

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

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

Form C-103

May 27, 2004

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.)		WELL API NO. 30-039-29274
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator ConocoPhillips Co.		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 2197, WL3-6085 Houston, Tx 77252		7. Lease Name or Unit Agreement Name San Juan 29-5 Unit
4. Well Location Unit Letter <u>F</u> : <u>1900</u> feet from the <u>North</u> line and <u>1700</u> feet from the <u>West</u> line Section <u>32</u> Township <u>29N</u> Range <u>5W</u> NMPM County <u>Rio Arriba</u>		8. Well Number <u>60G</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6504'GL		9. OGRID Number <u>217817</u>
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: Allocation ☒

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 per attached. This is in reference to DHC#1685AZ.



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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Christina Gustartis TITLE Regulatory Specialist DATE 01/31/2006

Type or print name Christina Gustartis
 For State Use Only

E-mail address: christina.gustartis@conocophillips.com Telephone No. (832)486-2463

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE FEB 02 2006
 Conditions of Approval (if any):

Allocation for the SAN JUAN 29-5 60G (API 300392927400)

The SAN JUAN 29-5 60G is a Mesaverde/Dakota infill well located in the NW quarter of Section 32-T29N-R5W, Rio Arriba County, NM. The well was drilled to a total depth in July 2005, perforated & fracture stimulated in August 2005, and ready for first delivery in December 2005.

Initial flow tests as reported by the field operator indicated:

Mesaverde (2-3/8" tubing set at 5604', perforations from 5226 - 5722' OA, composite plug at 5822')
9/29/05 1/2" choke 300 PSIG FTP 570 PSIG SICP 1980 MCFPD + 0 BOPD + 3 BWPD

Dakota (2-3/8" tubing set at 7563', perforations from 7676 - 7764' OA, PBTD 7805', multi-pass production log)
10/10/05 1/2" choke 200 PSIG FTP 520 PSIG SICP 259** MCFPD + 0 BOPD + 2.7 BWPD

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

Fixed Allocation (Gas)	Mesaverde	88%
	Dakota	12%

Fixed Allocation (Oil)	Mesaverde	100%
	Dakota	0%

No 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 and call with any questions.

Thanks
Dan Hensley
832-486-2385

** 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).