Form 3160-5
(August 1999)

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.

2005 SEP 14 AM 10 39

SUBMIT IN TRIPLICATE - Other instructions on reverse side

RECEIVED
070 FARMINGTON NM

5. Lease Serial No.
NMSF078497-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
MV PA # 76413A
DK PA # 78413C

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
San Juan 28-7 Unit #199E

2. Name of Operator
ConocoPhillips Co.

9. API Well No.
30-039-25816

3a. Address
P.O. Box 2197, WL3-6085 Houston Tx 77252

3b. Phone No. *(include area code)*
(832)486-2463

10. Field and Pool, or Exploratory Area
Blanco Mesaverde/Basin Dakota

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 18 T28N R7W SESW 385FSL 2155FWL

11. County or Parish, State
Rio Arriba
NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/ Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Allocation
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 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 using the subtraction method commingle allocation on this well as per attached information. I have also attached a copy of a letter dated 8/21/01 and signed by Joe Hewitt, which approves our allocation data for downhole commingling.

APPROVED
SEP 16 2005
Matt Halbert
FIELD MANAGER

SEP 2005
OIL CONS. DIV.
DIST. 3

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Christina Gustartis

Title
Regulatory Specialist

Signature
Chris Gustartis

Date
09/13/2005

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, 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.

NMOCD

(Instructions on reverse)

Marberry, Deborah A.

From: Valvatne, Christine K.
Sent: Monday, October 29, 2001 3:06 PM
To: Perez, Yolanda; Marberry, Deborah A.; Thornburgh, Cheryl R.; Buell, Isabel H.; Frizzell, Candida O.; Yarbrough, Ceal O.; Bertalot, Donald C.
Cc: Moody, Craig E.; Glaser, Terry J.; Blair, Donald J.; Riley, Steve D.; Unger, Layla M.; Hernandez, Hilda
Subject: DHC ALLOCATION - SJ 28-7 #199E

San Juan 28-7 well number 199E was drilled in 1998 as a Dakota/Mesaverde commingled producer located in the southwest quarter of Section 18 of T28N, R7W, Rio Arriba County, NM. However, a packer set between the Dakota and Mesaverde formations during completion could not be retrieved and the well was put on production in September 1998 as a Mesaverde only producer. In October 2001 the packer was successfully removed, and the well is now producing from both Mesaverde and Dakota formations. Due to the Mesaverde having been on production for a significant period of time, the Dakota production will be allocated by subtraction from the established Mesaverde production trend listed below.

Initial flow test as reported on the daily completion report indicated: 627 DK

Commingled Mesaverde and Dakota (2 3/8" tubing at 4100')
10/09/01 1/2" choke 250 psi tbg. press. 650 psi csg. press. 1650 MCFD + 0 BOPD + 12 BWPD

The production forecast for the Mesaverde Formation is as follows:

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
2000	212	1.1
2001	191	1.0
2002	172	0.9
2003	154	0.8
2004	150	0.8
2005	145	0.8
2006	141	0.8
2007	137	0.7
2008	133	0.7
2009	129	0.7
2010	125	0.7
2011	121	0.6
2012	117	0.6
2013	114	0.6
2014	110	0.6
2015	107	0.6
2016	104	0.6
2017	101	0.5
2018	98	0.5
2019	95	0.5
2020	92	0.5
2021	89	0.5
2022	87	0.5
2023	84	0.4
2024	81	0.4
2025	79	0.4
2026	77	0.4
2027	74	0.4
2028	72	0.4
2029	70	0.4
2030	68	0.4

Please allocate production based on the subtraction from the forecast Mesaverde production. Thank you.

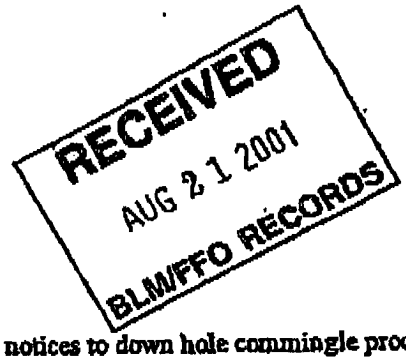
Regards

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:
NMSF078840, et al, (GC)
3162.7 (07100)



August 21, 2001

Deborah Marberry and Yolanda Perez
Conoco Inc.
PO Box 2197
Houston, TX 77252

Dear Ms. Marberry and Ms Perez:

Reference is made to your applications and sundry notices to down hole commingle production in wells in the San Juan 28-7 Unit on the enclosed two pages. We are accepting your method of production allocation identified in your applications along with allocation factors for those wells using a fixed method. For those wells using the subtraction method we are accepting the production forecast submitted with the application. The list of wells below completes the back log of applications we have recieved from Conoco Inc. and also does include some wells that where a Notice of Intent sundry (NOI) to down hole commingle was submitted.

If you have any questions, please contact Joe Hewitt at (505) 599-6365.

Sincerely,

Joe Hewitt

Joe Hewitt
Geologist, Petroleum Management Team

2 page Enclosure:

cc: NMOCD, Santa Fe, NM
NMOCD, Aztec, NM

bcc: Lease Files, SF-078840, SF-079298B, SF-079321A, SF-078640, SF-078972, SF-078835A, NM-0351 SF-079290A, SF-079290, SF-079493, SF-078498, SF-078497A, SF078570, SF-078417A, SF-078568, SF-078497, SF- 078500A, SF-078417, FEE, SF-078498A, SF-078565A, SF-078496

DOMR,
07100:JHewitt:8/21/01:x6365:commingle/Conocoalocation4.

Conoco Inc. San Juan 28-7 Unit Downhole Commingle Applications

Well Name	Lease	Location	API#	Formation Allocation	Formation Allocation
San Juan 28-7 #109M	SF-078840	D sec 18, T27N, R7W	3003925794	MV gas 81% oil 83%	DK gas 19% oil 17%
San Juan 28-7 #110M	SF-078840	E sec 19, T27N, R7W	3003925884	MV gas 48% oil 33%	DK gas 52% oil 67%
San Juan 28-7 #113	SF-078840	A sec 18, T27N, R7W	3003921662	MV subtraction	DK method
San Juan 28-7 #125M	SF-079298B	D sec 12, T27N, R7W	3003925546	MV gas 54% oil 46%	DK gas 46% oil 54%
San Juan 28-7 #126M	SF-079321A	F sec 1, T27N, R7W	3003923756	MV gas 32% oil 32%	DK gas 68% oil 68%
San Juan 28-7 #132M	SF-078640	F sec 15, T27N, R7W	3003926459	MV gas 53% oil 53%	DK gas 47% oil 47%
San Juan 28-7 #153	SF-078640	A sec 20, T27N, R7W	3003920405	MV subtraction	DK method
San Juan 28-7 #153E	SF-078640	I sec 20, T27N, R7W	3003925883	MV gas 50% oil 50%	DK gas 50% oil 50%
San Juan 28-7 #156M	SF-078972	O sec 10, T27N, R7W	3003925820	MV gas 75% oil 33%	DK gas 25% oil 67%
San Juan 28-7 #168	SF-078835A	A sec 20, T27N, R7W	3003920695	FC subtraction	PC method
San Juan 28-7 #185	NM-0351	M sec 17, T27N, R7W	3003920718	MV subtraction	DK method
San Juan 28-7 #186M	SF-079290A	F sec 13, T28N, R7W	3003926095	MV subtraction	DK method
San Juan 28-7 #188M	SF-079290	P sec 26, T28N, R7W	3003925556	MV gas 74% oil 53%	DK gas 26% oil 47%
San Juan 28-7 #190M	SF-079493	J sec 27, T28N, R7W	3003926083	MV gas 50% oil 67%	DK gas 50% oil 33%
San Juan 28-7 #192M	SF-078498	L sec 33, T28N, R7W	3003926205	MV subtraction	DK method
San Juan 28-7 #199E	SF-078497A	N sec 18, T28N, R7W	3003925816	MV subtraction	DK method
San Juan 28-7 #215M	SF-078570	O sec 4, T27N, R7W	3003925803	FC/PC Dual	MV/DK
San Juan 28-7 #220M	SF-078417A	F sec 22, T28N, R7W	3003925398	MV gas 55% oil 95%	DK gas 45% oil 5%
San Juan 28-7 #216	SF-078569	H sec 8, T27N, R7W	3003920875	MV subtraction	DK method
San Juan 28-7 #230M	SF-078498	J sec 29, T28N, R7W	3003926091	MV subtraction	DK method
San Juan 28-7 #237M	SF-078840	J sec 19, T27N, R7W	3003925822	MV gas 69% oil 91%	DK gas 31% oil 9%

SF-078569

Conoco Inc. San Juan 28-7 Unit Downhole Commingle Applications continued

Well Name	Lease	Location	API#	Formation Allocation	Formation Allocation
San Juan 28-7 #238M	SF-078497	F sec 29, T28N, R7W	3003926168	MV subtraction	DK method
San Juan 28-7 #243	SF-078500A	N sec 31, T28N, R7W	3003921084	MV subtraction	DK method
San Juan 28-7 #243M	SF-078500A	E sec 31, T28N, R7W	3003926590	MV NOI	DK commingle
San Juan 28-7 #245	SF-078417	B sec 18, T28N, R7W	3003921179	PC subtraction	PC method
San Juan 28-7 #249	FEE	H sec 30, T28N, R7W	3003921636	PC subtraction	Chacra method
San Juan 28-7 #249M	SF-078500A	O sec 30, T28N, R7W	3003925802	MV gas 68% oil 33%	DK gas 32% oil 67%
San Juan 28-7 #252M	SF-078498A	C sec 32, T28N, R7W	3003921653	MV subtraction	DK method
San Juan 28-7 #250	FEE	K sec 30, T28N, R7W	3003921637	MV subtraction	DK method
San Juan 28-7 #258M	SF-079290	E sec 23, T28N, R7W	3003925557	MV gas 91% oil 69%	DK gas 9% oil 31%
San Juan 28-7 #259M	SF-079290	D sec 24, T28N, R7W	3003926459	MV gas 53% oil 53%	DK gas 47% oil 47%
San Juan 28-7 #261	SF-078565A	N sec 5, T27N, R7W	3003921679	MV subtraction	DK method
San Juan 28-7 #278	SF-078496	I sec 35, T28N, R7W	3003926439	FC NOI	PC commingle