



224

RECEIVED OGD

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

April 21, 2011

2011 APR 26 P 12:29

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

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

RE: Allison Unit (I Sec. No. 752)
Commercial Determinations
Dakota Formation
San Juan County, New Mexico

Gentlemen:

Pursuant to the provisions of Section 11(a) of the Allison Unit Agreement, #I Sec. No. 752, approved August 22, 1950, 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 Dakota formation. Burlington Resources is seeking confirmation of the paying well determination enclosed.

Well Name	Dedication	Lease No.	Completion	Determination
Allison Unit Com 62C	E/2 Sec. 31-32N-6W	FEE	12/4/2009	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 are being sent to the working interest owners on the attached sheet. If you have any questions or need any additional information, please contact the undersigned at (505) 326-9848.

Sincerely,

Richard Davis
Land Analyst

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION BLM DATA SHEET ALLISON UNIT COM 62C

WELL INFORMATION

LEASE ALLISON UNIT COM 62C
 LOCATION 31032N006W
 COUNTY, STATE , NEW MEXICO
 FORMATION DAKOTA
 PROJECT TYPE NEWDRILL
 WELL TYPE GAS WELL
 OPERATOR CONOCOPHILLIPS CO
 SPUD DATE 6/2/2009
 COMP DATE 12/4/2009
 1ST DELIVERY 12/2/2009
 COMM GMI % 100.00
 COMM NRI % 87.50
 BOARD RATE % 10.00

PRODUCTION TAXES

TAXES FOR: , NEW MEXICO
 2003 - 2004 Commerciality
 GAS % OF REVENUE

SEVERANCE:
 Severance, School, Conservation 7.93
 AD VALOREM:
 Production, Equipment 1.26
 TOTAL %: 9.19

AVERAGE HEAT CONTENT

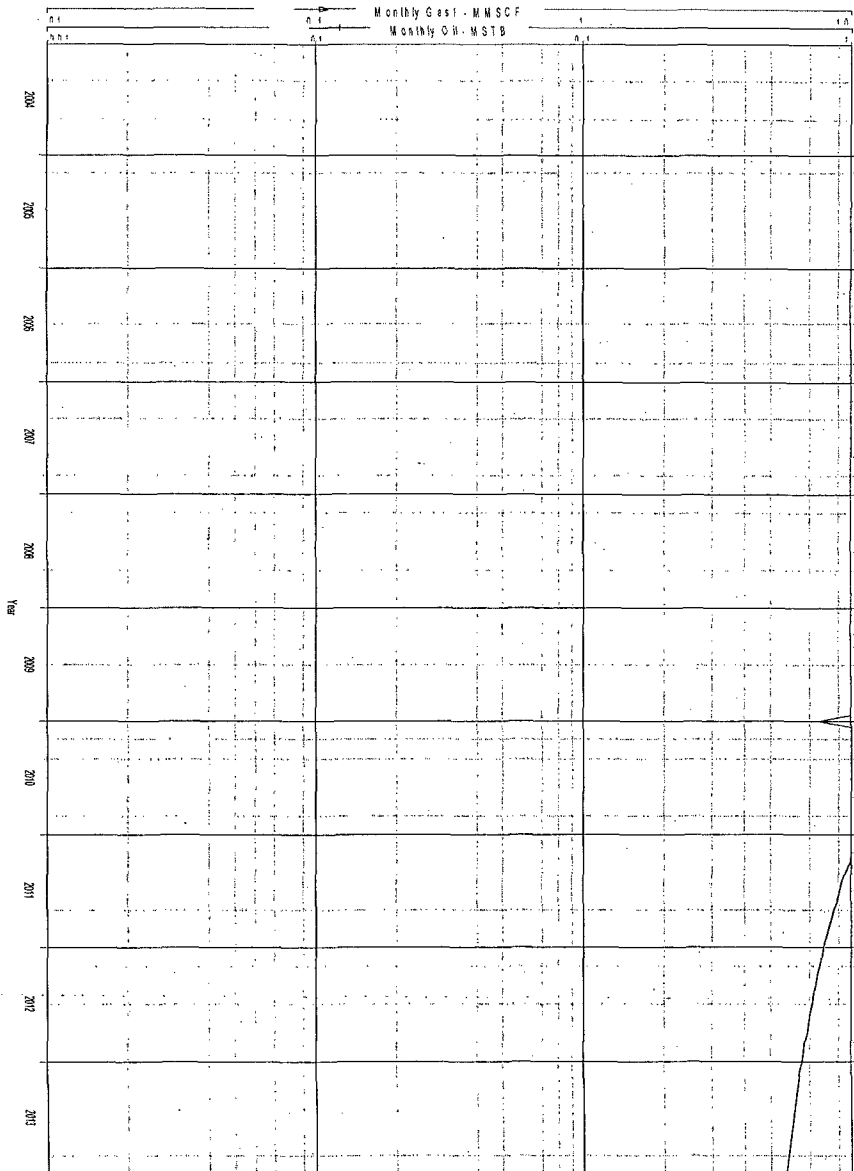
980 MMBtu / Mcf

WELL COST AND ECONOMICS

1,478.00 M\$ AVERAGE WELL COST
 1,012.85 M/MCF ULT. GROSS GAS RESERVES
 591.35 MCFD INITIAL GAS RATE
 19.30 % RATE OF RETURN
 0.39 \$/\$ P/L DISC. @ 10.00 %
 575.63 M\$ NET PRESENT VALUE, DISC. @ 10.00 %
 4.33 YRS PAYOUT

ALLISON UNIT COM 62C

♀ Wendy Cass: MASCOT
 Cam 08.37 MASCOT
 ♀ CORA: MASCOT
 Versed: Yes
 Relationship: Best-Friend
 CE 20.00 MASCOT 20.00-04
 Difer: anal, 150.00 (4/p) → 50p
 CE 0.00 MASCOT 2110-40
 PR: 992.20 MASCOT
 ER: 107.57 MASCOT
 ♀ Wendy Cass: MASCOT
 Cam 08.00 MASCOT



<i>mcf/d</i>	Gas1 Rate	Gas1 Volume	Net Gas Volume	Net Cond Volume	Gas1 Price	Gas Price	Cond Price	Oth Revenue	Taxes	Total Opocists	Total Oper Inc	Total Capital	Total BT Cash
	MMSCF	MMSCF	MSTB	MSTB	\$MMBTU	\$/mcf	\$/bbbl	\$/bbbl	\$S	\$S	\$S	\$S	\$S

BURLINGTON RESOURCES COMMERCIALITY DETERMINATION BLM DATA SHEET

ALLISON UNIT COM 62C

CASH FLOW SUMMARY

Date	Gast Rate	Gast Volume	Net Gas Volume	Net Cond Volume	Net Oih Volume	Gast Price	Gast Price	Cond Price	Oih 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\$
2010 05	591.4	18.3	0.00	0.00	1.27	4.86	0.00	35.51	22.66	25.3	2.38	1.07	21.81	1,478.00	-1,456.19
2010 06	467.1	14.0	0.00	0.00	0.97	4.86	0.00	35.51	22.66	19.3	1.82	1.07	16.42	0.00	16.42
2010 07	454.1	14.1	0.00	0.00	0.98	4.86	0.00	35.51	22.66	19.4	1.82	1.07	16.50	0.00	16.50
2010 08	435.8	13.5	0.00	0.00	0.94	4.86	0.00	35.51	22.66	18.6	1.75	1.07	15.79	0.00	15.79
2010 09	430.1	12.9	0.00	0.00	0.90	4.86	0.00	35.51	22.66	17.8	1.67	1.07	15.04	0.00	15.04
2010 10	450.5	14.0	0.00	0.00	0.97	4.86	0.00	35.51	22.66	19.2	1.81	1.07	16.36	0.00	16.36
2010 11	393.3	11.8	0.00	0.00	0.82	4.86	0.00	35.51	22.66	16.3	1.53	1.07	13.66	0.00	13.66
2010 12	365.0	11.3	0.00	0.00	0.79	4.86	0.00	35.51	22.66	15.6	1.47	1.07	13.06	0.00	13.06
2011 01	351.2	10.9	7.78	0.00	0.76	4.86	4.86	35.51	22.66	52.8	5.34	1.07	46.41	0.00	46.41
2011 02	375.2	10.5	7.51	0.00	0.73	4.86	4.86	35.51	22.66	51.0	5.15	1.07	44.74	0.00	44.74
2011 03	327.8	10.2	7.26	0.00	0.71	4.86	4.86	35.51	22.66	49.3	4.98	1.07	43.24	0.00	43.24
2011 04	328.3	9.8	7.04	0.00	0.68	4.86	4.86	35.51	22.66	47.8	4.83	1.07	41.87	0.00	41.87
2011 05	308.5	9.6	6.83	0.00	0.66	4.86	4.86	35.51	22.66	46.4	4.69	1.07	40.63	0.00	40.63
2011 06	310.0	9.3	6.65	0.00	0.65	4.86	4.86	35.51	22.66	45.1	4.56	1.07	39.49	0.00	39.49
2011 07	292.2	9.1	6.47	0.00	0.63	4.86	4.86	35.51	22.66	43.9	4.44	1.07	38.43	0.00	38.43
2011 08	285.0	8.8	6.31	0.00	0.61	4.86	4.86	35.51	22.66	42.9	4.33	1.07	37.46	0.00	37.46
2011 09	287.6	8.6	6.17	0.00	0.60	4.86	4.86	35.51	22.66	41.8	4.23	1.07	36.55	0.00	36.55
2011 10	272.0	8.4	6.03	0.00	0.59	4.86	4.86	35.51	22.66	40.9	4.14	1.07	35.70	0.00	35.70
2011 11	275.1	8.3	5.90	0.00	0.57	4.86	4.86	35.51	22.66	40.0	4.05	1.07	34.91	0.00	34.91
2011 12	260.7	8.1	5.78	0.00	0.56	4.86	4.86	35.51	22.66	39.2	3.96	1.07	34.17	0.00	34.17
Sub.	---	221.5	79.72	0.00	15.39	---	---	---	---	692.5	68.95	21.34	602.24	1,478.00	-875.76
Rem.	---	764.9	546.59	0.00	53.14	---	---	---	---	3,710.1	375.10	400.13	2,934.90	0.00	2,934.90
Total	---	986.3	626.31	0.00	68.53	---	---	---	---	4,402.7	444.06	421.47	3,537.14	1,478.00	2,059.14

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2010 10	450.5	14.0	0.00	0.00	0.97	4.86	0.00	35.51	22.66	19.2	1.81	1.07	16.36	0.00	16.36
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