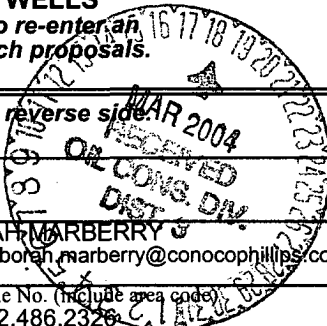


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side



1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF078500A
2. Name of Operator CONOCO PHILLIPS		6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 2197 WL3 6108 HOUSTON, TX 77252		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 832.486.2328 Fx: 832.486.2764		8. Well Name and No. SAN JUAN 28 7 UNIT 199M
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T28N R7W SWNW 1755FNL 660FWL		9. API Well No. 30-039-26718
		10. Field and Pool, or Exploratory BLANCO MESAVERDE/BASIN DAKO
		11. County or Parish, and State RIO ARRIBA COUNTY, NM

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
	<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 recomplete 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 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 recompletion 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.)

ConocoPhillips requests allocation for this well per the attached:

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

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

Electronic Submission #25094 verified by the BLM Well Information System For CONOCO PHILLIPS sent to the Farmington Committed to AFMSS for processing by MATTHEW HALBERT on 03/08/2004 ()

Name (Printed/Typed) DEBORAH MARBERRY	Title SUBMITTING CONTACT
Signature (Electronic Submission)	Date 03/04/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>[Signature]</i>	Title <i>Petr. Eng</i>	Office <i>NMOCD</i>	Date <i>3/9/04</i>
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.			

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Allocation for San Juan 28-7 Unit Well 199M API: 30-039-26718

Initial flow tests as reported by the field operator indicated:

Mesaverde (2 3/8" tubing at 4970')

09/24/02 1/2" choke 280 psi tbg. press. 550 psi csg. press. 1848 MCFPD + 0 BOPD + 2 BWPD

Commingled Dakota and Mesaverde (2 3/8" tubing at 7575')

09/26/02 1/2" choke 340 psi tbg. press. 700 psi csg. press. 2244 MCFPD + 0 BOPD + 25 BWPD

Based on these initial inflow tests, calculated DHC allocation percentages are:

Fixed Allocation (Gas) Dakota 18%
Mesaverde 82%

Fixed Allocation (Oil) Dakota 18%
Mesaverde 82%

Please allocate production based on the above estimated percentages. Thank you.