

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
March 4, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.	30-045-32112
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name State M	
8. Well Number	1F
9. OGRID Number	217817
10. Pool name or Wildcat	Blanco Mesaverde/Basin Dakota

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 checked="" type="checkbox"/> Other	
2. Name of Operator ConocoPhillips Co.	
3. Address of Operator P.O. Box 2197, WL3-6054 Houston Tx 77252	
4. Well Location Unit Letter <u>N</u> : <u>660</u> feet from the <u>South</u> line and <u>1925</u> feet from the <u>West</u> line Section <u>16</u> Township <u>29N</u> Range <u>8W</u> NMPM County <u>San Juan</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6497	

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL Sect Twp Rng Pit type Depth to Groundwater Distance from nearest fresh water well
Distance from nearest surface water Below-grade Tank Location UL Sect Twp Rng ;
 feet from the line and feet from the line

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>
OTHER: <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Allocation <input checked="" type="checkbox"/>	

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

ConocoPhillips requests allocation on this well as attached. This is in reference to DHC 1452AZ

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Christina Gustartis TITLE As Agent for ConocoPhillips Co DATE 06/25/2004
Type or print name Christina Gustartis E-mail address: christina.gustartis@conocophillips.com Telephone No. (832)486-2463

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE JUN 30 2004
Conditions of approval, if any:

Allocation for the State M 1F (API 30-045-32112)

The State M 1F is an 80-acre Mesaverde/80-acre Dakota infill well located in the southwest quarter of Section 16-T29N-R8W, San Juan County, NM. The well was TD'd in May 2004, perforated & fracture stimulated in May/June 2004, and ready for first delivery on June 17, 2004.

Initial flow tests as reported by the field operator indicated:

Mesaverde (2-3/8" tubing at 4,708', perfs 4,754-5,480' OA, composite plug at 5,590')

6/9/04 1/2" choke N/A* psi tbg. press. 350 psi fcp 2,310 MCFPD + 0.5 BOPD + 5-6 BWPD

Dakota (2-3/8" tubing set at 7,319', perfs 7,428-7,581' OA, PBTD 7,648' Sj MD, multi-pass production log)

6/15/04 1/2" choke 140 psi ftp 520 psi sicp 541** MCFPD + 0 BOPD + 6 BWPD

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

Fixed Allocation (Gas)	Mesaverde	81%
	Dakota	19%

Fixed Allocation (Oil)	Mesaverde	100%
	Dakota	0%

Little oil was produced during these tests. Based on historical production data from offset wells, the Dakota is very dry and is expected to produce no oil. Therefore 100% of any oil production should be allocated to the Mesaverde.

Please allocate production based on the above estimated percentages.

Call with questions

Tom Johnson
832-486-2347

* Annular test – string float in tubing

**Rate measured with a production log, making multiple passes at varying speeds. Casing was shut-in, with all production directed up tubing. Tubing set ~100' above the top Dakota perforation makes it possible to gauge a Dakota rate isolated from any Mesaverde influence (log run below the point where the shallower Mesaverde has already turned the corner and is going up tubing).