

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.

5. Lease Serial No.
NMSF079289

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM78413A

8. Well Name and No.
SJ 28-7 24A

9. API Well No.
30-039-21946-00-S1

10. Field and Pool, or Exploratory
BLANCO MV/BLANCO PC/FRUITLAND

11. County or Parish, and State
RIO ARRIBA COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
CONOCO INC
Contact: DEBORAH MARBERRY
E-Mail: deborah.marberry@conocophillips.com

3a. Address
PO BOX 2197, DU 3084
HOUSTON, TX 77252-2197

3b. Phone No. (include area code)
Ph: 832.486.2326
Fx: 832.486.2717

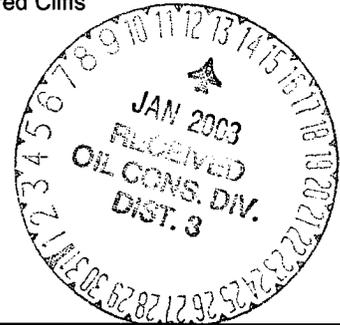
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 14 T28N R7W NWSE 1700FSL 1450FEL
36.65851 N Lat, 107.53816 W Lon

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 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 recomplate 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 recomplate 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.)

Conoco proposes to downhole trimingle this well in the Basin Fruitland Coal, Blanco Pictured Cliffs and Blanco Mesaverde as per the attached procedure.



No order yet 1-17-03

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #16135 verified by the BLM Well Information System
For CONOCO INC, sent to the Farmington
Committed to AFMSS for processing by Matthew Halbert on 01/03/2003 (03MXH0308SE)

Name (Printed/Typed) DEBORAH MARBERRY Title SUBMITTING CONTACT

Signature (Electronic Submission) Date 11/15/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By /s/ Jim Lovato Title _____ Date **JAN - 9 2003**

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 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.

**** REVISED ** REVISED ****

NMOCOD

**SanJuan 28-7 Unit #24A
Fruitland Coal-Pictured Cliffs Recompletion
and Trimingle with Mesa Verde,
Oct 25, 2002
PEER REVIEWED, CEM, 10/25/02**

MSO: Mike Morris

Objective

Recomplete to Fruitland Coal and Pictured Cliffs formations and downhole trimingle with Mesa Verde production. Perforate and fracture-stimulate Pictured Cliffs and Fruitland Coal in the SJ 28-7 #24A. This well will be trimingled with the Mesaverde to further develop the Pictured Cliffs sands and Fruitland Coals on 160 acre spacing. Approval for 160 acre downspacing of the Fruitland low-rate coal was granted by the NMOCD in Oct. 2002

At this location the Pictured Cliffs Formation consists of approximately .45 feet of sandstone reservoir, which was deposited as shoreline sand bodies. The Fruitland coal consists approximately 50 feet of coal deposited in a lagoonal setting landward of the Pictured Cliffs shoreline.

A TDT log is required before the perf intervals can be determined

Some other things to note:

*TOC in 7" is estimated to be at 2500'; based on temp survey.

*Older well. May be some risk on csg integrity..

. Expected uplift from the PC is 200 Mcfgd and from the FC 100 Mcfgd.

WELL DATA

PBTD @ 5844' Spud Date -5/79

Surface Casing: 9 5/8", K-55, 36#. set @ 224', cement circulated to surface.

Interm Casing: 7", 20#, K-55, . set @ 3492', TOC @ 2500' (Temp Sur)

Production Liner Csg: 4.5", 10.5#, K-55, set from 3329'-5859'; TOC @ liner top

Tubing: 2.875", 6.4#, J-55, landed @ 5761', with mule shoe and SN on bottom.

Perforations: MV @ 4869'-5796"

The following are the recommended perf intervals (Completion Engr will specify perf density; etc within these intervals):

Fruitland Coal (awaiting TDT log; FC top @ 2910')

Pictured Cliffs (awaiting TDT log; PC top est at 3214')

Additional well information and schematic contained in Wellview files.

PROCEDURE

- 1) Move in workover rig, hold safety meeting, note prevailing wind direction at location, designate muster point, review procedure, identify potential hazards, isolate lines and facilities, blow down lines, lock out tag out, spot equipment, rig up, WORK SAFELY!
- 2) Kill well (minimum fluid!) down tubing and POOH standing back.
- 3) Rig up wireline, RIH set 7" RBP @ TOL @ 3329' ; fill casing with water, spot 5 sxs sand on plug; test to 2500 psi. (or other pressure as specified by completion engr). If casing tests, proceed w/ RU of electric line and run CBL & TDT logs from plug for minimal length (at least to TOC or above 2400' Send TDT information to Terry Glaser in the Houston office.
- 4) RU wireline, **perforate, as per TDT log info and Compl Engr procedure, both the PC and FC intervals.,** RD wireline.
- 5) Rig up stim vendor and break-down/foam frac stimulate PC and FC as per Compl Engr procedure
- 6) Flow back energized frac fluids to pit until it dies or settles down. RIH w/ tubing and c/o to RBP. Get stabilized test and record. Once sand production stopped, in morning, with well live, PU tbg to 30' above top perf, and while well still flowing (continue to record rates), run spinner across PC/FC interval. SEND ALLOCATED TEST RATES FOR PC AND FC based on spinner and total test flow, to Christine Valvatne & Yoland Perez for C-104 and DHC application.

POOH test string, RIH with tbg and c/o to RBP; latch and POOH w/ RPB.
- 7) RIH 2.375" production tubing with mule shoe and SN on bottom, tag PBTD; land tubing @ 5700', drop rabbit through tubing to check for tight spots, be careful not to over torque, Make drift run to SN with sand line before rigging down.
- 8) RDMO, Notify operator to put on plunger lift production.

Craig Moody

District I
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-107A
Revised May 15, 2000

District II
811 South First Street, Artesia, NM 88210

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION TYPE
____ Single Well
 Established Pre-Approved Pools
EXISTING WELLBORE
 Yes ____ No

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

CONOCO, INC. P.O. BOX 2197 WL3 3044HOUSTONTX77252
Operator Address

SAN JUAN 28-7 UNIT 24A J Sec. 14 T28N R7W RIO ARRIBA
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 005073 Property Code 016608 API No. 30-039-21946 Lease Type Federal ____ State ____ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Fruitland Coal	Blanco Pictured Cliffs	Blanco Mesaverde
Pool Code	71629	72359	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3035 - 3215	3220 - 3370	4869 - 5796
Method of Production (Flowing of Artificial Lift)	expected to flow	expected to flow	flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	470	380	280
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-in or New Zone	new zone	new zone	producing
Date and Oil/Gas/Water Rates of Last Production (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates: attached	Date: Rates: attached	Date: Rates: attached
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil % Gas % <i>Test</i>	Oil % Gas % <i>Test</i>	Oil % Gas % <i>Subtraction</i>

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingling zones?
If not, have all working royalty and overriding royalty interest owners been notified by certified mail?
Yes ____ No
Yes ____ No

Are all produced fluids from all commingling zones compatible with each other?
Yes No ____

Will commingling decrease the value of production?
Yes ____ No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?
Yes No ____

NMOC Reference Case No. applicable to this well: R-10476B R11363

- Attachments:
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
 - Production curve for each zone for at least one year. (If not available, attach explanation.)
 - For zones with no production history, estimated production rates and supporting data.
 - Data to support allocation method or formula.
 - Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
 - Any additional statements, data or documents required to support commingling.

Pre-Approved Pools

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Deborah Marberry TITLE REGULATORY ANALYST DATE 11/15/2002

TYPE OR PRINT NAME DEBORAH MARBERRY TELEPHONE NO. (832)486-2326

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-21946		2 Pool Code 71629		3 Pool Name BASIN FRUITLAND COAL	
4 Property Code 016608		5 Property Name SAN JUAN 28-7 UNIT			6 Well Number 24A
7 OGRID No. 005073		8 Operator Name CONOCO, INC.			9 Elevation 6479

10 Surface Location

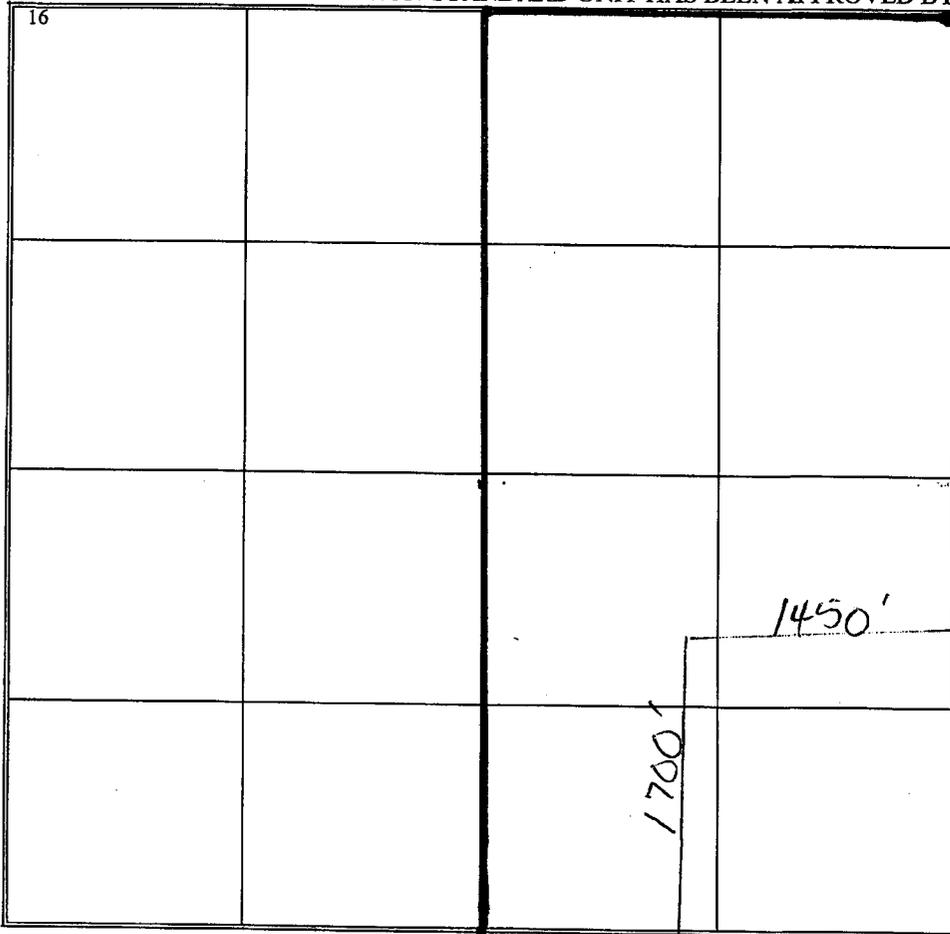
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	14	28N	7W		1700	SOUTH	1450	EAST	RIO ARRIBA

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 320 E/2	13 Joint or Infill I	14 Consolidation Code U	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Deborah Marberry
Signature
DEBORAH MARBERRY
Printed Name
REGULATORY ANALYST
Title
11/05/2002
Date

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey
Signature and Seal of Professional Surveyor:
Certificate Number

District I
1625 N. French Dr., Hobbs, NM 88240
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Revised August 15, 2000

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2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-21946		² Pool Code 72439		³ Pool Name BLANCO PC SOUTH	
⁴ Property Code 016608		⁵ Property Name SAN JUAN 28-7 UNIT			⁶ Well Number 24A
⁷ OGRID No. 005073		⁸ Operator Name CONOCO, INC.			⁹ Elevation 6479

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	14	28N	7W		1700	SOUTH	1450	EAST	RIO ARRIBA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320 E/2	¹³ Joint or Infill I	¹⁴ Consolidation Code U	¹⁵ Order No.
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16					<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>Deborah Marberry</i> Signature</p> <p>DEBORAH MARBERRY Printed Name</p> <p>REGULATORY ANALYST Title</p> <p>11/05/2002 Date</p>
					<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
					<p>Certificate Number</p>

District I
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2040 South Pacheco
Santa Fe, NM 87505

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-21946		2 Pool Code 72319		3 Pool Name BLANCO MESAVERDE	
4 Property Code 016608		5 Property Name SAN JUAN 28-7 UNIT			6 Well Number 24A
7 OGRID No. 005073		8 Operator Name CONOCO, INC.			9 Elevation 6479

10 Surface Location

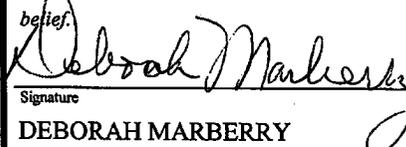
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J	14	28N	7W		1700	SOUTH	1450	EAST	RIO ARRIBA

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 320 E/2	13 Joint or Infill I	14 Consolidation Code U	15 Order No.
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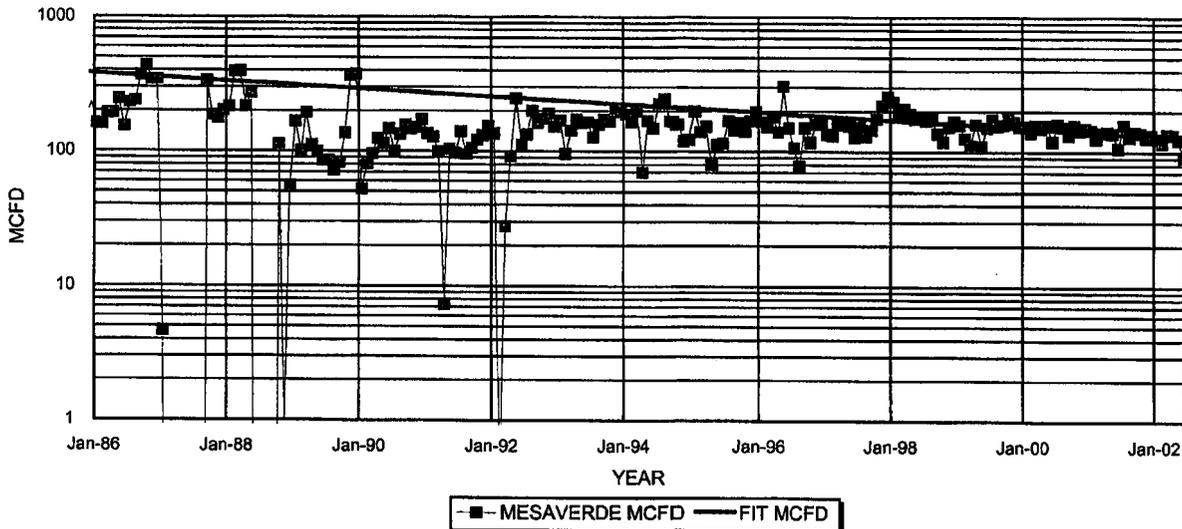
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature DEBORAH MARBERRY Printed Name REGULATORY ANALYST Title 11/05/2002 Date			
	18 SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>			
	Date of Survey Signature and Seal of Professional Surveyor:			
	Certificate Number			

1450'

1700'

**SAN JUAN 28-7 UNIT #24A MESAVERDE PRODUCTION
SECTION 14-28N-07W, RIO ARRIBA, NEW MEXICO**



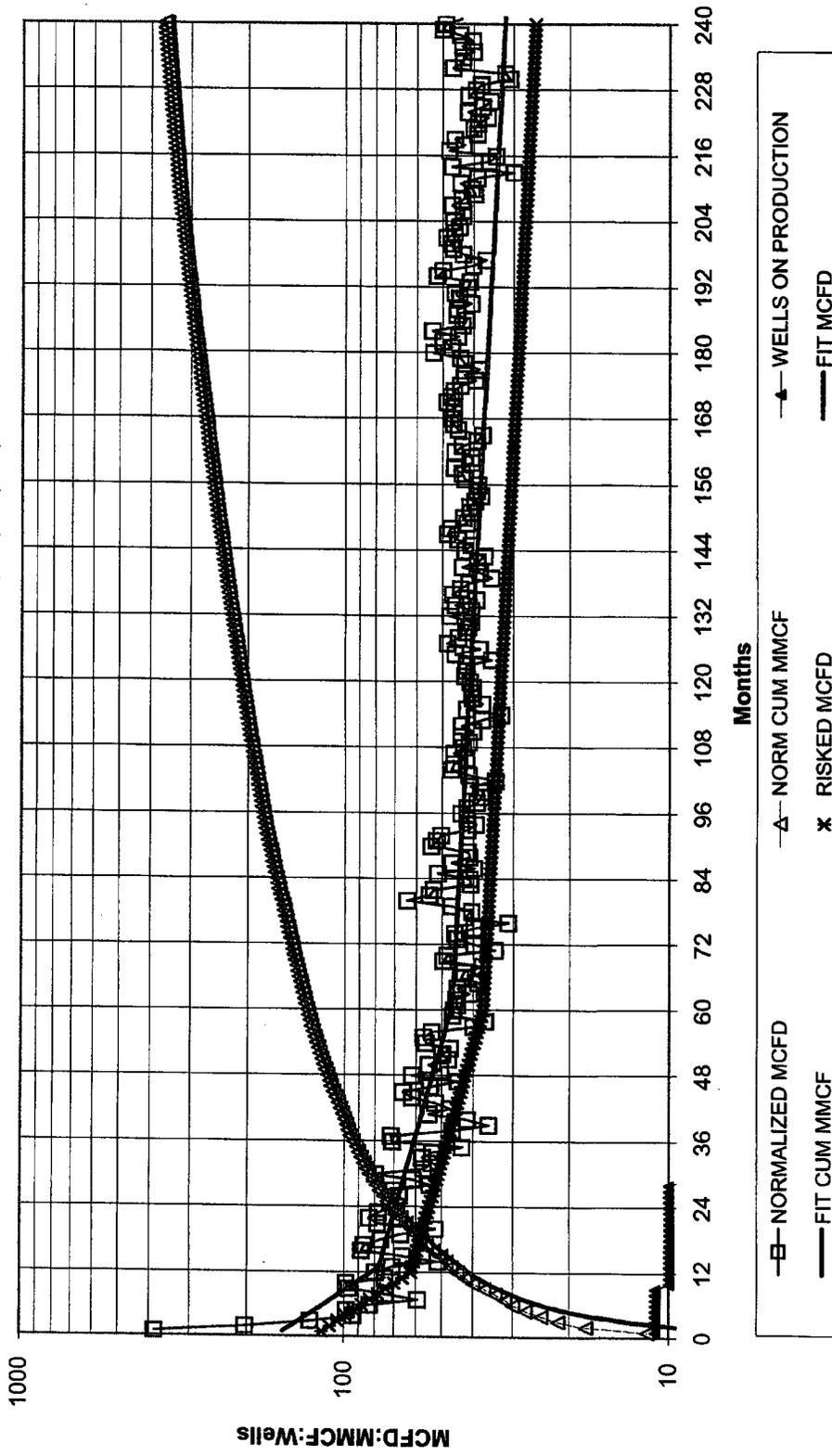
MESAVERDE PRODUCTION		1ST PROD: 08/79	MESAVERDE PROJECTED DATA	
OIL CUM:	8.74	MBO	Jan '02 Q1:	130 MCFD
GAS CUM:	1557.0	MMCF	DECLINE RATE:	6.4% (EXPONENTIAL)
OIL YIELD:	5.61	BBL/MMCF	API #30-039-21946	

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

NOTE: Current decline rate is approximately 6.4%/year. This rate is expected to continue for the duration of the well based on production trends observed during the life of this well.
Production data from PEEP.

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
2002	126	0.7
2003	118	0.7
2004	111	0.6
2005	104	0.6
2006	97	0.5
2007	91	0.5
2008	85	0.5
2009	79	0.4
2010	74	0.4
2011	70	0.4
2012	65	0.4
2013	61	0.3
2014	57	0.3
2015	53	0.3
2016	50	0.3
2017	47	0.3
2018	44	0.2
2019	41	0.2
2020	38	0.2
2021	36	0.2
2022	34	0.2
2023	31	0.2
2024	29	0.2
2025	28	0.2
2026	26	0.1
2027	24	0.1
2028	23	0.1
2029	21	0.1
2030	20	0.1
2031	19	0.1
2032	17	0.1

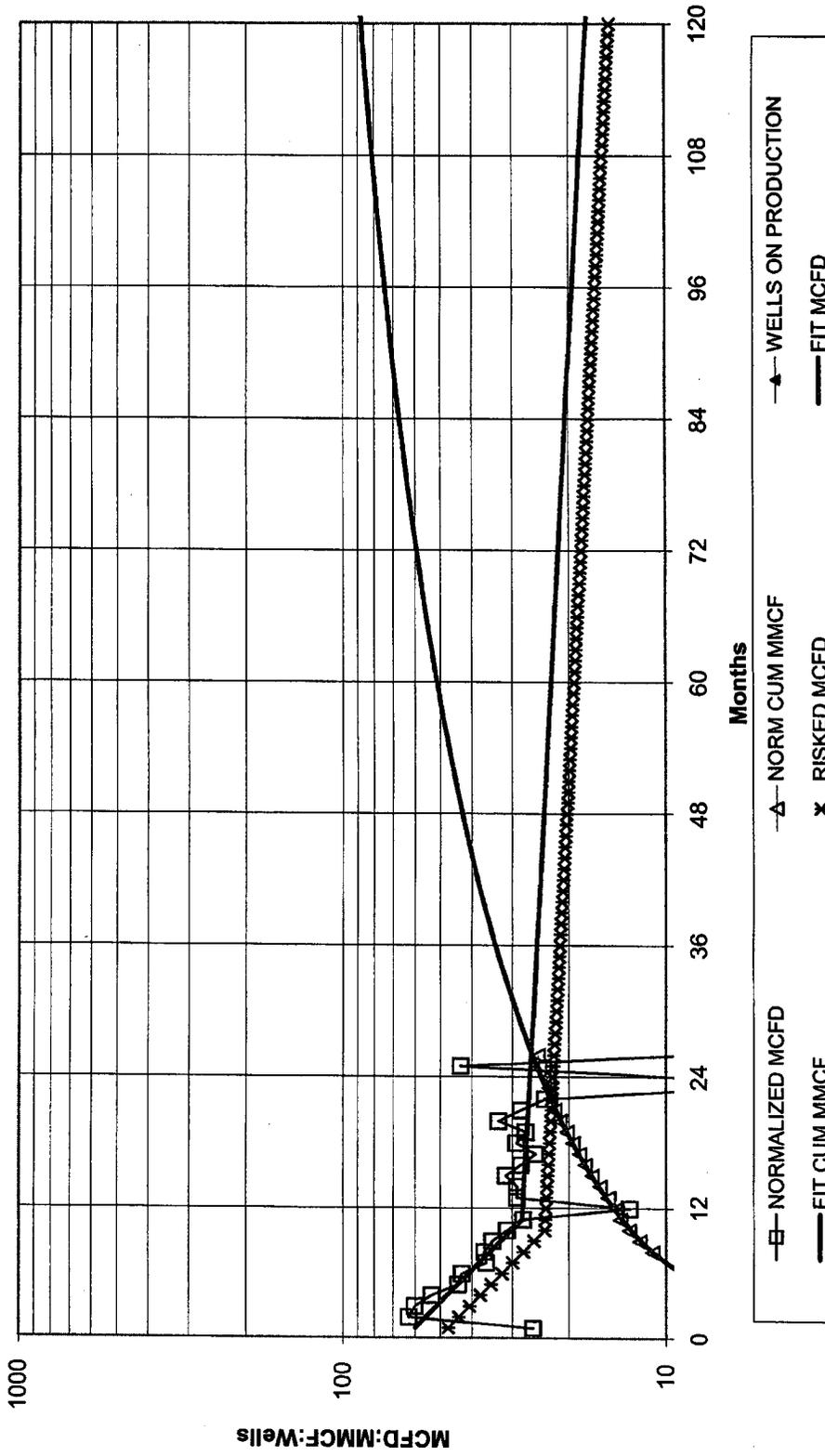
**NORMALIZED PICTURED CLIFFS PRODUCTION
WELLS LOCATED IN 28-7 SECTIONS 15, 22, 27, 33, 34, 35 AND 36**



<p>NORMALIZED AVG:</p> <p>655 MMCF EUR 342 MMCF IN 20 YRS 523 MMCF IN 40 YRS 10 MCFD E.L. 0.0000 bbl/mcf oil yield</p>	<p>20% RISK</p> <p>495 MMCF EUR 419 MMCF IN 40 YRS 10 MCFD E.L. 0.0000 bbl/mcf oil yield</p>	<p>124 MCFD IP 50.0% DECLINE, 1ST 12 MONTHS 12.0% DECLINE, NEXT 48 MONTHS 2.5% FINAL DECLINE</p>
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Wells 28-7 1, 7, 10, 52, 71, 72, 75, 76, 91, 114, 267.

**LOW RATE FRUITLAND COAL PRODUCTION
6 WELLS LOCATED IN 28-7 AND 27-7**



<p>NORMALIZED AVG:</p> <p>141 MMCF EUR 138 MMCF IN 20 YRS 185 MMCF IN 40 YRS 10 MCFD E.L. 0.0000 bbl/mcf oil yield</p>	<p>RISKED AVG:</p> <p>109 MMCF EUR 117 MMCF IN 20 YRS 10 MCFD E.L. 0.0000 bbl/mcf oil yield</p>	<p>15% RISK</p> <p>51 MCFD IP 60.0% DECLINE, 1ST 10 MONTHS 5.0% FINAL DECLINE</p>
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28-7 wells 7, 10, 68, 146, 161. 27-7 well 35.