UNITEDSTATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORMAPPROVED				
OM B No. 1004-0137 Expires: March 31, 2	007 DIST. 3			
Serial No.				

(April2004)	DEPARTMENT OF THE INTERIOR	OM B No. 1004-0137 Expires: March 31, 2007				
E	BUREAU OF LAND MANAGEMENT	5. Lease Serial No.				
SUNDRY	SF 078997					
	is form for proposals to drill or to re-enter an ell. Use Form 3160-3 (APD) for such proposals.	6. If Indian, Allottee or Tribe Name				
SUBMIT IN TRI	PLICATE - Other instructions on reverse side.	7. If Unit or CA/Agreement, Name and/or No.				
1. Type of Well OilWell	Gas Well Other RECEIVED	'0' W. 11 N 1 N.				
	02.1.27.11111	8. Well Name and No. SAN JUAN 30-5 UNIT 37G				
Name of Operator ConocoPhillips Company		9. API Well No.				
3a. Address	30-039-29552					
PO BOX 4289 Farmingto	10. Field and Pool, or Exploratory Area					
	c., T., R., M., or Survey Description)	Blanco Mesaverde/Basin Dakota				
1870 NORTH 495 WEST UL: E, Sec: 8, T: 30N, R:	11. County or Parish, State RIO ARRIBA NEW MEXICO					
12. CHECK AI	PPROPRIATE BOX(ES)TO INDICATE NATURE OF NOTICE, R	EPORT, OR OTHER DATA				
TYPE OF SUBMISSION	TYPEOF ACTION	TYPE OF ACTION				
X Notice of Intent	Acidize Deepen Production (St. AlterCasing FractureTreat Reclamation	Well Integrity				
Subsequent Report	Casing Repair New Construction Recomplete	X OtherAllocation				
Final Abandonment Notice	☐ Change Plans ☐ Plug and Abandon ☐ Temporarily Al ☐ Convert to Injection ☐ Plug Back ☐ Water Disposal					
If the proposal is to deepen dir Attach the Bond under which following completion of the in testing has been completed. Fi determined that the site is read	red Operation (clearly state all pertinent details, including estimated starting date of ectionally or recomplete horizontally, give subsurface locations and measured and the work will be performed or provide the Bond No. on file with BLM/BIA. Requivolved operations. If the operation results in a multiple completion or recompletion and Abandonment Notices shall be filed only after all requirements, including reclay for final inspection.) If allocation for this well as per the attached. This is in reference in the state of the state	true vertical depths of all pertinent markers and zones. sired subsequent reports shall be filed within 30 days in a new interval, a Form 3160-4 shall be filed once mation, have been completed, and the operator has				

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)	1					
Juanita Farrell	Title	Reg	julatory Spe	ecialist		
Signature Juant Famel	Date	12/1	12/2006			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved by Joe Hewill		Title	Бео	Date	12-14-06	
Conditions of approval, if any, are attached. Approval of this notice does not warr certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon.		Office	FD0	·		
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)

Allocation for the San Juan 30-5 #37G - API 30-039-29552

The San Juan 30-5 #37G is an 80-acre Mesaverde/80-acre Dakota infill well located in the northwest quarter of Section 8-T30N-R5W, Rio Arriba County, NM. The well was TD'd in July 2006, perforated & fracture stimulated in August 2006, and ready for first delivery on September 1, 2006.

Initial flow tests as reported by the field operator indicated:

Mesaverde (2-3/8" tubing set at 5,521', perforations from 4,978 - 5,717' OA, RBP at 5,770') 8/28/06 ½" choke 310 psi ftp 690 psi sicp 2,406 Mcfgd + 0 Bopd + 10 Bwd

Dakota (2-3/8" tubing set at 7,609', perforations from 7,703 - 7,793' OA, TD 7,853', multi-pass production log) 8/30/06 ½" choke 300 psi ftp 780 psi sicp 475^* Mcfgd + 0 Bopd + 1.9 Bwd

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%

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

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).