



493

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

September 11, 2012

2012 SEP 12 P 12: 54

Burlington Resources Oil & Gas Co LP
"A subsidiary of ConocoPhillips Company"

Bureau of Land Management
Attn: Mr. Jim Lovato
6251 N. College Blvd.
Suite A
Farmington, NM 87402

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Pete Martinez
P.O. Box 1148
Santa Fe, NM 87501-1148

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

RE: **San Juan 30-6 Unit 447S; 14-06-001-538**
RIO ARRIBA COUNTY, NM
PICTURED CLIFFS PARTICIPATING AREA
SEVENTH EXPANSION: Effective 04/01/11

Dear Sir or Madam:

Pursuant to Section 11(a) of the Unit Agreement for the referenced Unit, approved January 16, 1953, Burlington Resources Oil & Gas Co LP, as Unit Operator, has determined that the following well is capable of producing unitized substances in paying quantities from the Pictured Cliffs formation, thereby should be admitted to the Pictured Cliffs Participating Area. Pursuant to the attached BLM letter dated August 10, 2012, listed below is the well that has been deemed commercial.

SEVENTH EXPANSION – EFFECTIVE APRIL 1, 2011

<u>Well Name</u>	<u>Tract/Acres</u>	<u>Tract Description</u>	<u>Completion Date</u>
San Juan 30-6 Unit 447S	Tract 7 / 320.00	E/2	03/28/2011

The expansion schedule for the Seventh Expansion is enclosed. The schedule describes the Participating Area and shows the percentage of unitized substances allocated to the tracts according to ownership within the tracts.

~~ConocoPhillips would appreciate consideration of this Expansion, by written response. Please~~
contact the undersigned at 505-326-9801 if there are any questions regarding this matter. Copies of this letter and attachments are being furnished to the working interest owners on the attached list.

Sincerely,


Valerie Wells,
Sr. Land Technician

SAN JUAN 30-6 UNIT
WORKING INTEREST OWNERS

BURLINGTON RESOURCES OIL & GAS COMPANY LP

CHARLES W. GAY

CONOCOPHILLIPS COMPANY

J&M RAYMOND LTD

LORRAYN GAY HACKER

SAN JUAN BASIN TRUST

TH MCELVAIN OIL AND GAS PROPERTIES

TAMACAM LLC

WPX ENERGY INC.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
6251 College Blvd. - Suite A
Farmington, New Mexico 87402
www.blm.gov/nm



IN REPLY REFER TO:

San Juan 30-6 Unit PC PA
3162.7 (F0111)

August 10, 2012

Ms. Dawn Howell
Burlington Resources Oil & Gas Company LP
P.O. Box 4289
Farmington, NM 87499-4289

RE: San Juan 30-6 Unit
Commerciality Determination
Pictured Cliffs Formation
Rio Arriba County, NM

Dear Ms. Howell:

In response to your letter dated July 19, 2012, the Farmington Field Office has reviewed the data you submitted for a commerciality determination for the following well completed in the Pictured Cliffs formation.

Well Name & Number	Dedication	Lease	Completion Date	Determination
San Juan 30-6 Unit #447S	E/2 Sec. 31, T30N, R7W	NMNM012709	3/28/2011	Commercial

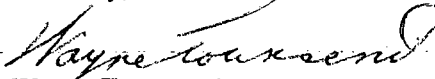
After completing our economic evaluation, we are in concurrence with the above determination.

The well was determined to be commercial in the Pictured Cliffs formation and is to be included in the Pictured Cliffs participating area. It is required that a revision be submitted to include this well in the San Juan 30-6 Unit Pictured Cliffs Participating Area.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order(s) described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management (NM-92000), P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such requests shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions concerning this matter, please contact Wayne Townsend at the above address or telephone (505) 599-6359.

Sincerely,


Wayne Townsend
Petroleum Engineer
Branch of Petroleum Management

BURLINGTON RESOURCES O&G CO LP - OPERATOR
 RECAPITULATION
 THE 007 EXPANDED PARTICIPATING AREA FOR PICTURED CLIFFS FORMATION
 SAN JUAN 30-6 UNIT AREA

<u>Township</u>	<u>Range</u>	<u>Section</u>	<u>Description</u>	<u>Lot</u>	<u>Acreage</u>	<u>Township</u>	<u>Range</u>	<u>Section</u>	<u>Description</u>	<u>Lot</u>	<u>Acreage</u>
030N	006W	SEC. 036		LOT. 1	17.50000	TOTAL ACRES NON-COMMITTED:					0.00000
030N	006W	SEC. 036		LOT. 2	17.54000						
030N	006W	SEC. 036		LOT. 3	17.58000						
030N	006W	SEC. 036		LOT. 4	17.62000						
030N	006W	SEC. 036	W/2E/2		160.00000						
030N	007W	SEC. 027	W/2		320.00000						
030N	007W	SEC. 028	E/2		320.00000						
030N	007W	SEC. 028	NW/4, N/2SW/4, SE/4SW/4		280.00000						
030N	007W	SEC. 028	SW/4SW/4		40.00000						
030N	007W	SEC. 029	S/2		320.00000						
030N	007W	SEC. 031	E/2		320.00000						
030N	007W	SEC. 033	ALL		640.00000						
030N	007W	SEC. 034	W/2		320.00000						
TOTAL ACRES COMMITTED					2790.24000						

Run Date: 08/29/2012
Run Time: 11:42:16 AM C
User: wellsv

BURLINGTON RESOURCES O&G CO LP - Operator
The 007 Expanded Participating Area for Pictured Cliffs Formation
San Juan 30-6 Unit Area
Rio Arriba, New Mexico
Effective 04/01/2011

Page 1 of 3
891000538B

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWl Percentage	NRI Percentage	Prodn Prtcpn Pct
NM-012709		680.000		Tract: 007			24.37066200
	<u>T-030N R-007W</u>						
	SEC.028 SW/4 SW/4		ORRI:		.00000000	5.00000000	
	SEC.029 S/2		ROYALTY:		.00000000	12.50000000	
	SEC.031 E/2		WORKING INTEREST:	CONOCOPHILLIPS COMPANY	82.00000000	67.65000000	
				WILLIAMS PRODUCTION COMPANY	18.00000000	14.85000000	
	Tract Remarks:		TOTAL		100.00000000	100.00000000	
	SJ 30-6 UNIT #122,						
	SJ 30-6 UNIT #497S,						
	SJ 30-6 UNIT # 447S						

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWl Percentage	NRI Percentage	Prodn Prtcpn Pct
SF-079074		320.000		Tract: 008A			11.46854800
	<u>T-030N R-007W</u>						
	SEC.027 W/2		ORRI:		.00000000	2.50000000	
	Tract Remarks:		ROYALTY:		.00000000	12.50000000	
	SJ 30-6 UNIT #144		WORKING INTEREST:	BURLINGTON RESOURCES O&G SJBT	12.50000000	10.31250000	
				SAN JUAN BASIN TRUST	37.50000000	30.93750000	
				T H MCELVAIN OIL & GAS LLLP	50.00000000	43.75000000	
			TOTAL		100.00000000	100.00000000	

Run Date: 08/29/2012
Run Time: 11:42:16 AM C
User: wellsv

BURLINGTON RESOURCES O&G CO LP - Operator
The 007 Expanded Participating Area for Pictured Cliffs Formation
San Juan 30-6 Unit Area
Rio Arriba, New Mexico
Effective 04/01/2011

Page 2 of 3

891000538B

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWl Percentage	NRI Percentage	Prodn Prtcpn Pct
SF-079383		320.000		Tract: 010			11.46854800
	<u>T-030N R-007W</u>						
	SEC.034 W/2						
			ORRI:		.00000000	11.87500000	
			ROYALTY:		.00000000	12.50000000	
			WORKING INTEREST: BURLINGTON RESOURCES O&G CO LP		75.00000000	54.99999300	
			CHARLES W GAY		.34722300	.28646100	
			CONOCOPHILLIPS COMPANY		8.33333300	6.87500300	
			J&M RAYMOND LTD		6.94444400	5.72916300	
			LORRAYN GAY HACKER		.34722300	.28646000	
			TAMACAM LLC		.69444400	.57291700	
			T H MCELVAIN OIL & GAS LLLP		8.33333300	6.87500300	
			TOTAL		100.00000000	100.00000000	
Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWl Percentage	NRI Percentage	Prodn Prtcpn Pct
NM-02151-A		280.000		Tract: 023			10.03497900
	<u>T-030N R-007W</u>						
	SEC.028 NW/4, N/2 SW/4, SE/4						
	Tract Remarks:		ORRI:		.00000000	5.00000000	
	SJ 30-6 UNIT #122		ROYALTY:		.00000000	12.50000000	
			WORKING INTEREST: BURLINGTON RESOURCES O&G SJBT		25.00000000	20.62500000	
			SAN JUAN BASIN TRUST		75.00000000	61.87500000	
			TOTAL		100.00000000	100.00000000	

Run Date: 08/29/2012
Run Time: 11:42:16 AM
User: wellsv

BURLINGTON RESOURCES O&G CO LP - Operator
The 007 Expanded Participating Area for Pictured Cliffs Formation
San Juan 30-6 Unit Area
Rio Arriba, New Mexico
Effective 04/01/2011

Page 3 of 3
891000538B

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWl Percentage	NRI Percentage	Prodn Prtcpn Pct
NM-02151		320.000		Tract: 023A			11.46854800

T-030N R-007W
SEC.028 E/2

Tract Remarks:

SJ 30-6 UNIT #91R (IDB)

ORRI:	.00000000	5.00000000
ROYALTY:	.00000000	12.50000000
WORKING INTEREST: BURLINGTON RESOURCES O&G SJB	12.50000000	10.31250000
SAN JUAN BASIN TRUST	37.50000000	30.93750000
T H MCELVAIN OIL & GAS LLLP	50.00000000	41.25000000
TOTAL	100.00000000	100.00000000

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWl Percentage	NRI Percentage	Prodn Prtcpn Pct
NM-02151-B		640.000		Tract: 023B			22.93709500

T-030N R-007W
SEC.033 ALL

Tract Remarks:

SJ 30-6 UNIT #92A, #93B, #93M

ORRI:	.00000000	5.00000000
ROYALTY:	.00000000	12.50000000
WORKING INTEREST: BURLINGTON RESOURCES O&G SJB	25.00000000	20.62500000
SAN JUAN BASIN TRUST	75.00000000	61.87500000
TOTAL	100.00000000	100.00000000

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWl Percentage	NRI Percentage	Prodn Prtcpn Pct
E-347-49		230.240		Tract: 039			8.25162000

T-030N R-006W
SEC.036 LOT.1 17.50
SEC.036 LOT.2 17.54
SEC.036 LOT.3 17.58
SEC.036 LOT.4 17.62
SEC.036 W/2 E/2 .00

Tract Remarks:

SJ 30-6 UNIT #89A, #132

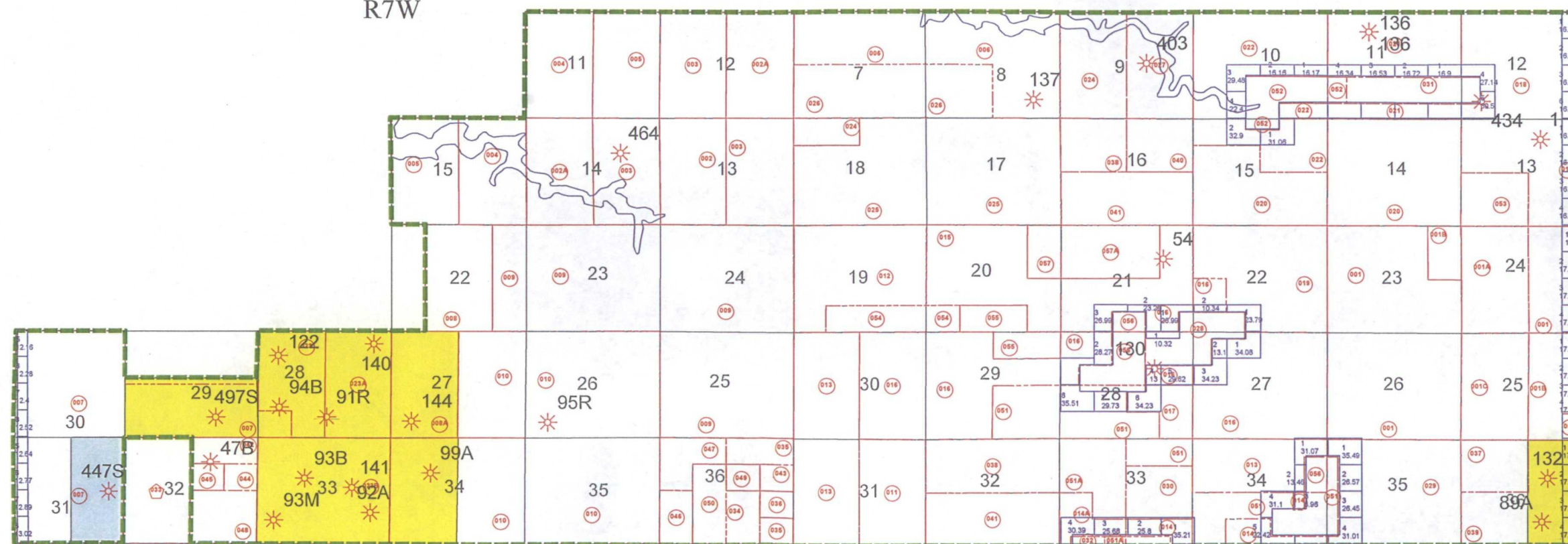
ORRI:	.00000000	21.87500000
ROYALTY:	.00000000	12.50000000
WORKING INTEREST: BURLINGTON RESOURCES O&G CO LP	100.00000000	65.62500000
TOTAL	100.00000000	100.00000000

SAN JUAN 30-6 UNIT

PICTURED CLIFFS PARTICIPATING AREA

R6W

R7W



R
30
N

✱ Pictured Cliffs

Pictured Cliffs

- Approved 6th Expansion., Effective 8/01/06
- Proposed 7th Expansion, Effective 4/1/2011