

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
625 N. French Dr.
Hobbs, NM 88240
OMB No. 1004-0135
Expires November 1, 2000

SUNDRY NOTICE 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.

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM 1150
2. Name of Operator Conoco Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 10 Desta Drive, Suite 100W	3b. Phone No. (include area code) (915) 688-5400	7. If Unit or CA Agreement, Name and/or No. 0300011500
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec.03 T20S R36E P		8. Well Name and No. REED A-3 4
		9. API Well No. 30-025-04176
		10. Field and Pool, or Exploratory Area Eumont Yates 7 Rivers Queen
		11. County or Parish, State Lea County, New Mexico

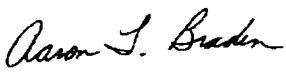
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Variance</u>
	<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 and 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 the 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 Inc. requests a variance to Onshore Oil & Gas Order No. 5, Part III, Section C, Subsection 17, regarding the frequency of gas meter testing for sales and allocations meters. In conjunction with this variance, Conoco Inc. seeks relief from gas meter testing per guidelines established in Notice to Lessees and Operators of Federal and Indian Oil and Gas Leases 1992-5, New Mexico (NTL 92-5 New Mexico) for Low Volume and/or Marginal Gas Meters.

Conoco seeks a variance to the quarterly frequency of gas meter testing for the sales and/or allocation meters as stated in Onshore Oil & Gas Order No. 56, Part III, Section C, Subsection 17, to a semi-annual frequency per NTL 92-5, New Mexico, for the low volume and/or marginal gas production from the well and lease specified above.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Aaron L. Braden	Title: Measurement Foreman
Signature 	Date: April 29, 2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.