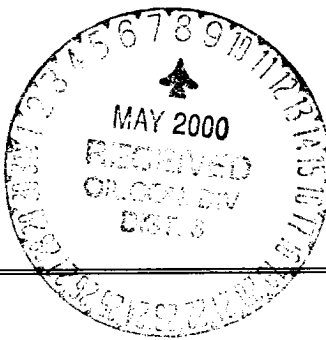


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

COPY

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals		5. LEASE DESIGNATION AND SERIAL NO. Contract 151
SUBMIT IN TRIPLICATE		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	7. IF UNIT OR CA. AGREEMENT DESIGNATION Axi Apache K	
2. NAME OF OPERATOR CONOCO INC.	8. WELL NAME AND NO. Axi Apache K - 2	
3. ADDRESS AND TELEPHONE NO. P.O. Box 2197, DU 3066, Houston, TX 77252-2197 (281) 293-1613	9. API WELL NO. 30-039-06745	
4. LOCATION OF WELL (Footage, Sec., T., R., M., or Survey Description) 807' FNL & 1354' FEL, UNIT LETTER "B", Sec. 4, T26N-R5W	10. FIELD AND POOL, OR EXPLORATORY AREA Blanco Mesa Verde	
11. COUNTY OR PARISH, STATE Rio Arriba County, NM		
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION
<input type="checkbox"/> Notice of Intent <input checked="" type="checkbox"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice		<input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other: Casing Leak Repair <input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form.)		
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) SEE ATTACHED SUMMARY.		
<div style="text-align: right;">RECEIVED BLM 00 APR 24 AM 10:43 100 ALBUQUERQUE, N.M.</div> <div style="text-align: center;"></div>		
14. I hereby certify that the foregoing is true and correct		
SIGNED <u><i>Verla Johnson</i></u> (This space for Federal or State office use)	TITLE <u>VERLA JOHNSON, As Agent for Conoco Inc.</u> DATE <u>4-17-00</u>	
APPROVED BY <u><i>[Signature]</i></u> Conditions of approval, if any:	TITLE <u>Lands and Mineral Resources</u> DATE <u>5/1/00</u>	
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		

* See Instruction on Reverse Side

dg

CONOCO INC.
AXI APACHE K-2
API #30-039-06745
807' FNL & 1354' FEL, UNIT LETTER "B"
Sec. 4, T26N-R5W

3/13/00 Spot; rig up pulling unit and equipment. Csg/tbg press 0#. RDWH, NUBOP. PU, release tbg hanger and remove. PU, release packer, POOH with tbg and packer. RU wireline unit, RIH with CIBP to 2820' set. POOH with setting tool. Dump sand on top of plug, top of sand at 2683'.

3/14/00 Csg press 0#, pump 10 bbls, RIH with cement retainer to 2557'. Set retainer, stung out of retainer, try to sting back in could not. RU pump, circulated sand off of top of retainer, stung back into retainer, could not open by pass. POOH with tbg and setting tool.

3/15/00 Csg press 0#. RIH with wash tool tag up on retainer at 2557'. Clean top of retainer, sting into retainer and wash out. POOH with wash tool. RIH with cement retainer sting, stung back into retainer, still not able to open by-pass. POOH with stinger. RIH with drill bit, 6-drill collars and tbg. Tag and drill out retainer, RIH tag up on sand at 2682'. POOH with 10 stands.

3/16/00 RIH with tbg. Tag up at 2682'. POOH with tbg, drill collar and bit. RIH with cement retainer to 2557'. Set retainer. RU cement pump unit, 500# on back side. Start pad to est rate. Pump in 7bbls of fluid, press Up to 2000#. Try in pump into bad csg, could not. Call engineer. Decision to spot 100 gals across bad csg.

3/17/00 RU acid pump unit, pull up tbg out of retainer, St acid 2.3 bbls, St h2o 7.6 bbls. Sting back into retainer. Displace 2.3 bbls. H2o. Press up to 1500# at .5bpm. Wait 15mins. Start flush, 20 bbls of KCL. Start at 1bpm, press up to 2800#, got some breaks, rate up to 4bpm/2600#. Start cement, 2.5 bpm/ 2130#, pump 20 bbls. Press drop down to 1000# at one point, start locking up 2bbls from retainer, press up to 2000# at .3bpm displace cement to retainer, press up to 2100#. Pull out of retainer. RD cement unit. POOH with stinger. RIH with bit, drill collars and 10 stands of tbg.

3/20/00 RIH with tbg. Tag retainer at 2557. Start milling on retainer, mill out to 2559'. Could not make any more hole, some returns to surface. POOH with tbg, drill collars and bit. Found some of retainer stuck in bit. Clean out, bit still looks ok.

3/24/00 RIH with drill bit, drill collars and tbg. Tag up on cement retainer at 5772'. Drill out retainer. Tag up on cement, drill out 63' of real hard cement. Tag up on sand 5683. Circulate hole.