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San Juan Business Unit
PO Box 4289
Farmington NM 87499-4289
(505) 326-9700

Burlington Resources Inc.
"A wholly owned subsidiary"

October 15, 2007

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

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

RE: San Juan 28-4 Unit (#14-08-001-933)
Commerciality Determination
Dakota Formation
Rio Arriba County, New Mexico

Gentlemen:

Pursuant to the provisions of Section 11(a) of the San Juan 28-4 Unit Agreement, #14-08-001-933, approved, July 24, 1953, Burlington Resources Oil & Gas Company, as Operator, has determined that the well listed below is not capable of producing unitized substances in paying quantities from the Dakota Formation. Burlington is seeking confirmation of the paying well determination enclosed.

<u>Prop. Code</u>	<u>Well Name & Number</u>	<u>Well Dedication</u>	<u>Dedicated Lease</u>	<u>Completion Date</u>	<u>Commerciality Determination</u>
A730410	SJ 28-4 Unit #16R	E/2 Sec. 30-28N-4W	NM-03862	11-1-06	Non-Commercial

Upon receipt of response from the Bureau of Land Management and concurring response from the New Mexico Oil Conservation Division, this well will continue to be carried on a lease basis

Copies of this letter and enclosures are being sent to the working interest owners as listed on the attached page. Please contact Karen Stevens at 326-9754 for any technical questions, and all other questions to the undersigned at 599-4030.

Sincerely,

Dawn Howell
Staff Land Technician

San Juan 28-4 Unit 4.3

BURLINGTON RESOURCES

COMMERCIALITY DETERMINATION

BLM DATA SHEET

SAN JUAN 28-4 UNIT 16R

WELL INFORMATION

LEASE SAN JUAN 28-4 UNIT 16R
 LOCATION 30028N004WG
 COUNTY, STATE RIO ARRIBA, New Mexico
 FORMATION DAKOTA
 PROJECT TYPE NEWDRILL
 WELL TYPE GAS WELL
 OPERATOR EL PASO NATURAL GAS COMPANY
 SPUD DATE 6/27/2006
 COMP DATE 10/19/2006
 1ST DELIVERY 11/1/2006
 COMM GWI % 100.00
 COMM NRI % 87.50
 BOARD RATE % 10.00

PRODUCTION TAXES

TAXES FOR: RIO ARRIBA, New Mexico
 2003 - 2004 Commerciality

GAS % OF REVENUE

SEVERANCE:
 Severance, School, Conservation 7.93

AD VALOREM:
 Production, Equipment 1.40

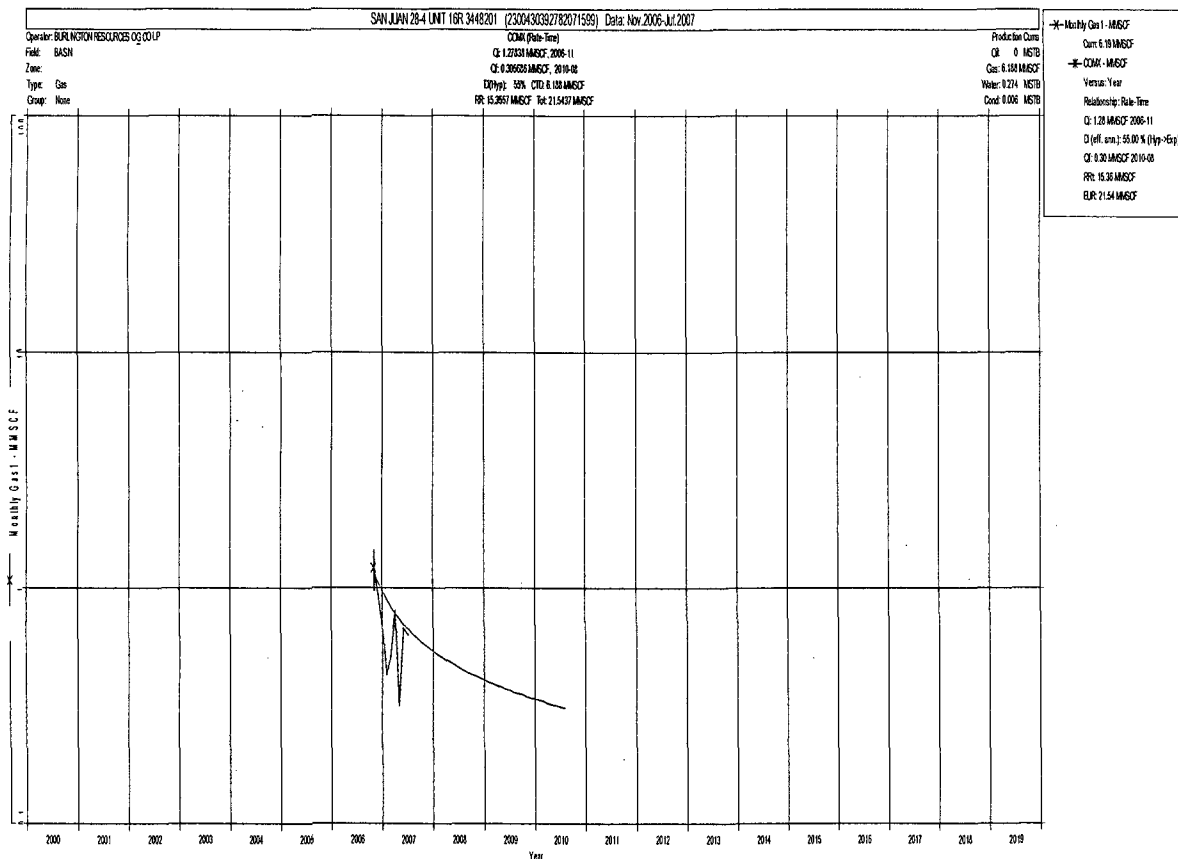
TOTAL %: 9.33

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

WELL COST AND ECONOMICS

684.00 M\$ AVERAGE WELL COST
 21.54 MMCF ULT. GROSS GAS RESERVES
 36.02 MCFD INITIAL GAS RATE
 0.00 % RATE OF RETURN
 -0.92 \$/\$ P/I, DISC. @ 10.00 %
 -626.19 M\$ NET PRESENT VALUE, DISC. @ 10.00 %
 0.00 YRS PAYOUT



BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
 SAN JUAN 28-4 UNIT 16R

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 Opcostrs	Total Oper Inc	Total Capital	Total BT Cash
	mcf/d	MMSCF	MMSCF	MSTB	MSTB	\$/MMBTU	\$/mcf	\$/Bbl	\$/Bbl	M\$	M\$	M\$	M\$	M\$	M\$
2006 11	40.8	1.2	0.88	0.00	0.09	4.86	4.86	35.51	22.66	5.9	0.61	0.64	4.70	684.00	-679.30
2006 12	31.4	1.0	0.69	0.00	0.07	4.86	4.86	35.51	22.66	4.7	0.48	0.64	3.59	0.00	3.59
2007 01	21.6	0.7	0.48	0.00	0.05	4.86	4.86	35.51	22.66	3.3	0.33	0.64	2.28	0.00	2.28
2007 02	15.0	0.4	0.30	0.00	0.03	4.86	4.86	35.51	22.66	2.0	0.21	0.64	1.19	0.00	1.19
2007 03	16.1	0.5	0.36	0.00	0.03	4.86	4.86	35.51	22.66	2.4	0.25	0.64	1.54	0.00	1.54
2007 04	26.7	0.8	0.57	0.00	0.06	4.86	4.86	35.51	22.66	3.9	0.40	0.64	2.84	0.00	2.84
2007 05	10.0	0.3	0.22	0.00	0.02	4.86	4.86	35.51	22.66	1.5	0.15	0.64	0.71	0.00	0.71
2007 06	22.3	0.7	0.48	0.00	0.05	4.86	4.86	35.51	22.66	3.2	0.33	0.64	2.28	0.00	2.28
2007 07	20.0	0.6	0.44	0.00	0.04	4.86	4.86	35.51	22.66	3.0	0.31	0.64	2.06	0.00	2.06
2007 08	20.4	0.6	0.45	0.00	0.04	4.86	4.86	35.51	22.66	3.1	0.31	0.64	2.12	0.00	2.12
2007 09	20.3	0.6	0.43	0.00	0.04	4.86	4.86	35.51	22.66	3.0	0.30	0.64	2.01	0.00	2.01
2007 10	18.9	0.6	0.42	0.00	0.04	4.86	4.86	35.51	22.66	2.8	0.29	0.64	1.91	0.00	1.91
2007 11	18.8	0.6	0.40	0.00	0.04	4.86	4.86	35.51	22.66	2.7	0.28	0.64	1.82	0.00	1.82
2007 12	17.6	0.5	0.39	0.00	0.04	4.86	4.86	35.51	22.66	2.7	0.27	0.64	1.74	0.00	1.74
2008 01	17.1	0.5	0.38	0.00	0.04	4.86	4.86	35.51	22.66	2.6	0.26	0.64	1.67	0.00	1.67
2008 02	17.7	0.5	0.37	0.00	0.04	4.86	4.86	35.51	22.66	2.5	0.25	0.64	1.60	0.00	1.60
2008 03	16.1	0.5	0.36	0.00	0.03	4.86	4.86	35.51	22.66	2.4	0.25	0.64	1.54	0.00	1.54
2008 04	16.2	0.5	0.35	0.00	0.03	4.86	4.86	35.51	22.66	2.4	0.24	0.64	1.48	0.00	1.48
2008 05	15.3	0.5	0.34	0.00	0.03	4.86	4.86	35.51	22.66	2.3	0.24	0.64	1.43	0.00	1.43
2008 06	15.4	0.5	0.33	0.00	0.03	4.86	4.86	35.51	22.66	2.2	0.23	0.64	1.38	0.00	1.38
Sub.	---	12.1	8.65	0.00	0.84	---	---	---	---	58.7	5.99	12.80	39.89	684.00	-644.11
Rem.	---	9.4	6.75	0.00	0.66	---	---	---	---	45.8	4.68	16.64	24.50	0.00	24.50
Total	---	21.5	15.40	0.00	1.50	---	---	---	---	104.5	10.68	29.44	64.39	684.00	-619.61

WORKING INTEREST OWNERS
SAN JUAN 28-4 UNIT

ANADARKO E & P COMPANY LP

BURLINGTON RESOURCES OIL & GAS CO LP

CONOCOPHILLIPS

ROBERT CRITCHFIELD

WILLIAMS PRODUCTION COMPANY

XTO ENERGY INC.

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ConocoPhillips

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San Juan Business Unit
PO Box 4289
Farmington NM 87499-4289
(505) 326-9700

Burlington Resources Inc.
"A wholly owned subsidiary"

October 23, 2007

Bureau of Land Management (3)
Attn: Ms. Margie DuPree
1235 La Plata Highway
Farmington, NM 87401

State of New Mexico (2)
Commissioner of Public Lands
Attn: Mr. Pete Martinez
P.O. Box 1148
Santa Fe, NM 87501-1148

State of New Mexico (2)
Oil Conservation Division
Energy & Minerals Dept.
Attn: Ms. Lori Wrotenbery
1220 S. Saint Francis Dr.
Santa Fe, NM 87505

RE: **SAN JUAN 28-4 UNIT, #14-08-001-933**
RIO ARRIBA COUNTY, NEW MEXICO
Mesaverde Participating Area
THIRTEENTH EXPANSION: Effective 10/1/2006

Dear Sir or Madam:

Pursuant to Section 11(a) of the Unit Agreement for the referenced Unit, approved July 24, 1953, Burlington Resources Oil & Gas Company LP, as Unit Operator, has determined that the following well is capable of producing unitized substances in paying quantities from the Mesaverde formation, thereby should be admitted to the Mesaverde Participating Area. Pursuant to a BLM letter, listed below is the well that has been deemed commercial.

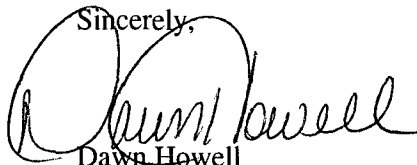
THIRTEENTH EXPANSION - EFFECTIVE 10/1/06

<u>Well Name</u>	<u>Tract/Acres</u>	<u>Tr. Description</u>	<u>Compl. Date</u>
San Juan 28-4 Unit #33E	Tr. 7A / 320.00	N/2 Sec. 33-T28N-R4W	9/14/06

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

Burlington Resources would appreciate consideration of this Expansion, by written response. Please contact the undersigned at (505) 599-4030 if there are any questions regarding this matter. Copies of this letter and attachments are being furnished to the working interest owners.

Sincerely,



Dawn Howell
Staff Land Technician

S.J. 28-4 Unit, 4.2

THE 013 EXPANDED PARTICIPATING AREA FOR MESAVERDE FORMATION
SAN JUAN 28-4 UNIT AREA

Description of Committed Lands in PA					Description of Non-Committed Lands in PA					
Township	Range	Section	Description	Lot	Acreage	Township	Range	Section	Description	Lot
028N	004W	SEC.007	SE/4 SW/4, S/2 SE/4						Total Acres Non-Committed:	
028N	004W	SEC.007		LOT.1	17.67000					
028N	004W	SEC.007		LOT.2	17.61000					
028N	004W	SEC.007		LOT.3	17.55000					
028N	004W	SEC.007		LOT.4	17.36000					
028N	004W	SEC.007		LOT.5	39.69000					
028N	004W	SEC.017	S/2							
028N	004W	SEC.018	E/2, E/2 W/2							
028N	004W	SEC.018		LOT.1	39.73000					
028N	004W	SEC.018		LOT.2	39.75000					
028N	004W	SEC.018		LOT.3	39.77000					
028N	004W	SEC.018		LOT.4	39.79000					
028N	004W	SEC.019	E/2, E/2 W/2							
028N	004W	SEC.019		LOT.1	39.79000					
028N	004W	SEC.019		LOT.2	39.75000					
028N	004W	SEC.019		LOT.3	39.71000					
028N	004W	SEC.019		LOT.4	39.67000					
028N	004W	SEC.020	ALL							
028N	004W	SEC.029	ALL							
028N	004W	SEC.030	E/2, E/2 W/2							
028N	004W	SEC.030		LOT.1	39.68000					
028N	004W	SEC.030		LOT.2	39.73000					
028N	004W	SEC.030		LOT.3	39.79000					
028N	004W	SEC.030		LOT.4	39.84000					
028N	004W	SEC.031	E/2, E/2 W/2							
028N	004W	SEC.031		LOT.1	39.86000					
028N	004W	SEC.031		LOT.2	39.88000					

Total Acres Non-Committed:

0.000000

Report Name: fuels_expansion_sch_recap.rep

Universe: Fed One

Database:

BURLINGTON RESOURCES O&G CO LP - OPERATOR

RECAPITULATION

**THE 013 EXPANDED PARTICIPATING AREA FOR MESAVERDE FORMATION
SAN JUAN 28-4 UNIT AREA**

Page 2 of 2

Run Date: 10/23/2007

Run Time: 12:54:20 PM

User: HOWELDM

Description of Committed Lands in PA

Township	Range	Section	Description	Lot	Acreage
028N	004W	SEC.031		LOT.3	39.90000
028N	004W	SEC.031		LOT.4	39.92000
028N	004W	SEC.032	ALL		
028N	004W	SEC.033	N/2		
028N	004W	SEC.033	S/2		
028N	004W	SEC.036	S/2		

Total Acres Committed: 5986.44000

BURLINGTON RESOURCES O&G CO LP - Operator
The 013 Expanded Participating Area for Mesaverde Formation
San Juan 28-4 Unit Area
Rio Arriba, New Mexico
Effective 10/01/2006

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWl Percentage	NRI Percentage	Prodn Pctcpn Pct
SF-079525-A	T-028N R-004W	320.00	ORRI:	Tract: 001A	0.00000000	3.75000000	5.34541400
	SEC.036 S/2		ROYALTY:		0.00000000	12.50000000	
			WORKING INTEREST:	XTO ENERGY INC	100.00000000	83.75000000	
			TOTAL		100.00000000	100.00000000	

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWl Percentage	NRI Percentage	Prodn Pctcpn Pct
SF-079727	T-028N R-004W	229.88	ORRI:	Tract: 002	0.00000000	2.18750000	3.84001200
	SEC.007 LOT.1	17.67	ROYALTY:		0.00000000	12.50000000	
	SEC.007 LOT.2	17.61	WORKING INTEREST:	BURLINGTON RESOURCES O&G CO LP	100.00000000	83.12500000	
	SEC.007 LOT.3	17.55	TOTAL		100.00000000	97.81250000	
	SEC.007 LOT.4	17.36					
	SEC.007 LOT.5	39.69					
	SEC.007 SE/4 SW/4, S/2 SE/4						

Tract Remarks:

20.7812% NPI TO MOPI, GLA-410 SETTLED EFFECTIVE 1-1-94. EPPC
SUF#02 CARRIED INTEREST FOR ROBERT CRITCHFIELD & TIMOTHY
MCCOY UNDER GLA410 GROUP 7.

BURLINGTON RESOURCES O&G CO LP - Operator
The 013 Expanded Participating Area for Mesaverde Formation

San Juan 28-4 Unit Area
 Rio Arriba, New Mexico
 Effective 10/01/2006

8910009330

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWI Percentage	NRI Percentage	Prodn Prcpn Pct
SF-079729	T-028N R-004W	960.00	ORRI:	Tract: 005	0.00000000	2.18750000	16.03624200
	SEC.017 S/2		ROYALTY:		0.00000000	12.50000000	
	SEC.020 ALL		WORKING INTEREST:	BURLINGTON RESOURCES O&G CO LP	100.00000000	83.12500000	
			TOTAL		100.00000000	97.81250000	

Tract Remarks:

20.7812% NPI TO MOPI, GLA-410 SETTLED EFFECTIVE 1-1-94. EPPC
 SUF#02 CARRIED INTEREST FOR ROBERT CRITCHFIELD & TIMOTHY
 MCCOY UNDER GLA-410 GROUP 7.

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWI Percentage	NRI Percentage	Prodn Prcpn Pct
SF-079731	T-028N R-004W	960.00	ORRI:	Tract: 007	0.00000000	2.50000000	16.03624200
	SEC.032 ALL		ROYALTY:		0.00000000	12.50000000	
	SEC.033 S/2		WORKING INTEREST:	XTO ENERGY INC	100.00000000	85.00000000	
			TOTAL		100.00000000	100.00000000	

BURLINGTON RESOURCES O&G CO LP - Operator
The 013 Expanded Participating Area for Mesaverde Formation
San Juan 28-4 Unit Area
Rio Arriba, New Mexico
Effective 10/01/2006

8910009330

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWl Percentage	NRI Percentage	Prodn Prtcprn Pct
SF-079732	T-028N R-004W	639.56		Tract: 008			10.68347800
	SEC.031 E/2, E/2 W/2		ORRI:		0.00000000	2.50000000	
	SEC.031 LOT.1	39.86	ROYALTY:		0.00000000	12.50000000	
	SEC.031 LOT.2	39.88	WORKINGINTEREST: XTO ENERGY INC		100.00000000	85.00000000	
	SEC.031 LOT.3	39.90	TOTAL		100.00000000	100.00000000	
	SEC.031 LOT.4	39.92					

BURLINGTON RESOURCES O&G CO LP - Operator
The 013 Expanded Participating Area for Mesaverde Formation
San Juan 28-4 Unit Area
Rio Arriba, New Mexico
Effective 10/01/2006

Run Date: 10/23/2007
Run Time: 12:45:18 PM
User: HOWELDM

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWl Percentage	NRI Percentage	Prodn Pctcpn Pct
NM-03862	T-028N R-004W	1,917.00		Tract: 009			32.02237100
	SEC.018 E/2, E/2 W/2		ORRI:		0.00000000	2.18750000	
	SEC.018 LOT.1	39.73	ROYALTY:		0.00000000	12.50000000	
	SEC.018 LOT.2	39.75	WORKING INTEREST:	BURLINGTON RESOURCES O&G CO LP	100.00000000	83.12500000	
	SEC.018 LOT.3	39.77	TOTAL		100.00000000	97.81250000	
	SEC.018 LOT.4	39.79					
	SEC.019 E/2, E/2 W/2						
	SEC.019 LOT.1	39.79					
	SEC.019 LOT.2	39.75					
	SEC.019 LOT.3	39.71					
	SEC.019 LOT.4	39.67					
	SEC.030 E/2, E/2 W/2						
	SEC.030 LOT.1	39.68					
	SEC.030 LOT.2	39.73					
	SEC.030 LOT.3	39.79					
	SEC.030 LOT.4	39.84					

Tract Remarks:

20.7812% NPI TO MOPI, GLA-410 SETTLED EFFECTIVE 1-1-94. EPPC
SUF#02 CARRIED INTEREST FOR ROBERT CRITCHFIELD & TIMOTHY
MCCOY UNDER GLA410 GROUP 7.

BURLINGTON RESOURCES O&G CO LP - Operator
The 013 Expanded Participating Area for Mesaverde Formation

San Juan 28-4 Unit Area
 Rio Arriba, New Mexico
 Effective 10/01/2006

8910009330

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWI Percentage	NRI Percentage	Prodn Prcpn Pct
NM-03863	T-028N R-004W SEC.029 ALL	640.00	ORRI:	Tract: 010	0.00000000	2.18750000	10.69082800
			ROYALTY:		0.00000000	12.50000000	
			WORKING INTEREST:	BURLINGTON RESOURCES O&G CO LP	100.00000000	83.12500000	
			TOTAL		100.00000000	97.81250000	

Tract Remarks:

20.7812% NPI TO MOPI, GLA-410 SETTLED EFFECTIVE 1-1-94. EPPC
 SUF#02 CARRIED INTEREST FOR ROBERT CRITCHFIELD & TIMOTHY
 MCCOY UNDER GLA410 GROUP 7.

Serial Num	Description	Number of Acres	Ownership	Drilling Block	GWI Percentage	NRI Percentage	Prodn Prcpn Pct
SF-079731-A	T-028N R-004W SEC.033 N/2	320.00	ORRI:	Tract: 007A	0.00000000	2.50000000	5.34541400
			ROYALTY:		0.00000000	12.50000000	
			WORKING INTEREST:	BURLINGTON RESOURCES O&G CO LP	100.00000000	85.00000000	
			TOTAL		100.00000000	100.00000000	

Tract Remarks:

SJ 28-4 Unit #33E



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:

San Juan 28-4 Unit Mesaverde PA
3162.7 (21110)

September 25, 2007

Ms. Dawn Howell
ConocoPhillips Company
P.O. Box 4289
Farmington, NM 87499-4289

RE: San Juan 28-4 Unit
Commerciality Determination
Mesaverde Formation
Rio Arriba County, NM

Dear Ms. Howell:

In response to your letter dated September 11, 2007, the Farmington Field Office has reviewed the data you submitted for a commerciality determination for the following well completed in the Mesaverde formation.

Well Name & Number	Dedication	Lease	Completion Date	Determination
San Juan 28-4 Unit #33E	N/2 Sec. 33, T28N, R4W	NMSF079731A	9/14/2006	Commercial

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

The Mesaverde formation in this well is determined to be commercial and is to be included in the Mesaverde participating area. It is required that a revision be submitted to include this well in the San Juan 28-4 Unit Mesaverde 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

WORKING INTEREST OWNERS
SAN JUAN 28-4 UNIT

ANADARKO E & P COMPANY LP

BURLINGTON RESOURCES OIL & GAS CO LP

CONOCOPHILLIPS

ROBERT CRITCHFIELD

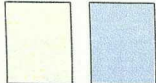
WILLIAMS PRODUCTION COMPANY

XTO ENERGY INC.

R4W

San Juan 28-4 Unit

Mesaverde PA



Approved 12th Expan., Effective 11/1/1961

Proposed 13th Expan., Effective 10/1/2006



T 28 N

Well Formation

