

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMSF 077092B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
HOUCK

8. Well Name and No.
2C

9. API Well No.
30-045-30142

10. Field and Pool, or Exploratory Area
AZTEC PICTURED CLIFFS, BLANCO

11. County or Parish, State
SAN JUAN, NEW MEXICO

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
CONOCO, INC.

3a. Address
P.O. BOX 2197 DU 3084 HOUSTON TX 77252

3b. Phone No. (include area code)
(281)293-1005

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**D, SEC. 11, T29N, R10W
660' FNL, 750' FWL**

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other DHC
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Conoco proposes to downhole commingle this well in the Aztec Pictured Cliffs and Blanco Mesaverde as per the attached.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) DEBORAH MARBERRY	Title REGULATORY ANALYST
Signature <i>Deborah Marberry</i>	Date 08/06/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Chip Hansen</i>	Title <i>Acting team lead - AMT</i>	Date 8/13/02
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office FFO	

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.

Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

STATE OF NEW MEXICO
Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

WELL API NO. 30-045-30142

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unti Agreement Name
HOUCK

8. Well No. 2C

9. Pool name or Wildcat
AZTEC PICTURED CLIFFS, BLANCO ME

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 Gas Well Other

2. Name of Operator CONOCO, INC.

3. Address of Operator P.O. BOX 2197 DU 3084 HOUSTON TX 77252

4. Well Location
Unit Letter D : 660' feet from the NORTH line and 750' feet from the WEST line
Section 11 Township 29N Range 10W NMPM County SAN JUAN

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
5799'

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"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>	
OTHER: DHC <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting and proposed work). SEE RULE 1103. For Multiple Completions: Attach diagram of proposed completion or recompletion.

In reference to Order #R-11363 Conoco proposes to downhole commingle in the Aztec Pictured Cliffs and Blanco Mesaverde

Perforations are:
Mesaverde 3959' - 4857'
Pictured Cliffs 2244' - 2309'

Allocation will be by subtraction (attached)

Commingling in this well will not reduce the value of the remaining production.

The Public Land Office has been sent notice of our intent.

Interest owners are the same in all pools.

DHC487AZ



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

SIGNATURE Deborah Marberry TITLE REGULATORY ANALYST DATE 08/01/2001

Type or print name DEBORAH MARBERRY Telephone No. (281)293-1005

(This space for State use)
APPROVED BY Original Signed by STEVEN N. HAYDEN TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 03 DATE AUG - 7 2001

Conditions of approval, if any:

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-30142		² Pool Code 72319		³ Pool Name BLANCO MESAVERDE	
⁴ Property Code SF 077		⁵ Property Name HOUCK			⁶ Well Number 2C
⁷ OGRID No. 005073		⁸ Operator Name CONOCO, INC.			⁹ Elevation 5799'

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
D	11	29N	10W		660'	NORTH	750'	WEST	SAN JUAN

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 316.80	¹³ Joint or Infill I	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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature DEBORAH MARBERRY Printed Name REGULATORY ANALYST Title 6/12/2001 Date

District I
1625 N. French Dr., Hobbs, NM 88240
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811 South First, Artesia, NM 88210
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2040 South Pacheco, Santa Fe, NM 87505

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-30142		² Pool Code 72319		³ Pool Name AZTEC PICTURED CLIFFS	
⁴ Property Code SF 077		⁵ Property Name HOUCK			⁶ Well Number 2C
⁷ OGRID No. 005073		⁸ Operator Name CONOCO, INC.			⁹ Elevation 5799'

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316.80	I		

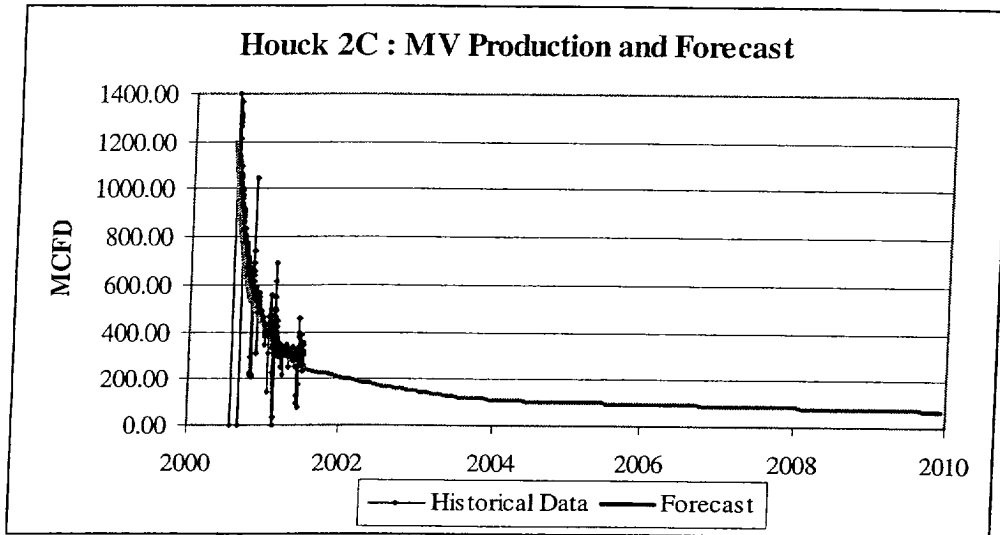
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

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 DEBORAH MARBERRY Printed Name REGULATORY ANALYST Title 06/12/2001 Date		
	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		

Houck 2C : Downhole Commingle Allocation

Aztec Pictured Cliffs and Blanco Mesaverde

The Aztec Pictured Cliffs will be added to this wellbore via recompletion. We are proposing to allocate gas production using the subtraction method. Historical and forecasted Mesaverde gas production are shown in the following graph and allocation table:



Year	Mid-Yr Rate
2001	245
2002	172
2003	121
2004	104
2005	96
2006	90
2007	83
2008	78
2009	72
2010	62
2011	58
2012	54
2013	50
2014	47
2015	43

Oil/condensate production from the Pictured Cliffs producers in 29N-10W has been essentially zero. Consequently, any oil production should be assigned to the Mesaverde.

HOUC #2C
PC RECOMPLETE AND DHC WITH MESAVERDE
API 30-045-30142

PROCEDURE

1. PJSM is to be carried out for all routine and non-routine operations every day. The Rig crew and the service company personnel must participate in the PJSM. Encourage the crew to actively participate in these meetings.
THINK SAFETY: WORK SAFELY.
2. Check Anchors. MI Workover Rig. Lock out tag out. Spot equipment.
2. RU Workover rig. Bleed off any pressure, kill well with minimal 1% KCL.
3. ND tree and NU BOP's and tag for fill and Turn out of hole with 2-3/8" production tubing. Visually inspect production tubing while POOH.
4. TIH with scraper and clean up well bore to plug setting depth. (This step is required at the discretion of the Projecti Lead after inspecting the pulled out tubing.)
5. PU 4-1/2" CIBP w/ tubing and set at 2450'. POOH w/ tubing and stand back. Load hole and test plug and casing to maximum 3000 psi. (Before pressure test ensure that the well head is rated to the test pressure.)
5. RU wireline and perforate per Lucas Bazan's procedure Correlate to Schlumberger Thermal Neutron Decay Time (TDT) log run 5-8-00. After perforating get ready to frac per Lucas Bazan's procedure.
6. Frac well and after frac flow well back until well dies.
7. PU bit, drill collars and 2-3/8" tbg and RIH and clean out to CIBP.
(Do not drill out the CIBP at this point)
8. Clean out and obtain a 4 hours test.
9. After the test, drill out the CIBP and clean out to 5037'(PBTD). TOO with bit.
10. TIH with 2-3/8" tubing and SN. Land tubing at 4501'. Drift tubing with slick line.
11. Rig down BOP's NU Tree. If required swab well for ½ a day..
12. Notify operator and reinstall plunger lift equipment and put well on production.

S.S.Gopalan
For the West Team
August 1, 2002