



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

Valerie Wells
Tel: 505-326-9801
Fax: 505-326-9781

August 27, 2013

Bureau of Land Management
Farmington Resource Area
Attn: Mr. Wayne Townsend
6251 N. College Blvd., Suite A
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 32-7 UNIT 14-08-001-441
Commerciality Determination
Mancos Formation
San Juan County, New Mexico

RECEIVED OCD
2013 AUG 28 P 2:08

Gentlemen:

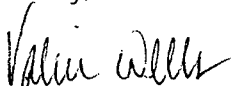
Pursuant to Section 11(a) of the Unit Agreement for the referenced Unit, approved September 8, 1953, Burlington Resources Oil & Gas Company LP, as Unit Operator, has determined that the well listed below is not capable of producing unitized substances in paying quantities from the Mancos formation. ConocoPhillips Company is seeking confirmation of the paying well determination enclosed.

Well Name	Dedication	Lease No.	Completion	Determination
SJ 32-7 Unit 17B	E/2 17-31N-07W	SF-078998	11/03/10	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, these wells will continue to be reported to their respective leases.

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 326-9801.

Sincerely,


Valerie Wells,
Land Analyst

SJ 30-6 Unit 4.6

San Juan 32-7 Unit 17B
Commerciality Determination
August 27, 2013

SAN JUAN 32-7 UNIT WORKING INTEREST OWNERS

BURLINGTON RESOURCES O&G CO LP

CONOCOPHILLIPS COMPANY

ELIZABETH TURNER CALLOWAY

ENERGEN RESOURCES CORPORATION

FRED E TURNER

J GLENN TURNER JR

JOHN L TURNER

MARY FRANCES TURNER TR #6743

PHILLIPS NEW MEXICO PARTNERS LP

PHILLIPS SAN JUAN LTD PARTNERSHIP

SAN JUAN BASIN PARTNERSHIP

WPX ENERGY INC

BURLINGTON RESOURCES
 COMMERCIALITY DETERMINATION
 BLM DATA SHEET
 SAN JUAN 32-7 UNIT 17B

WELL INFORMATION

LEASE	SAN JUAN 32-7 UNIT 17B
LOCATION	1731N07WA
COUNTY, STATE	SAN JUAN, NM
FORMATION	MANCOS
PROJECT TYPE	NEWDRIILL
WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS CO
SPUD DATE	7/6/2010
COMP DATE	7/6/2010
1ST DELIVERY	1/24/2011
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

PRODUCTION TAXES

TAXES FOR:	SAN JUAN, NM
	2012 - 2013 Commerciality
	<u>GAS % OF REVENUE</u>
SEVERANCE:	
Severance, School, Conservation	7.93
AD VALOREM:	
Production, Equipment	1.26
TOTAL %:	9.19

WELL COST AND ECONOMICS

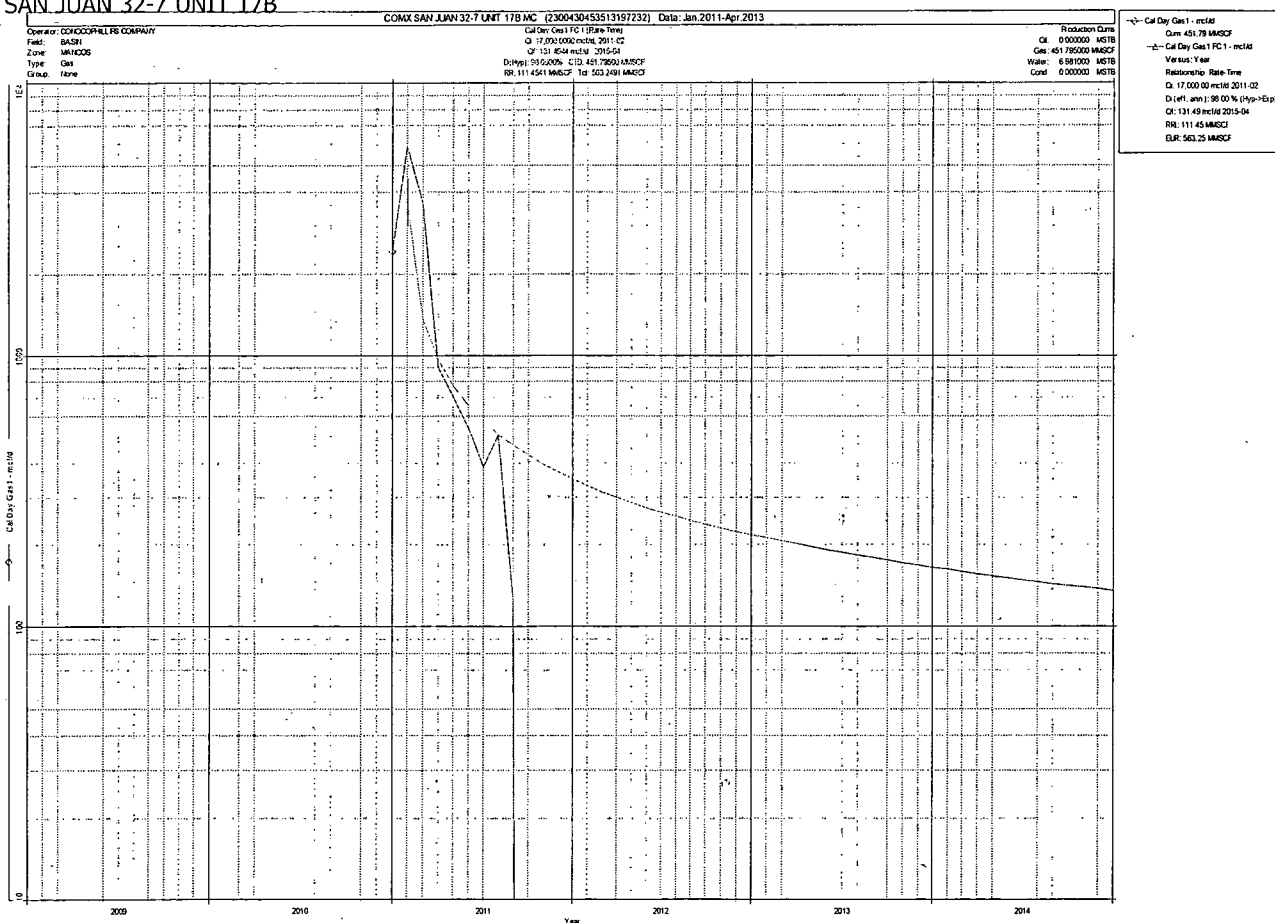
723.00	M\$	AVERAGE WELL COST
113.50	MMCF	ULT. GROSS GAS RESERVES
9.10	MCFD	INITIAL GAS RATE
0.00	%	RATE OF RETURN
-0.79	\$/ \$	P/I, DISC. @ 10.00 %
-573.10	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
0.00	YRS	PAYOUT

BURLINGTON RESOURCES

COMMERCIALITY DETERMINATION

BLM DATA SHEET

SAN JUAN 32-7 UNIT 17B



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 03	9.1	0.3	0.23	0.00	0.00	2.31	2.31	81.16	33.37	0.6	0.06	0.88	-0.36	723.00	-723.36

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 32-7 UNIT 17B

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	9.1	0.3	0.22	0.00	0.00	2.31	2.31	81.16	33.37	0.6	0.06	0.88	-0.37	0.00	-0.37
2012 05	8.9	0.3	0.22	0.00	0.00	2.31	2.31	81.16	33.37	0.6	0.06	0.88	-0.37	0.00	-0.37
2012 06	6.9	0.2	0.17	0.00	0.00	2.31	2.31	81.16	33.37	0.4	0.04	0.88	-0.50	0.00	-0.50
2012 07	3.7	0.1	0.09	0.00	0.00	2.31	2.31	81.16	33.37	0.2	0.02	0.88	-0.67	0.00	-0.67
2012 08	3.7	0.1	0.09	0.00	0.00	2.31	2.31	81.16	33.37	0.2	0.02	0.88	-0.67	0.00	-0.67
2012 09	3.3	0.1	0.08	0.00	0.00	2.31	2.31	81.16	33.37	0.2	0.02	0.88	-0.70	0.00	-0.70
2012 10	3.4	0.1	0.09	0.00	0.00	2.31	2.31	81.16	33.37	0.2	0.02	0.88	-0.69	0.00	-0.69
2012 11	2.9	0.1	0.07	0.00	0.00	2.31	2.31	81.16	33.37	0.2	0.02	0.88	-0.72	0.00	-0.72
2012 12	3.6	0.1	0.09	0.00	0.00	2.31	2.31	81.16	33.37	0.2	0.02	0.88	-0.67	0.00	-0.67
2013 01	1.3	0.0	0.03	0.00	0.00	2.31	2.31	81.16	33.37	0.1	0.01	0.88	-0.81	0.00	-0.81
2013 02	3.6	0.1	0.08	0.00	0.00	2.31	2.31	81.16	33.37	0.2	0.02	0.88	-0.70	0.00	-0.70
2013 03	3.9	0.1	0.10	0.00	0.00	2.31	2.31	81.16	33.37	0.3	0.03	0.88	-0.66	0.00	-0.66
2013 04	3.9	0.1	0.09	0.00	0.00	2.31	2.31	81.16	33.37	0.2	0.02	0.88	-0.67	0.00	-0.67
2013 05	192.3	6.0	4.85	0.00	0.04	2.31	2.31	81.16	33.37	12.4	1.28	0.88	10.26	0.00	10.26
2013 06	194.0	5.8	4.74	0.00	0.04	2.31	2.31	81.16	33.37	12.1	1.25	0.88	10.00	0.00	10.00
2013 07	183.5	5.7	4.63	0.00	0.04	2.31	2.31	81.16	33.37	11.9	1.22	0.88	9.75	0.00	9.75
2013 08	179.5	5.6	4.53	0.00	0.04	2.31	2.31	81.16	33.37	11.6	1.19	0.88	9.52	0.00	9.52
2013 09	181.5	5.4	4.43	0.00	0.04	2.31	2.31	81.16	33.37	11.3	1.17	0.88	9.30	0.00	9.30
2013 10	172.0	5.3	4.34	0.00	0.04	2.31	2.31	81.16	33.37	11.1	1.14	0.88	9.09	0.00	9.09
Sub.	---	35.9	29.18	0.00	0.25	---	---	---	---	74.7	7.69	17.66	49.36	723.00	-673.64
Rem.	---	77.6	63.19	0.00	0.54	---	---	---	---	161.8	16.65	15.01	130.13	0.00	130.13
Total	---	113.5	92.36	0.00	0.79	---	---	---	---	236.5	24.34	32.67	179.49	723.00	-543.51



RECEIVED OCD

Ray Powell, M.S., D.V.M.
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

2011 MAY - COMMISSIONER'S OFFICE
Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

April 28, 2011

ConocoPhillips Company
P.O. Box 4289
Farmington, New Mexico 87499-4289

Attn: Mr. Ben Malone

Re: 2011 Plans of Development
San Juan 32-7 Unit
San Juan County, New Mexico

Dear Mr. Malone:

The Commissioner of Public Lands has, of this date, approved the referenced Plan of Development. Our approval is subject to like approval by all other appropriate agencies. The possibility of drainage by wells outside the unit area, and the need for further development of the unit may exist; therefore, we may contact you at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
LARRY J. ROYBAL, Director
Oil, Gas and Minerals Division

RP/LR/jm
xc: Reader File
OCD-Ed Martin
BLMF- Wayne Townsend



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PATRICK H. LYONS
COMMISSIONER

2010 APR 15 P 2: 28

State of New Mexico
Commissioner of Public Lands

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COMMISSIONER'S OFFICE

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April 8, 2010

ConocoPhillips Company
P.O. Box 4289
Farmington, New Mexico 87499-4289

Attn: Mr. Ben Malone

Re: 2010 Plans of Development
San Juan 32-7 Unit
San Juan County, New Mexico

Dear Mr. Malone:

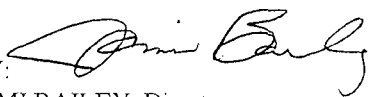
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PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:


JAMI BAILEY, Director
Oil, Gas and Minerals Division

PL/JB/jm

xc: Reader File

OCD-Ed Martin

BLMF- Wayne Townsend

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University