND		NATURAL GAS		NGL		AVG PRICE		
-END- MO-YR	GROSS MBBL	NET MBBL	GROSS MMCF	NET MMCF	GROSS MBBL	NET MBBL	OIL $/BBL	GAS $/MCF	NGL $/BBL
12-09	0.668	0.584	110.000	61.250	0.000	0.000	22.66	4.86	0.00
12-10	1.007	0.881	104.282	91.247	0.000	0.000	22.66	4.86	0.00
12-11	0.856	0.749	79.056	69.174	0.000	0.000	22.66	4.86	0.00
12-12	0.728	0.637	69.426	60.748	0.000	0.000	22.66	4.86	0.00
12-13	0.619	0.541	63.872	55.888	0.000	0.000	22.66	4.86	0.00
12-14	0.526	0.460	58.762	51.417	0.000	0.000	22.66	4.86	0.00
12-15	0.447	0.391	54.061	47.304	0.000	0.000	22.66	4.86	0.00
12-16	0.380	0.332	49.736	43.519	0.000	0.000	22.66	4.86	0.00
12-17	0.323	0.283	45.757	40.038	0.000	0.000	22.66	4.86	0.00
12-18	0.275	0.240	42.097	36.835	0.000	0.000	22.66	4.86	0.00
12-19	0.233	0.204	38.729	33.888	0.000	0.000	22.66	4.86	0.00
12-20	0.198	0.174	35.631	31.177	0.000	0.000	22.66	4.86	0.00
12-21	0.169	0.148	32.780	28.683	0.000	0.000	22.66	4.86	0.00
12-22	0.143	0.125	30.158	26.388	0.000	0.000	22.66	4.86	0.00
12-23	0.122	0.107	27.745	24.277	0.000	0.000	22.66	4.86	0.00
SUB.	6.694	5.857	842.092	701.831	0.000	0.000	22.66	4.86	0.00
REM.	0.676	0.592	276.237	241.708	0.000	0.000	22.66	4.86	0.00
TOT.	7.370	6.449	1118.329	943.538	0.000	0.000	22.66	4.86	0.00

	GROSS REVENUE TO THE NET INTEREST				NET COSTS, M$			FUTURE NET REVENUE	
-END- MO-YR	OIL M$	GAS M$	NGL M$	TOTAL M$	OPER. EXPNS	LOCAL TAXES	CAPITAL	ANNUAL M$	DISC. * M$
12-09	13.242	297.675	0.000	310.917	8.750	3.918	1304.000	-1005.751	-1019.631
12-10	19.974	443.458	0.000	463.432	15.000	5.839	0.000	442.593	383.633
12-11	16.978	336.185	0.000	353.162	15.000	4.450	0.000	333.713	262.961
12-12	14.431	295.234	0.000	309.665	15.000	3.902	0.000	290.763	208.288
12-13	12.267	271.615	0.000	283.882	15.000	3.577	0.000	265.305	172.774
12-14	10.427	249.886	0.000	260.313	15.000	3.280	0.000	242.033	143.289
12-15	8.863	229.895	0.000	238.758	15.000	3.008	0.000	220.749	118.808
12-16	7.533	211.504	0.000	219.037	15.000	2.760	0.000	201.277	98.480
12-17	6.403	194.583	0.000	200.986	15.000	2.532	0.000	183.454	81.600
12-18	5.443	179.017	0.000	184.459	15.000	2.324	0.000	167.135	67.583
12-19	4.626	164.695	0.000	169.322	15.000	2.133	0.000	152.188	55.945
12-20	3.932	151.520	0.000	155.452	15.000	1.959	0.000	138.493	46.282
12-21	3.343	139.398	0.000	142.741	15.000	1.799	0.000	125.942	38.262
12-22	2.841	128.246	0.000	131.087	15.000	1.652	0.000	114.436	31.605
12-23	2.415	117.987	0.000	120.402	15.000	1.517	0.000	103.884	26.083
SUB.	132.717	3410.897	0.000	3543.614	218.750	44.650	1304.000	1976.214	715.962
REM.	13.412	1174.699	0.000	1188.110	361.250	14.970	0.000	811.890	115.644
TOT.	146.128	4585.596	0.000	4731.724	580.000	59.620	1304.000	2788.104	831.606

* FNR DISCOUNT RATE = 10.00 PERCENT PER ANNUM

	INITIAL	FINAL
W.I. FRACTION	1.000000	1.000000
NET OIL FRACTION	0.875000	0.875000
NET GAS FRACTION	0.875000	0.875000

GROSS WELLS	1.00
PROJECT LIFE (YEARS)	39.08
INTEREST REVERSION (YEARS)	0.00
SHRINK FACTOR	1.00
RATE OF RETURN, PCT.	24.02
UNDISCOUNTED PAYOUT, YRS.	3.79
DISCOUNTED PAYOUT, YRS.	4.95
UNDISCOUNTED NET/INVEST.	3.138
DISCOUNTED NET/INVEST.	1.638

**** PRESENT WORTH PROFILE ****

DISC RATE	PV OF FNR, M$	DISC RATE	PV OF FNR, M$	DISC RATE	PV OF FNR, M$
0.0	2788.10	15.0	425.15	50.0	-519.00
5.0	1505.03	20.0	154.80	75.0	-719.33
8.0	1057.13	25.0	-37.79	100.0	-830.38
10.0	831.61	30.0	-182.02	200.0	-1016.29
12.5	605.75	40.0	-383.97	300.0	-1086.18