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January 7, 2014

BROG GP LLC.
A wholly owned subsidiary

Bureau of Land Management
Farmington Resource Area
Attn: Mr. Wayne Townsend
6251 N College Blvd., STE 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: Huerfanito Unit (#I Sec. No. 943)
Commerciality Determinations
Mancos Formation
San Juan County, New Mexico

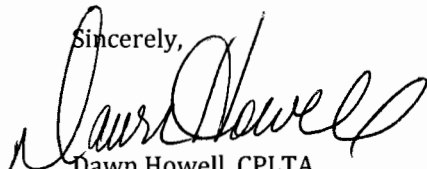
Gentlemen:

Pursuant to the provisions of Section 11(a) of the Huerfanito Unit Agreement, #I Sec. No. 943, approved June 2, 1952, Burlington Resources Oil & Gas Company LP, as Operator, has determined that the well listed below is capable of producing unitized substances in paying quantities from the Mancos Formation. Burlington is seeking confirmation of the paying well determination enclosed.

Well Name	Dedication	Dedicated Lse.	Compl. Date	Determination
Huerfanito Unit #82N	W/2 25-27N-9W	Indian Lease	9-18-12	<i>Commercial</i>

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 formal Participating Area Schedules will be prepared and submitted.

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

File: Huerfanito Unit 4.4

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
HUEFANITO UNIT 82N

WELL INFORMATION

LEASE	HUEFANITO UNIT 82N
LOCATION	25027N009WM
COUNTY, STATE	SAN JUAN, NM
FORMATION	MANCOS
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS CO
SPUD DATE	6/20/2012
COMP DATE	9/18/2012
1ST DELIVERY	1/8/2013
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

AVERAGE HEAT CONTENT

1,000	MMBtu / Mcf
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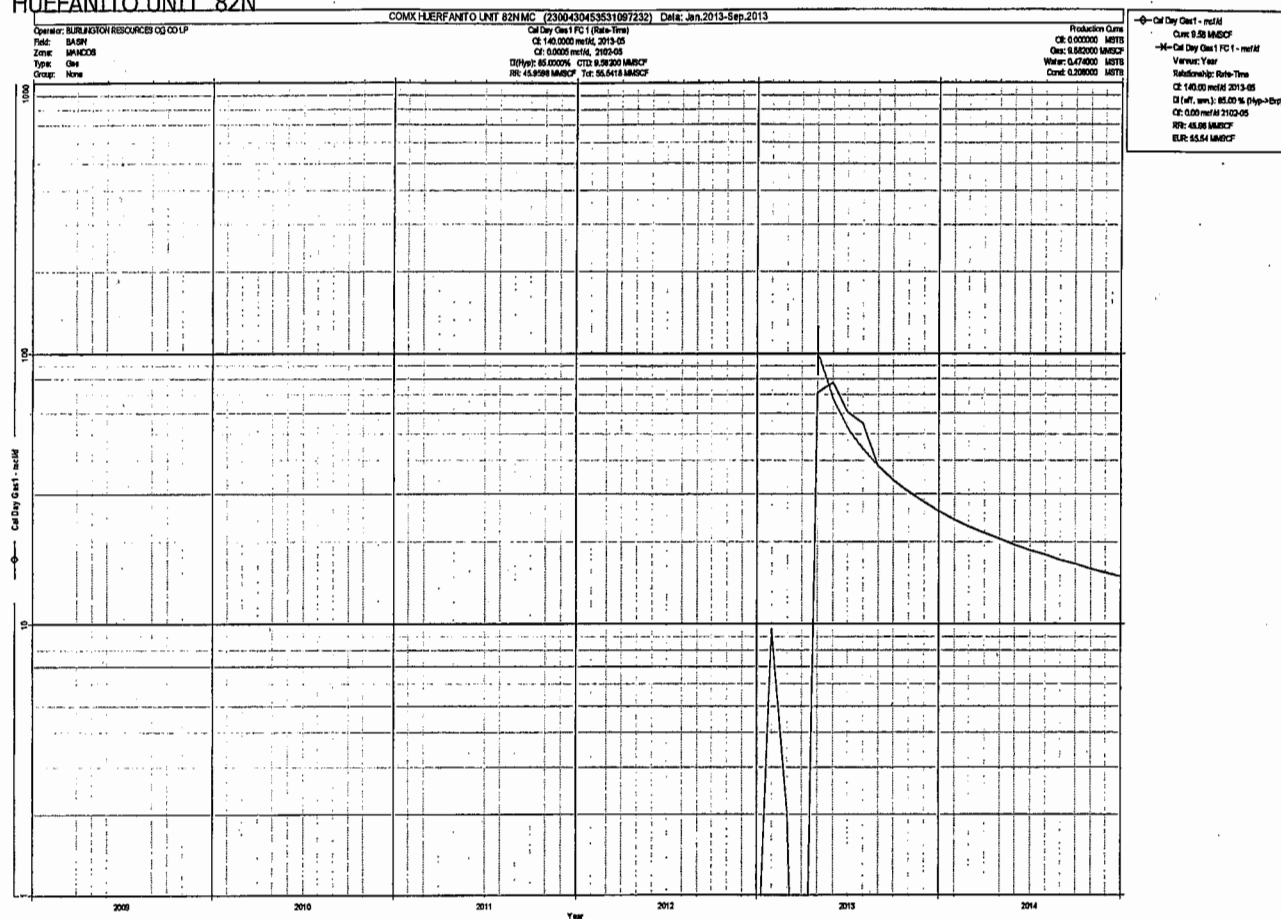
PRODUCTION TAXES

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

790.49	M\$	AVERAGE WELL COST
52.70	MMCF	ULT. GROSS GAS RESERVES
70.90	MCFD	INITIAL GAS RATE
490.58	%	RATE OF RETURN
14.15	\$/ \$	P/I, DISC. @ 10.00 %
11,182.62	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
0.60	YRS	PAYOUT

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION BLM DATA SHEET HUEFANTO UNIT 82N



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 05	70.9	2.2	1.43	0.04	3.98	3.87	3.87	81.16	33.37	124.6	11.78	0.88	111.96	790.49	-678.53

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BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
HUEFANITO UNIT 82N

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 10	33.2	1.0	0.67	0.02	3.98	3.87	3.87	81.16	33.37	119.9	11.31	0.88	107.72	0.00	107.72
2013 11	31.1	0.9	0.61	0.01	3.85	3.87	3.87	81.16	33.37	115.8	10.91	0.88	103.96	0.00	103.96
2013 12	27.6	0.9	0.56	0.01	3.98	3.87	3.87	81.16	33.37	119.2	11.23	0.88	107.07	0.00	107.07
2014 01	25.6	0.8	0.52	0.01	3.98	3.87	3.87	81.16	33.37	118.9	11.21	0.88	106.83	0.00	106.83
2014 02	26.4	0.7	0.48	0.01	3.59	3.87	3.87	81.16	33.37	107.5	10.13	0.88	96.46	0.00	96.46
2014 03	22.4	0.7	0.45	0.01	3.98	3.87	3.87	81.16	33.37	118.5	11.17	0.88	106.48	0.00	106.48
2014 04	21.9	0.7	0.43	0.01	3.85	3.87	3.87	81.16	33.37	114.6	10.80	0.88	102.95	0.00	102.95
2014 05	20.1	0.6	0.41	0.01	3.98	3.87	3.87	81.16	33.37	118.2	11.14	0.88	106.22	0.00	106.22
2014 06	19.8	0.6	0.39	0.01	3.85	3.87	3.87	81.16	33.37	114.4	10.78	0.88	102.72	0.00	102.72
2014 07	18.3	0.6	0.37	0.01	3.98	3.87	3.87	81.16	33.37	118.0	11.12	0.88	106.03	0.00	106.03
2014 08	17.5	0.5	0.35	0.01	3.98	3.87	3.87	81.16	33.37	117.9	11.11	0.88	105.95	0.00	105.95
2014 09	17.4	0.5	0.34	0.01	3.85	3.87	3.87	81.16	33.37	114.1	10.75	0.88	102.48	0.00	102.48
2014 10	16.2	0.5	0.33	0.00	3.98	3.87	3.87	81.16	33.37	117.8	11.09	0.88	105.81	0.00	105.81
2014 11	16.2	0.5	0.32	0.00	3.85	3.87	3.87	81.16	33.37	114.0	10.73	0.88	102.35	0.00	102.35
2014 12	15.1	0.5	0.31	0.00	3.98	3.87	3.87	81.16	33.37	117.7	11.08	0.88	105.69	0.00	105.69
Sub.	---	19.2	12.56	0.29	78.28	---	---	---	---	2,355.3	222.07	17.66	2,115.59	790.49	1,325.10
Rem.	---	33.5	21.83	0.04	1,078.14	---	---	---	---	31,567.0	2,970.73	243.71	28,352.61	0.00	28,352.61
Total	---	52.7	34.38	0.33	1,156.43	---	---	---	---	33,922.4	3,192.80	261.37	30,468.20	790.49	29,677.71