

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

53 MAY 13 AM 11:22
070 FARMINGTON, NM

SUBMIT IN TRIPLICATE

1 Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5 Lease Designation and Serial No. SF 078496	
2 Name of Operator CONOCO INC.		6 If Indian, Allottee or Tribe Name	
3 Address and Telephone No 10 DESTA DR. STE. 100W, MIDLAND, TX. 79705-4500 (915) 686-5424		7 If Unit or CA. Agreement Designation	
4 Location of Well (Footage, Sec., T. R. M. or Survey Description) Section 35, T-28-N, R-7-W, (A) 990' FNL & 990' FEL		8 Well Name and No. San Juan 28-7 Unit # 7	
		9 API Well No. 30-039-07265	
		10 Field and Pool, or Exploratory Area Basin Fruitland Coal	
		11 County or Parish, State Rio Arriba, Co	

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OIL CON. DIV.
DIST. 3

12 CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Repon	<input checked="" type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracuring
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other _____	<input type="checkbox"/> Dispose Water

INote: Reponresultsof multiplecompletiononWdl 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.)*

Conoco, Inc. proposes to recomplete this well in the Fruitland Coal using the attached procedure.

14 I hereby certify that the foregoing is true and correct

Signed Kay Maddox Title Regulatory Agent Date 5/11/99

(This space for Federal or State office use)

Approved by /s/ Diane W. Spencer Title Team Lead, Petroleum Management Date _____

Conditions of approval _____

BLM(6), NMOCD(1), SHEAR, PONCA, COST ASST, FILE ROOM

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

NMOCD

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San Juan 28-7 Unit #7
Add Fruitland Coal & Downhole
Commingle with Pictured Cliffs
March 2, 1999

Well Data

Location: Sec.35, T-28N, R-7W, 990' FNL & 990' FEL, Rio Arriba County, New Mexico.

Elevations: KB: 6168'
GL: 6158'
TD: 5130'
PBSD: 4284'

Casing: 9-5/8", 25.4#/ft, set @ 252'
Cmt 150 sxs. TOC @ surface (circ)
Drift: 8.907", Capacity: 0.0797 bbl/ft, Burst: 1589 psi (70% SF)

7.0", 23#/ft, J-55, set @ 4376'
Cmt 300 sxs, TOC @ 2475 by (Temp Survey)
Drift: 6.241", Capacity: 0.0393 bbl/ft, Burst 3053 psi (70% SF)

Tubing: 2-3/8", 4.7#/ft, J-55, 92 jts. set @ 2860' with 1.78" SN on bottom.

Perforations: PC Perfs @ 2816' – 30', 2832' – 45', 2867' – 2882', 2 SPF, 84 shots total.

Original Completion: Was an open hole DK completion 4376' – 5130' shot with 1671 qts nitro.
Plugged back from Dakota and completed to PC in April of 1998. New PBSD @ 4284'.

Procedure - Fruitland Coal Pay Add

- 1) Hold safety meeting, determine prevailing wind direction for location, shut-in - lock out, and blow down lines and surface equipment. Determine where equipment will be spotted, escape routes and muster point. Review procedure, identify potential hazards, MIRU workover unit. **WORK SAFELY!**
- 2) If necessary, kill tubing with minimum amount of 1% KCL, POOH w/ tubing .
- 3) Rig up wireline and set CIBP @ 2805', fill casing with water and test to 4000 psig.
- 4) Run CCL/CBL from CIBP for minimum interval (1000'?) to determine cement quality. Call engineering if good cement quality (bond) is not up to at least 2520. TOC @ 2475' by TS.
- 5) Perforate FC @ 2800' – 2794', 2786' –76', 2726' – 14', 2708' – 2700', 2678' – 2674', 2644' – 2637', 2607' – 12', 2591' – 2584', w/1 SPF, 59 shots total.
- 6) RU Acidizing & Frac equipment. Test lines to 4,000 psi. Break down perforations using 1000 gallons of 15% HCl & 90 – 1.1 SG balls spaced equally. Bullhead down casing @ maximum rate to optimize breakdown w/o exceeding Max. Pressure. **Maximum pressure = 3500 PSI.**
- 7) Immediately follow acid w/ energized fluid frac as per attached procedure.
- 8) Clean up location, release frac equipment.
- 9) RU choke manifold and blow down well to lay down tank until well logs off. RU compressors and RIH w/ tubing & CO well to CIBP @ 2805'.
- 10) Drill out CIBP and obtain a stabilized rate. Dry watch as necessary.
- 11) Record and notify personnel for regulatory and allocation purposes.
- 12) Install wellhead compression and place well on production as a PC/FC DHC.
- 13) Notify operator to begin production, watch closely, notify engineering of any problems.

By DRW for **San Juan East Team**

Cc: Central Records, Three Copies to Project Leads Farmington.

**San Juan 28-7 Unit #7
Add Fruitland Coal & Downhole
Commingle with Pictured Cliffs
March 2, 1999**

AFE # _____

API # 3003907265

Location: Sec.35, T-28N, R-7W, 990' FNL & 990' FEL, Rio Arriba County, New Mexico.

Justification:

Funds in the amount of \$85,000 to add Fruitland Coal formation production to the San Juan 28-7 Unit #7 well and downhole commingle with recent Pictured Cliffs formation recompleat in subject well. Expected Fruitland Coal uplift is 165 Mcfd.

The 28-7 #7 well was completed as an open hole Mesaverde producer in 1959. In 1997 subject well was shut in as uneconomical (<5 Mcfd). On 4-6-98 subject well was plugged back from Mesaverde formation and recompleated to Pictured Cliffs formation. Now that a production rate history has been established on the Pictured Cliffs formation (current rate approx 120 MCF/D) we intend to add the Fruitland Coal formation production and downhole commingle.

A normalized production plot of 29 Fruitland Coal wells in 28N-7W and 27N-7W was recently done to support our DHC application for 28-7 #35. All 29 wells were completed in the 1990's. The normalized average IP was 165 MCFD and declined exponentially at 45% during the first year. On average, the wells' production then increased after the first year from approx. 90 MCFD to 120 MCFD and then continued to decline in the third year and thereafter. I'm estimating unrisksed reserves at 500 MMCFG. In 28-7 we have seen considerable variation in the performance of the Fruitland Coal wells, estimated uplift for Fruitland Coal production in this well is 165 MCFD IP.

Project Summary

- Set plug above PC perfs, fill casing with water & test casing.
- Run CCL/CBL to determine TOC.
- Perforate and stimulate Fruitland Coal interval.
- RIH & clean out, flowback & clean up, test FC.
- Drill out BP over PC and commingle production.
- Return well to production as commingled.

Proposed Perforation Depths: FC perfs @ 2800' – 2794', 2786' –76', 2726' – 14', 2708' – 2700', 2678' – 2674', 2644' – 2637', 2607' – 12', 2591' – 2584', w/1 SPF, 59 shots total.

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd. Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102

Revised February 21, 1994
 instructions on back

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

99 MAY 13 AM 11:22

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-07265		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal	
4 Property Code 016608		5 Property Name San Juan 28-7 Unit			6 Well Number #7
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 6158'

10 Surface Location

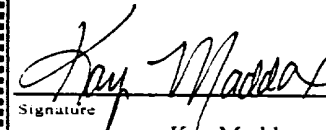
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	35	28N	7W		990'	North	990'	East	Rio Arriba

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 220 3/4	13 Joint or Infill 7.70	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	17 OPERATOR CERTIFICATION		
	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief		
	 Signature Kay Maddox Printed Name Regulatory Agent Title Date March 25, 1999		
	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number		

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