

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

5. Lease Serial No.
NMSF079289A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
San Juan 28-7 Unit #136F

9. API Well No.
30-039-27045

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

11. County or Parish, State
Rio Arriba
NM

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

2. Name of Operator
ConocoPhillips Co.

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

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

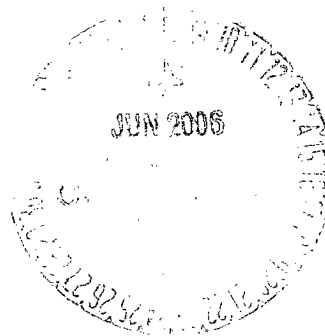
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 14 T28N R7W NWSW 2230FSL 110FWL

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 checked="" 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 Allocation
	<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 recomple 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 recomple 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 on this well as per attached. This is in reference to DHC# 2022AZ.

RECEIVED
070 FARMINGTON NM
MAY 3 PM 5 18

DHC 2022AZ

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

Christina Gustartis

Title Regulatory Specialist

Signature

Chris Gustartis

Date 05/02/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Matt HalbertTitle Pete EngDate 6-6-06

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

BLM-FFO

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.

(Instructions on page 2)

NMOCD

Allocation for the San Juan 28-7 Unit #136F (API 30-039-27045)

The San Juan 28-7 Unit #136F is an 80-acre Mesaverde/80-acre Dakota infill well located in the southwest quarter of Section 14-T28N-R7W, Rio Arriba County, NM. The well was TD'd in February 2006, perforated & fracture stimulated in March 2006, and ready for first delivery on April 17, 2006.

Initial flow tests as reported by the field operator indicated:

Mesaverde (2-3/8" tubing at 5,610', perfs 4,890-5,630' OA, composite plug at 5,720')
3/21/06 1/2" choke 300 psi ftp 600 psi sicp 1,980 MCFPD + 4 BOPD + 62.9 BWD

Dakota (2-3/8" tubing set at 7,472', perfs 7,574-7,730' OA, PBTD 7,790' MD, multi-pass production log)
4/13/06 1/2" choke 310 psi ftp 611 psi sicp 407* MCFPD + 0 BOPD + 2.6 BWPD

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

Fixed Allocation (Gas)	Mesaverde	83%
	Dakota	17%

Fixed Allocation (Oil)	Mesaverde	83%
	Dakota	17%

Little oil was produced during the tests. Based on production data from offset wells, Dakota and Mesaverde are expected to produce with similar gas to condensate ratios. Therefore oil production is allocated using the same percentage as for gas production.

Please allocate production based on the above estimated percentages.

Call with questions

Tom Johnson
832-486-2347

*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).