



RECEIVED OGD
2015 JUN 29 P 3:23

R:80
C:280

ConocoPhillips Company
San Juan Business Unit
3401 E. 30th St.
Farmington, NM 87402
P. O. Box 4289, 87499-4289

Burlington Resources Inc.
A wholly owned subsidiary

June 25, 2015

Bureau of Land Management
Farmington Resource Area
Attn: Mr. William M. Tambekou
6251 N College, Suite 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 Determination
Fruitland Coal Formation
San Juan County, New Mexico

Dear Sir or Madam:

Pursuant to the provisions of Section 11(a) of the Huerfanito Unit Agreement, # I Sec. No. 943, approved, May 31, 1951, 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 Fruitland Coal Formation. Burlington is seeking confirmation of the well determination enclosed.

Well Name	Dedication	Dedicated Lease	Compl. Date	Determination
Huerfanito Unit Com 552	N/2 24-27N-9W	NO-G-0651-1131	11/17/03	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 formal Participating Area Schedules will be prepared and submitted.

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 505-326-9819, all other questions to the undersigned at 505-324-6170 or via email Yvonne.S.Scott@conocophillips.com.

Sincerely,

Yvonne Scott
Analyst
Huerfanito Unit 4.5 File

Huerfanito Unit
Fruitland Coal Formation
Working Interest Owners

Burlington Resources Oil & Gas Company LP
Four Star Oil & Gas Company

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
HUERFANITO UNIT COM 552

WELL INFORMATION

LEASE	HUERFANITO UNIT COM 552
LOCATION	2427N09WH
COUNTY, STATE	SAN JUAN, NM
FORMATION	FRUITLAND COAL
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	BURLINGTON RESOURCES O&G CO
SPUD DATE	10/21/2003
COMP DATE	11/17/2003
1ST DELIVERY	11/19/2003
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

AVERAGE HEAT CONTENT

1,000	MMBtu / Mcf
-------	-------------

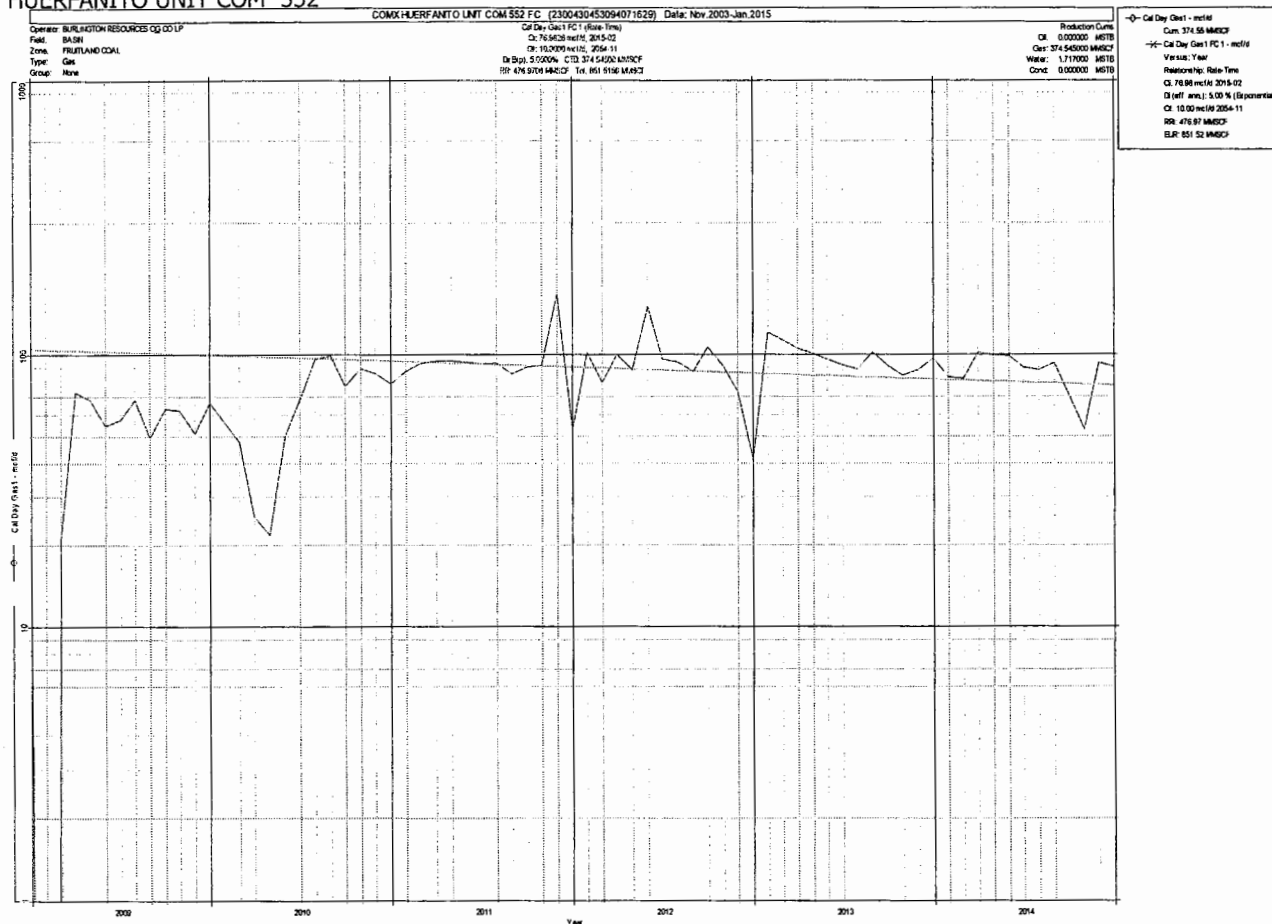
PRODUCTION TAXES

TAXES FOR:	SAN JUAN, NM
	2012 - 2013 Commerciality
	<u>GAS % OF REVENUE</u>
SEVERANCE:	
Severance, School, Conservation	7.94
AD VALOREM:	
Production, Equipment	0.21
TOTAL %:	8.15

WELL COST AND ECONOMICS

337.04	M\$	AVERAGE WELL COST
638.52	MMCF	ULT. GROSS GAS RESERVES
115.94	MCFD	INITIAL GAS RATE
31.88	%	RATE OF RETURN
1.08	\$/ \$	P/I, DISC. @ 10.00 %
364.95	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
3.08	YRS	PAYOUT

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION BLM DATA SHEET HUERFANITO UNIT COM 552



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\$

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
HUERFANITO UNIT COM 552

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\$
2003 12	115.9	3.6	2.77	0.00	0.11	4.23	4.23	79.54	29.50	14.6	1.36	3.49	9.80	337.04	-327.24
2004 01	111.4	3.5	2.67	0.00	0.11	4.23	4.23	79.54	29.50	14.1	1.31	3.49	9.28	0.00	9.28
2004 02	101.0	2.9	2.26	0.00	0.09	4.23	4.23	79.54	29.50	11.9	1.11	3.49	7.34	0.00	7.34
2004 03	101.5	3.1	2.43	0.00	0.10	4.23	4.23	79.54	29.50	12.8	1.19	3.49	8.15	0.00	8.15
2004 04	83.5	2.5	1.93	0.00	0.08	4.23	4.23	79.54	29.50	10.2	0.95	3.49	5.77	0.00	5.77
2004 05	103.8	3.2	2.48	0.00	0.10	4.23	4.23	79.54	29.50	13.1	1.22	3.49	8.40	0.00	8.40
2004 06	122.0	3.7	2.82	0.00	0.11	4.23	4.23	79.54	29.50	14.9	1.39	3.49	10.04	0.00	10.04
2004 07	111.9	3.5	2.68	0.00	0.11	4.23	4.23	79.54	29.50	14.1	1.31	3.49	9.33	0.00	9.33
2004 08	114.3	3.5	2.74	0.00	0.11	4.23	4.23	79.54	29.50	14.4	1.34	3.49	9.61	0.00	9.61
2004 09	115.9	3.5	2.69	0.00	0.11	4.23	4.23	79.54	29.50	14.2	1.32	3.49	9.37	0.00	9.37
2004 10	109.1	3.4	2.61	0.00	0.11	4.23	4.23	79.54	29.50	13.8	1.28	3.49	9.01	0.00	9.01
2004 11	122.5	3.7	2.84	0.00	0.12	4.23	4.23	79.54	29.50	15.0	1.39	3.49	10.10	0.00	10.10
2004 12	106.6	3.3	2.55	0.00	0.10	4.23	4.23	79.54	29.50	13.5	1.25	3.49	8.73	0.00	8.73
2005 01	93.6	2.9	2.24	0.00	0.09	4.23	4.23	79.54	29.50	11.8	1.10	3.49	7.24	0.00	7.24
2005 02	113.3	3.2	2.45	0.00	0.10	4.23	4.23	79.54	29.50	12.9	1.20	3.49	8.24	0.00	8.24
2005 03	113.5	3.5	2.72	0.00	0.11	4.23	4.23	79.54	29.50	14.3	1.33	3.49	9.52	0.00	9.52
2005 04	116.5	3.5	2.70	0.00	0.11	4.23	4.23	79.54	29.50	14.2	1.32	3.49	9.43	0.00	9.43
2005 05	116.5	3.6	2.79	0.00	0.11	4.23	4.23	79.54	29.50	14.7	1.37	3.49	9.86	0.00	9.86
2005 06	113.1	3.4	2.62	0.00	0.11	4.23	4.23	79.54	29.50	13.8	1.29	3.49	9.06	0.00	9.06
2005 07	110.9	3.4	2.65	0.00	0.11	4.23	4.23	79.54	29.50	14.0	1.30	3.49	9.23	0.00	9.23
Sub.	---	66.9	51.64	0.00	2.10	---	---	---	---	272.6	25.34	69.76	177.51	337.04	-159.53
Rem.	---	571.6	441.30	0.00	17.94	---	---	---	---	2,329.7	216.55	938.27	1,174.90	0.00	1,174.90
Total	---	638.5	492.94	0.00	20.04	---	---	---	---	2,602.3	241.89	1,008.03	1,352.41	337.04	1,015.37



ConocoPhillips Company
San Juan Business Unit
3401 E. 30th St.
Farmington, NM 87402
P. O. Box 4289, 87499-4289

Burlington Resources Inc.
A wholly owned subsidiary

June 25, 2015

Bureau of Land Management
Farmington Resource Area
Attn: Mr. William M. Tambekou
6251 N College, Suite 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 Determination
Fruitland Coal Formation
San Juan County, New Mexico

Dear Sir or Madam:

Pursuant to the provisions of Section 11(a) of the Huerfanito Unit Agreement, # I Sec. No. 943, approved, May 31, 1951, 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 Fruitland Coal Formation. Burlington is seeking confirmation of the well determination enclosed.

Well Name	Dedication	Dedicated Lease	Compl. Date	Determination
Huerfanito Unit Com 552	N/2 24-27N-9W	NO-G-0651-1131	11/17/03	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 formal Participating Area Schedules will be prepared and submitted.

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 505-326-9819, all other questions to the undersigned at 505-324-6170 or via email Yvonne.S.Scott@conocophillips.com.

Sincerely,

Yvonne Scott
Analyst
Huerfanito Unit 4.5 File

Huerfanito Unit
Fruitland Coal Formation
Working Interest Owners

Burlington Resources Oil & Gas Company LP
Four Star Oil & Gas Company

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
HUERFANITO UNIT COM 552

WELL INFORMATION

LEASE	HUERFANITO UNIT COM 552
LOCATION	2427N09WH
COUNTY, STATE	SAN JUAN, NM
FORMATION	FRUITLAND COAL
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	BURLINGTON RESOURCES O&G CO
SPUD DATE	10/21/2003
COMP DATE	11/17/2003
1ST DELIVERY	11/19/2003
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

AVERAGE HEAT CONTENT

1,000	MMBtu / Mcf
-------	-------------

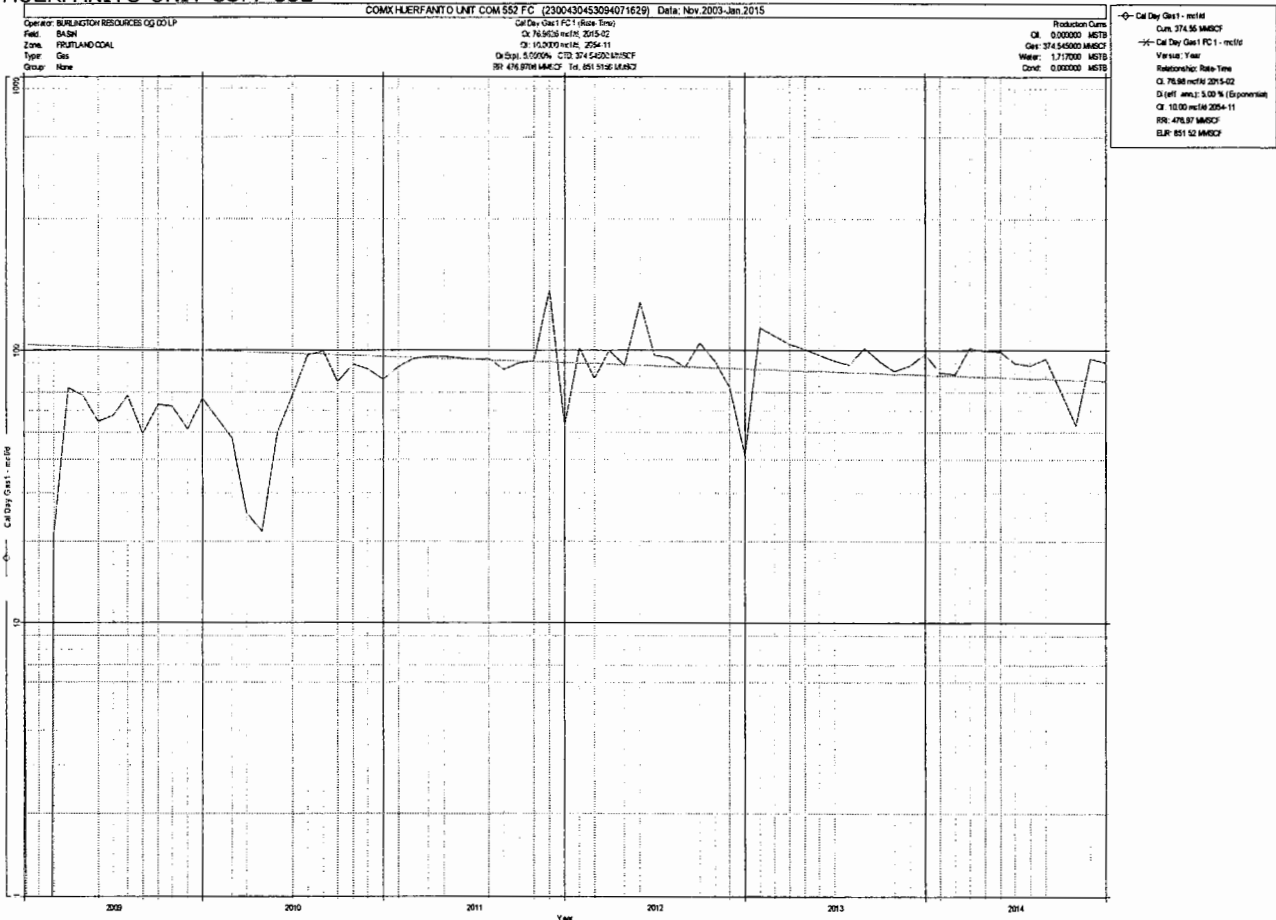
PRODUCTION TAXES

TAXES FOR:	SAN JUAN, NM
	2012 - 2013 Commerciality
	<u>GAS % OF REVENUE</u>
SEVERANCE:	
Severance, School, Conservation	7.94
AD VALOREM:	
Production, Equipment	0.21
TOTAL %:	8.15

WELL COST AND ECONOMICS

337.04	M\$	AVERAGE WELL COST
638.52	MMCF	ULT. GROSS GAS RESERVES
115.94	MCFD	INITIAL GAS RATE
31.88	%	RATE OF RETURN
1.08	\$/ \$	P/I, DISC. @ 10.00 %
364.95	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
3.08	YRS	PAYOUT

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
HUERFANITO UNIT COM 552



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\$

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
HUERFANITO UNIT COM 552

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\$
2003 12	115.9	3.6	2.77	0.00	0.11	4.23	4.23	79.54	29.50	14.6	1.36	3.49	9.80	337.04	-327.24
2004 01	111.4	3.5	2.67	0.00	0.11	4.23	4.23	79.54	29.50	14.1	1.31	3.49	9.28	0.00	9.28
2004 02	101.0	2.9	2.26	0.00	0.09	4.23	4.23	79.54	29.50	11.9	1.11	3.49	7.34	0.00	7.34
2004 03	101.5	3.1	2.43	0.00	0.10	4.23	4.23	79.54	29.50	12.8	1.19	3.49	8.15	0.00	8.15
2004 04	83.5	2.5	1.93	0.00	0.08	4.23	4.23	79.54	29.50	10.2	0.95	3.49	5.77	0.00	5.77
2004 05	103.8	3.2	2.48	0.00	0.10	4.23	4.23	79.54	29.50	13.1	1.22	3.49	8.40	0.00	8.40
2004 06	122.0	3.7	2.82	0.00	0.11	4.23	4.23	79.54	29.50	14.9	1.39	3.49	10.04	0.00	10.04
2004 07	111.9	3.5	2.68	0.00	0.11	4.23	4.23	79.54	29.50	14.1	1.31	3.49	9.33	0.00	9.33
2004 08	114.3	3.5	2.74	0.00	0.11	4.23	4.23	79.54	29.50	14.4	1.34	3.49	9.61	0.00	9.61
2004 09	115.9	3.5	2.69	0.00	0.11	4.23	4.23	79.54	29.50	14.2	1.32	3.49	9.37	0.00	9.37
2004 10	109.1	3.4	2.61	0.00	0.11	4.23	4.23	79.54	29.50	13.8	1.28	3.49	9.01	0.00	9.01
2004 11	122.5	3.7	2.84	0.00	0.12	4.23	4.23	79.54	29.50	15.0	1.39	3.49	10.10	0.00	10.10
2004 12	106.6	3.3	2.55	0.00	0.10	4.23	4.23	79.54	29.50	13.5	1.25	3.49	8.73	0.00	8.73
2005 01	93.6	2.9	2.24	0.00	0.09	4.23	4.23	79.54	29.50	11.8	1.10	3.49	7.24	0.00	7.24
2005 02	113.3	3.2	2.45	0.00	0.10	4.23	4.23	79.54	29.50	12.9	1.20	3.49	8.24	0.00	8.24
2005 03	113.5	3.5	2.72	0.00	0.11	4.23	4.23	79.54	29.50	14.3	1.33	3.49	9.52	0.00	9.52
2005 04	116.5	3.5	2.70	0.00	0.11	4.23	4.23	79.54	29.50	14.2	1.32	3.49	9.43	0.00	9.43
2005 05	116.5	3.6	2.79	0.00	0.11	4.23	4.23	79.54	29.50	14.7	1.37	3.49	9.86	0.00	9.86
2005 06	113.1	3.4	2.62	0.00	0.11	4.23	4.23	79.54	29.50	13.8	1.29	3.49	9.06	0.00	9.06
2005 07	110.9	3.4	2.65	0.00	0.11	4.23	4.23	79.54	29.50	14.0	1.30	3.49	9.23	0.00	9.23
Sub.	---	66.9	51.64	0.00	2.10	---	---	---	---	272.6	25.34	69.76	177.51	337.04	-159.53
Rem.	---	571.6	441.30	0.00	17.94	---	---	---	---	2,329.7	216.55	938.27	1,174.90	0.00	1,174.90
Total	---	638.5	492.94	0.00	20.04	---	---	---	---	2,602.3	241.89	1,008.03	1,352.41	337.04	1,015.37