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April 22, 2010

ConocoPhillips
San Juan Business Unit
P.O. Box 4289
Farmington, NM 87499-4289
Burlington Resources Inc.
A wholly owned subsidiary

Bureau of Land Management
Farmington Resource Area
Attn: Mr. Wayne Townsend
1235 La Plata Highway
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 28-6 Unit (#14-08-001-1051)
Commercial Determination
Pictured Cliffs Formation
Rio Arriba County, New Mexico

Gentlemen:

Pursuant to the provisions of Section 11 (a) of the San Juan 28-6 Unit Agreement, #14-08-001-1051, approved, August 31, 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 Pictured Cliffs formation. Burlington is seeking confirmation of the paying well determination enclosed.

Well Name	Dedication	Lease No.	Comp. Date	Determination
SJ 28-6 Unit #459S	E/2 21-28N-6W	SF-079193	11/08/08	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, this well will continue to be reported to the Lease.

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 Susan Rainbolt at 326-9574, all other questions to the undersigned at 599-4030.

Sincerely,

Dawn Howell, CPLTA
Land Analyst

SJ 28-6 Unit, 4.1

SAN JUAN 28-6 UNIT PC

BURLINGTON RESOURCES O&G CO LP
CAROLEE SMITH
CAROLYN BEAMON TILLEY
CATHRYN BEAMON ESTATE
CLAUDIA MARCIA LUNDELL GILMER
CONOCOPHILLIPS COMPANY
FOUR STAR OIL & GAS COMPANY
HARRINGTON ENERGY RESOURCES
JAMES ROBERT BEAMON
LINDA JEANNE LUNDELL LINDSEY
OMIMEX PETROLEUM INC
R E BEAMON III
ROBERT WALTER LUNDELL
SHARON BEAMON BURNS
SUSAN BEAMON PORTER
WILLIAMS PRODUCTION COMPANY

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 28-6 UNIT 459S

WELL INFORMATION

LEASE SAN JUAN 28-6 UNIT 459S
LOCATION 21028N006W
COUNTY, STATE RIO ARriba, NEW MEXICO
FORMATION PICTURED CLIFFS
PROJECT TYPE NEWDRILL
WELL TYPE GAS WELL
OPERATOR CONOCOPHILLIPS CO
SPUD DATE 7/14/2009
COMP DATE 11/8/2008
1ST DELIVERY 1/12/2009
COMM GVI % 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

994 MMBtu / Mcf

WELL COST AND ECONOMICS

660.00 M\$ AVERAGE WELL COST
201.55 MMCF ULT. GROSS GAS RESERVES
108.26 MCFD INITIAL GAS RATE
4.38 % RATE OF RETURN
-0.19 \$/S P/L DISC. @ 10.00 %
-124.68 M\$ NET PRESENT VALUE, DISC. @ 10.00 %
9.23 YRS PAYOUT

SAN JUAN 28-6 UNIT 459S

Operator: SLMINGTON RESOURCES CO. CO. LP

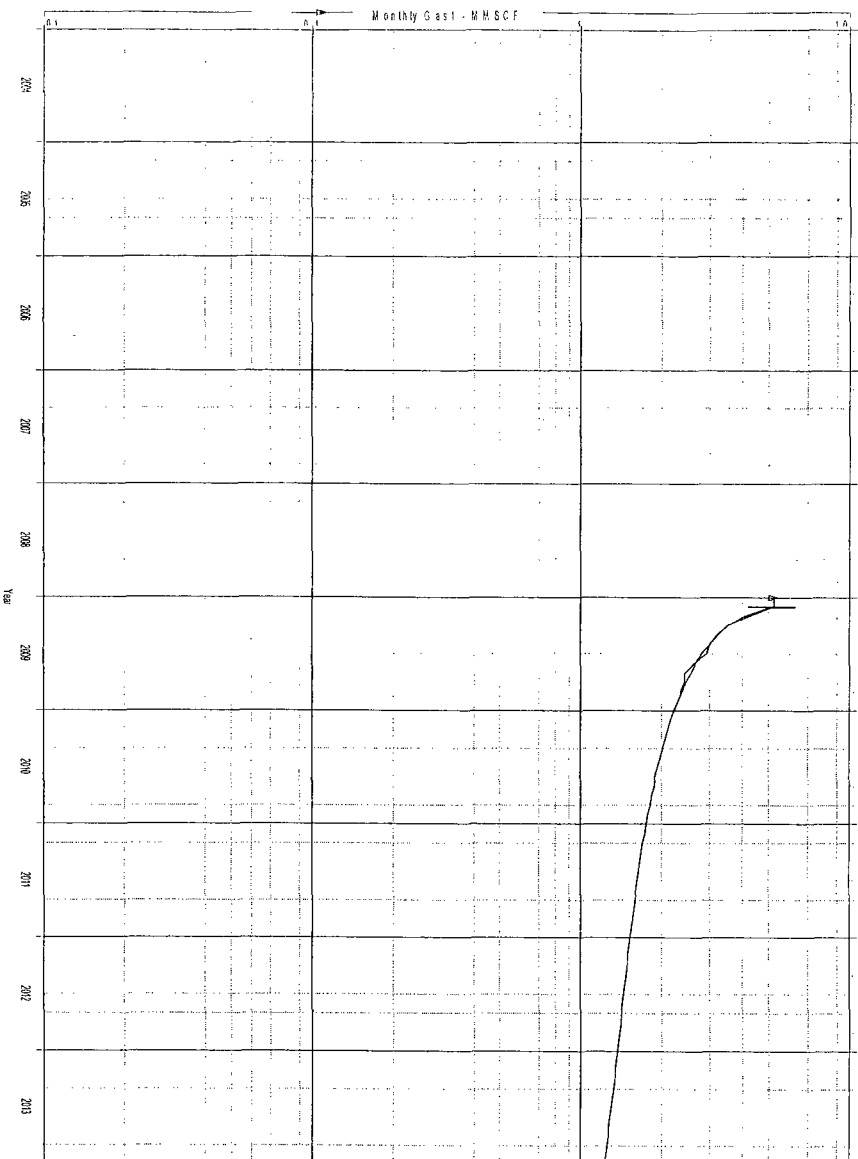
Felt 3A5H

Zare: 7777777777

Type Gas
Comp. here

DeWitt 655 CUL 37-229.MAGS
RR 44-20 MAGS Tel 891-551.MAGS

Reaction Cans	Can 3723 MMSF
OR 0 MSTR	
Gas 3723 MMSF	$\frac{1}{2}$ DDM - MMSF
Water 0.019 MSTR	Versus Time
Cond 0 MSTR	Reduction Rate Time



	Gas1	Net Gas	Net Cond	Net Oih	Gas1	Gas	Cond	Oih	Net	Prod	Total	Total	Total
Date	Rate	Volume	Volume	Volume	Price	Price	Price	Revenue	Taxes	Opcosts	Oper Inc	Capital	BT Cash
m/cfd	MMSCF	MMSCF	MSTB	MSTB	\$/MMBTU	\$/mcf	\$/bbl	\$/bbl	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$

**BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 28-6 UNIT 459S**

CASH FLOW SUMMARY

Date	Gas1	Gas1	Net Gas	Net Cond	Net Oth	Gas1	Gas	Cond	Oth	Net	Prod	Total	Total	Total	Total
	Rate	Volume	Volume	Volume	Volume	Price	Price	Price	Price	Revenue	Taxes	Opcosts	Oper Inc	Capital	BT Cash
	mcf/d	MMSCF	MMSCF	MSTB	MSTB	\$/MMBTU	\$/mcf	\$/Bbl	\$/Bbl	M\$	M\$	M\$	M\$	M\$	M\$
2009(12)	108.3	39.5	23.25	0.00	2.38	4.86	4.46	35.51	22.66	160.2	16.35	0.25	143.65	660.00	-516.35
2010(12)	64.7	23.6	16.02	0.00	1.42	4.86	4.86	35.51	22.66	106.1	10.86	0.27	94.96	0.00	94.96
2011(12)	53.7	19.6	13.31	0.00	1.18	4.86	4.86	35.51	22.66	88.1	9.02	0.27	78.84	0.00	78.84
2012(12)	47.5	17.4	11.79	0.00	1.05	4.86	4.86	35.51	22.66	78.1	7.99	0.27	69.80	0.00	69.80
2013(12)	42.7	15.6	10.58	0.00	0.94	4.86	4.86	35.51	22.66	70.1	7.17	0.27	62.61	0.00	62.61
2014(12)	38.3	14.0	9.49	0.00	0.84	4.86	4.86	35.51	22.66	62.9	6.44	0.27	56.17	0.00	56.17
2015(12)	34.4	12.6	8.52	0.00	0.76	4.86	4.86	35.51	22.66	56.4	5.78	0.27	50.38	0.00	50.38
2016(12)	30.8	11.3	7.65	0.00	0.68	4.86	4.86	35.51	22.66	50.6	5.18	0.27	45.19	0.00	45.19
2017(12)	27.7	10.1	6.86	0.00	0.61	4.86	4.86	35.51	22.66	45.4	4.65	0.27	40.53	0.00	40.53
2018(12)	24.9	9.1	6.16	0.00	0.55	4.86	4.86	35.51	22.66	40.8	4.17	0.27	36.34	0.00	36.34
2019(12)	22.3	8.1	5.53	0.00	0.49	4.86	4.86	35.51	22.66	36.6	3.75	0.27	32.59	0.00	32.59
2020(12)	20.0	7.3	4.96	0.00	0.44	4.86	4.86	35.51	22.66	32.9	3.36	0.27	29.22	0.00	29.22
2021(12)	18.0	6.6	4.45	0.00	0.40	4.86	4.86	35.51	22.66	29.5	3.02	0.27	26.20	0.00	26.20
2022(12)	16.1	5.9	4.00	0.00	0.36	4.86	4.86	35.51	22.66	26.5	2.71	0.27	23.48	0.00	23.48
2023(12)	15.4	0.9	0.61	0.00	0.05	4.86	4.86	35.51	22.66	4.1	0.42	0.04	3.61	0.00	3.61
Total	---	201.6	133.19	0.00	12.15	---	---	---	---	888.2	90.87	3.80	793.55	660.00	133.55