

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Box DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.	30-045-25921
5. INDICATE TYPE OF LEASE	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. STATE OIL & GAS LEASE NO.	FEE
7. LEASE NAME OR UNIT AGREEMENT NAME	SHEPHERD & KILSEY
8. WELL NO.	#1
9. POOL NAME OR WILDCAT	OTERO CHACRA

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. TYPE OF WELL:	OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. NAME OF OPERATOR	CONOCO INC.
3. ADDRESS OF OPERATOR	P.O. Box 2197, DU 3066, Houston, TX 77252-2197 (281) 293-1613
4. WELL LOCATION	Unit Letter <u>M</u> : <u>790'</u> Feet From The <u>SOUTH</u> Line and <u>1130'</u> Feet From The <u>WEST</u> Line Section <u>29</u> Township <u>29N</u> Range <u>11W</u> NMPM <u>San Juan</u> County
10. ELEVATION (Show whether DF, RKB, RT, GR, etc.)	5406'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data			
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOBS <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>Repair Casing Leak</u> <input checked="" type="checkbox"/>	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

7/10/00 Held safety meeting. MIRU. NDWH. NUBOP. Tagged fill at 2900'. POOH with 1-1/2" production string. Bottom 10 joints had scale on the inside of tubing and pin end bad. SWION.

7/11/00 Held safety meeting. Opened well up – bleed well down. RIH with RBP & PKR on 2-3/8" work string. Set RBP at 2400' and set PKR at 2340'. Tested RBP to 1000#. Held OK. Released PKR – loaded hole with 1% KCL. Pressure tested casing to 500# for 30 minutes. Held OK. POOH with RBP & PKR. SWION.

7/12/00 Held safety meeting. RIH with 1-1/2" tubing. POOH with 1-1/2" and laid down on float. RIH with 2-3/8" production string to 2531' with seat nipple at 2531' to 2532' and mule shoe. End of mule shoe at 2532'. RIH with drift on swab line to seat nipple. POOH. NDBOP. NUWH. RIH with swab – tagged fluid 500' above seat nipple. Swabbed well down to seat nipple. SWI. RDMO.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE <u>Debra Sittner</u>	TITLE <u>AGENT FOR CONOCO INC.</u>	DATE <u>8/29/00</u>
TYPE OR PRINT NAME: <u>DEBRA SITTNER</u>	TELEPHONE NO. <u>(970) 385-9100 ext. 125</u>	
(This space for State Use)		
APPROVED BY <u>[Signature]</u>	TITLE <u></u>	DATE <u>AUG 30 2000</u>
CONDITIONS OF APPROVAL, IF ANY:		