

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

CONOCO, INC.

3a. Address

P.O. BOX 2197 DU 3066 HOUSTON TX 77252

3b. Phone No. (include area code)
(281)293-1005

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

G 32 28N 7W
1700' FNL & 1700' FEL

5. Lease Serial No.

SF 078498

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 #69

9. API Well No.

30-039-07258

10. Field and Pool, or Exploratory Area

FRUITLAND COAL, PICTURED CLIFFS

11. County or Parish, State

RIO ARRIBA
NEW MEXICO

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 checked="" type="checkbox"/> Other <u>DHC</u>
	<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 recompleat 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 recompleat 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 recompleat this well and downhole commingle in the Basin Fruitland Coal, Blanco Pictured Cliffs and Blanco Mesaverde pools using the attached procedure.

No order issued, 5-30-01

2001 APR -5 PM 2:35

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

DEBORAH MARBERRY

Title

REGULATORY ANALYST

Signature

Deborah Marberry

Date

04/03/2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ Jim Lovato

Title

Date

MAY 24

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.

(Instructions on reverse)

NMOC

**San Juan 28-7 Unit, Well #69
Recomplete to Fruitland Coal-Pictured Cliffs,
& Downhole Commingle with Mesaverde,
February 20, 2001**

API# 300390725800,

Location: NMPM-28N-7W-32-NE SW NE.

Objective

Mesaverde production average for this well is 110 Mcfgd on a 2.8% decline with 920 MMcfg reserves remaining. Recomplete to Fruitland Coal and Pictured Cliffs formations should result in a 400 Mcfgd uplift and will be downhole commingled with Mesaverde. A plug will be set over the Mesaverde to isolate it and a CBL run to determine top of cement (TOC). Squeeze holes will be shot and cement squeezed to surface to provide behind pipe isolation to enable stimulation of the PC and FC formations. PC will then be perforated, stimulated, and tested, followed by the same on FC. Plugs will be drilled out and production commingled and allocated by test results.

The recommended perforation intervals are:

Pictured Cliffs: 2586'–2610', 2641'–2656', (39' Net).

Fruitland Coal: 2394'–2404', 2453'–2460', 2472'–2491', 2560' – 2582', (48' Net).

WELL DATA

PBTD @ 4950'

TD @ 4964'

Spud Date –2/20/1957

Surface Casing: 10.75", 32.75#, H-40, set @ 174', cement circulated to surface.

Intermediate Casing: 7.625", 26.4# , internal yield 4140 psi, set @ 4668', TOC @ 3695' by TS.

Production Liner: 5.5", 15.5#, from 4592' to 4964', TOC @ 4592' by TS.

Tubing: 2.375", 4.7#, J-55, landed @ 4894' with SN on bottom.

Mesaverde Perforations: 4264' – 4358', 4788' – 4944'.

NOTE: Additional completion details contained in Well View files and schematics.

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 tubing with **MINIMUM** KCl and POOH standing back. Inspect for scale, if no scale observed continue, if tubing has signs of scale down hole, make a scraper run.
- 3) Rig up wireline and RIH with EZ-BP and set @ 4200' in 7.625", 26.4#, casing, POOH

San Juan 28-7 Unit, Well #69

**Recomplete to Fruitland Coal-Pictured Cliffs,
& Downhole Commingle with Mesaverde,
February 20, 2001**

API# 300390725800,

Location: NMPM-28N-7W-32-NE SW NE.

PROCEDURE (Continued)

- 4) Fill hole full of water, and test casing to 500 psi, RIH wireline and run CBL to determine TOC. Records show TOC @ 3695' by TS.
- 5) RIH wireline and set 7-5/8" EZ-Drill BP @ TOC, POOH wireline.
- 5) RIH with perf gun and shoot squeeze holes 10' above TOC, POOH, RD wireline .
- 6) TIH with work string and EZ-Drill Cement Retainer, set retainer 10' above squeeze holes, rig up cementers and establish circulation with fresh water, pump dyed water ahead of cement, squeeze cement to surface. Unsting out of cement retainer and circulate clean, POOH, SD WOC.
- 7) If cement retainer is below bottom perf depth of 2582', test casing to 3000 psi and proceed to step (9.) If the EZ-Drill Cement Retainer was set above 2582' the pick up drill collars and bit to drill out 7.625" OD, 6.75" drift , 26.4#, casing, drill out cement retainer and cement to below 2600'.
- 8) Test Casing to 3000 psi or expected frac pressure.
- 9) Rig up wireline, perforate PC interval: 2586'–2610', 2641'–2656', (39' Net), as per stimulation procedure.
- 10) Rig up stimulation company, bull head/break down with treated 1% HCl as per stimulation procedure.
- 11) Proceed with foam frac as per procedure.
- 12) Flow back energized frac fluids to pit until it dies or settles down. Get stabilized test if possible for DHC application.
- 13) Rig Up wireline and RIH 7-5/8" EZ-BP and set @ 2570' above top PC perf @ (2586'), POOH.
- 14) RIH and perforate FC @ 2394'–2404', 2453'–2460', 2472'–2491', 2560' – 2582', (48' Net). as per stimulation procedure.
- 15) Rig up stimulation company, bull head / break down perfs with treated 1% KCl, as per attached perforating and stimulation procedure.
- 16) Proceed with foam frac as per attached procedure.
- 17) Flowback energized fluids until well dies or settles down, strip in hole 2-3/8" tubing string, clean out to top of bridge plug above PC, Land tubing @ 2400' and obtain four hour stable rate test.

**San Juan 28-7 Unit, Well #69
Recomplete to Fruitland Coal-Pictured Cliffs,
& Downhole Commingle with Mesaverde,
February 20, 2001**

API# 300390725800,

Location: NMPM-28N-7W-32-NE SW NE.

PROCEDURE (Continued)

- 18) RIH with bit on 6 drill collars and 2-3/8" work string, drill out EZ-BP above PC @ 2570', drill out EZ-Drill if not already, test squeeze hole before drilling Out EZ-Drill BP over Mesaverde., POOH lay down collars, and stand back tubing
- 19) RIH 2.375" production tubing with mule shoe and SN on bottom, land tubing at original depth of 4823", 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.
- 20) RDMO, notify operator to put on plunger lift production.

San Juan East Team
Prepared by Dennis Wilson

Cc: Well File, 3 Copies to Farmington Project Leads

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

District II
811 South First Street, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

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

Form C-10/A
Revised May 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION TYPE

____ Single Well

____ Established Pre-Approved Pools

EXISTING WELLBORE

____ Yes ____ No

APPLICATION FOR DOWNHOLE COMMINGLING

CONOCO, INC.

P.O. BOX 2197 DU 3066 HOUSTON TX 77252

Operator

Address

SAN JUAN 28-7

69

G 32 28N 7W

RIO ARriba

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 005073 Property Code 016608 API No. 30-039-07258 Lease Type ____ Federal ____ State ____ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BASIN FRUITLAND COAL	BLANCO PICTURED CLIFFS	BLANCO MESA VERDE
Pool Code	71629	72359	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2390'-2582'	2586'-2656'	4264'-4944'
Method of Production (Flowing or 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)	1035 psi - current	884 psi - current	790 psi - current
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1045	1189	1250
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: est. 120-200mcf/d	Date: Rates: est. 200-300mcf/d	Date: Rates: approx. current 105mcf/d
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 % %	Oil Gas % %	Oil Gas % %

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 X
Yes ____ No X

Are all produced fluids from all commingling zones compatible with each other?

Yes X No ____

Will commingling decrease the value of production?

Yes ____ No X

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 X No ____

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

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 03/05/2001

TYPE OR PRINT NAME DEBORAH MARBERY TELEPHONE NO. (281)293-1005

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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-07258		² Pool Code 71629		³ Pool Name BASIN FRUITLAND COAL	
⁴ Property Code SF 078		⁵ Property Name SAN JUAN 28-7			⁶ Well Number 69
⁷ OGRID No. 005073		⁸ Operator Name CONOCO, INC.			⁹ Elevation

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
G	32	28N	7W		1700	NORTH	1700	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	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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 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

3/5/2001
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

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-07258	² Pool Code 72319	³ Pool Name BLANCO MESAVERDE
⁴ Property Code SF 078	⁵ Property Name SAN JUAN 28-7	⁶ Well Number 69
⁷ OGRID No. 005073	⁸ Operator Name CONOCO, INC.	⁹ Elevation

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
G	32	28N	7W		1700	NORTH	1700	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	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

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></p> <p>Signature</p> <p>DEBORAH MARBERRY</p> <p>Printed Name</p> <p>REGULATORY ANALYST</p> <p>Title</p> <p>3/5/2001</p> <p>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 IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

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☐ AMENDED REPORT

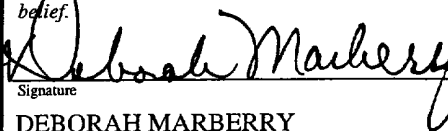
1 API Number		2 Pool Code		3 Pool Name	
30-039-07258		72359		BLANCO PICTURED CLIFFS	
4 Property Code		5 Property Name			6 Well Number
SF 078		SAN JUAN 28-7			69
7 OGRID No.		8 Operator Name			9 Elevation
005073		CONOCO, INC.			

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	32	28N	7W		1700	NORTH	1700	EAST	RIO ARRIBA

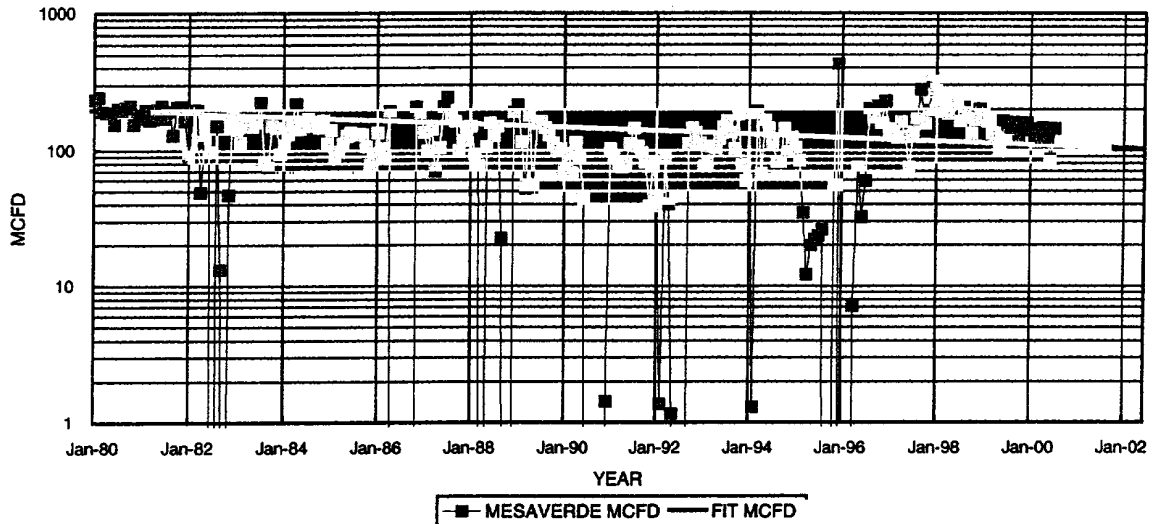
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16				<div>17</div> <div>OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</div> <div></div> <div>Signature</div> <div>DEBORAH MARBERRY</div> <div>Printed Name</div> <div>REGULATORY ANALYST</div> <div>Title</div> <div>3/5/2001</div> <div>Date</div>
		1700'	1700'	
				<div>18</div> <div>SURVEYOR CERTIFICATION</div> <div>I hereby certify that the well location shown on this plan 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.</div>
				<div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor:</div> <div>Certificate Number</div>

**SJ 28-7 #69 MESAVERDE PRODUCTION
SECTION 32G-28N-07W, RIO ARriba COUNTY, NEW MEXICO**



MESAVERDE PRODUCTION		1ST PROD: 03/57	MESAVERDE PROJECTED DATA	
OIL CUM:	23.63	MBO	Jan.00 Qi:	109 MCFD
GAS CUM:	2933.9	MMCF	DECLINE RATE:	2.9% (EXPONENTIAL)
OIL YIELD:	0.0124	BBL/MCF (oil reported post 1993)	API #30-039-07258	

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

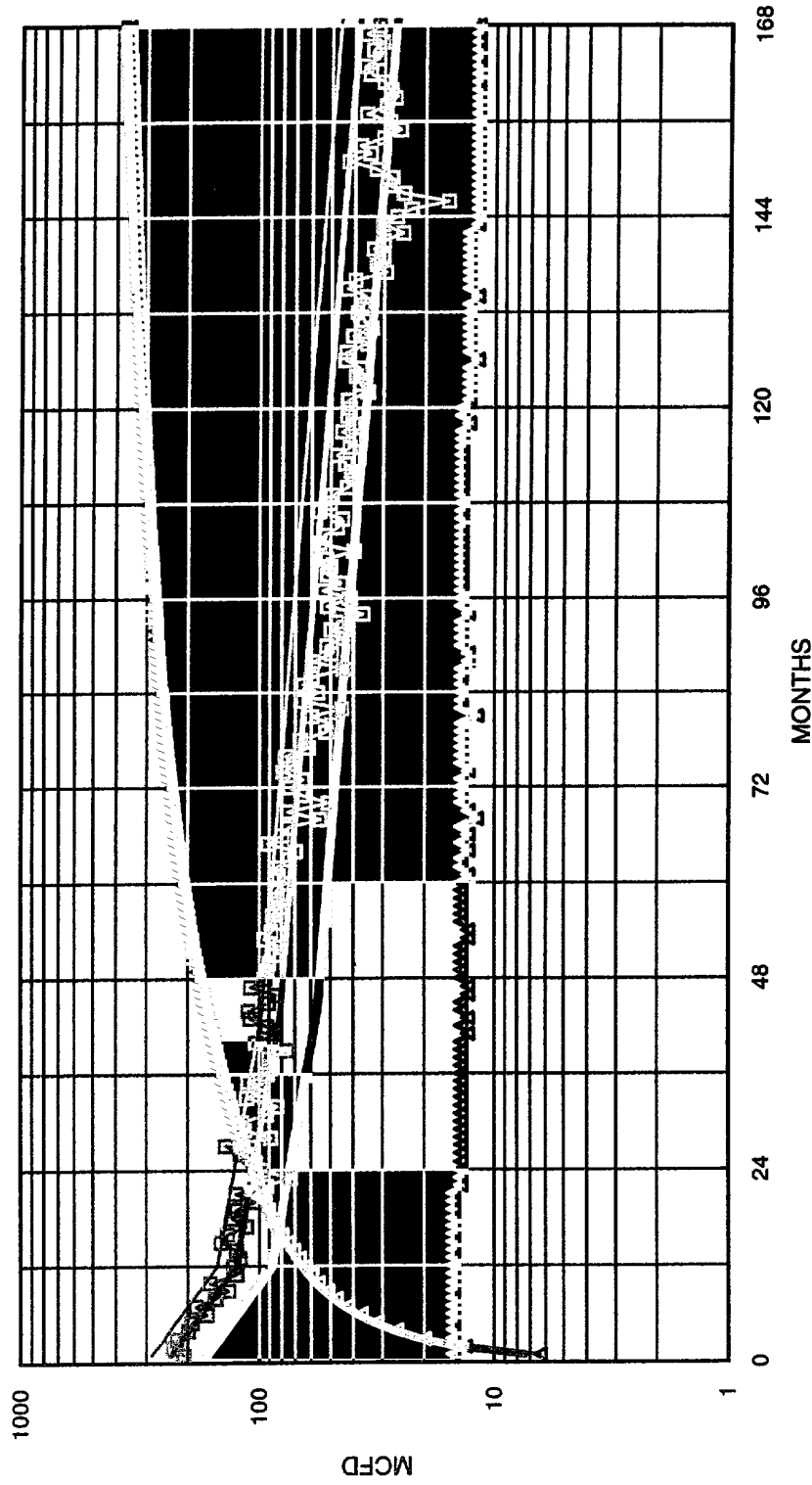
NOTE: Current decline rate is approximately 2.9%/year. This rate is expected to continue for the duration of the well based on production trends observed during the life of this well.

Production data from PI/Dwights Plus.

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
2000	107	1.3
2001	104	1.3
2002	101	1.3
2003	98	1.2
2004	96	1.2
2005	93	1.2
2006	90	1.1
2007	88	1.1
2008	85	1.1
2009	83	1.0
2010	80	1.0
2011	78	1.0
2012	76	0.9
2013	73	0.9
2014	71	0.9
2015	69	0.9
2016	67	0.8
2017	65	0.8
2018	63	0.8
2019	62	0.8
2020	60	0.7
2021	58	0.7
2022	56	0.7
2023	55	0.7
2024	53	0.7
2025	52	0.6
2026	50	0.6
2027	49	0.6
2028	47	0.6
2029	46	0.6
2030	45	0.6

NORMALIZED PICTURED CLIFFS PRODUCTION

PROD. SINCE 1980; 15 PC WELLS LOCATED IN 28N-7W AND 27N-7W (Secs. 1:12)



NORMALIZED MCFD —▲— NORM CUM MMCF —▲— WELLS ON PRODUCTION ——— FIT CUM MMCF
 RISKED MCFD ——— #270 Offsets

NORMALIZED AVG:

522 MMCF EUR
 524 MMCF/33.5YRS
 10 MCFD E.L.
 0.000158 bbl/mcf oil yield

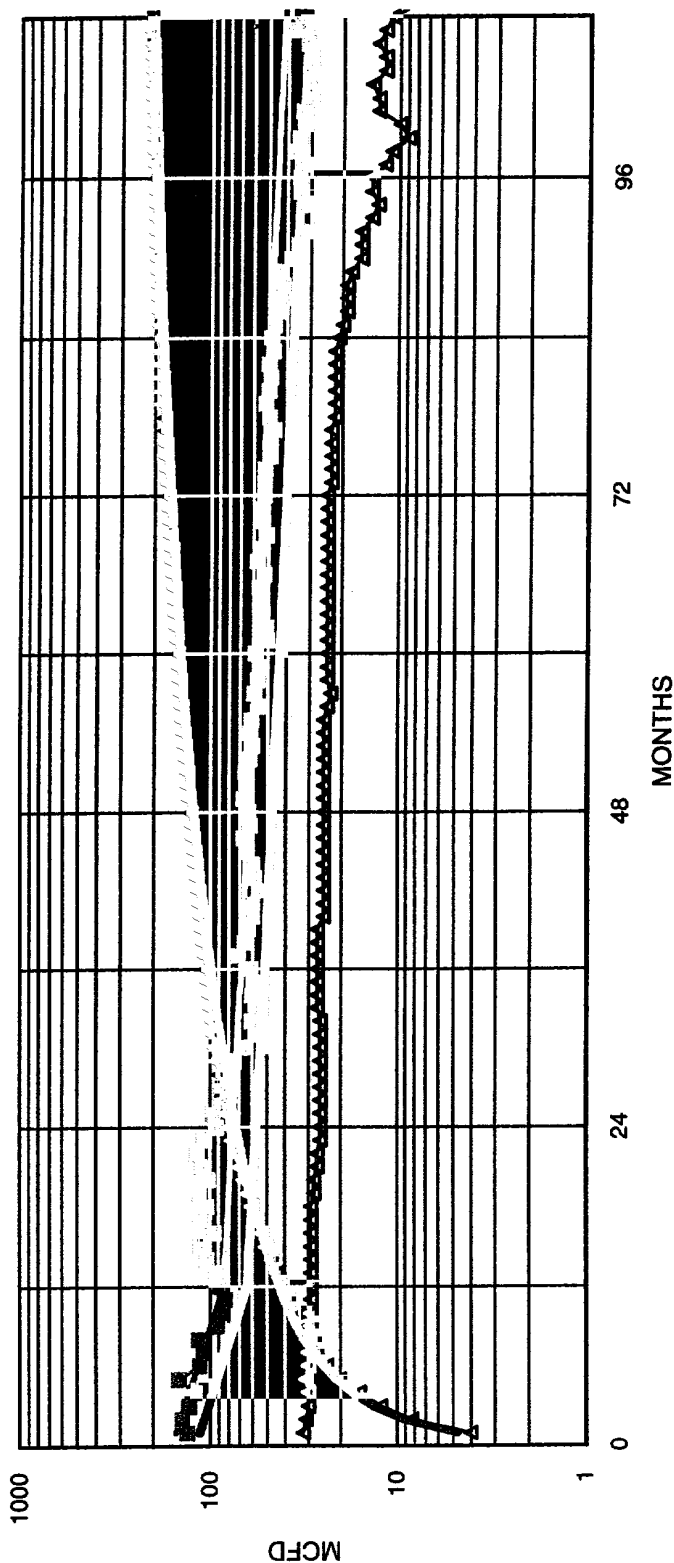
250 MCFD IP
 50% DECLINE, 1ST 12 MONTHS
 15% DECLINE, NEXT 36 MONTHS
 7% FINAL DECLINE

RISKED AVG: 30% RISK

350 MMCF EUR
 349 MMCF/27.8 YRS
 10 MCFD E.L.
 0.000158 bbl/mcf oil yield

175 MCFD IP
 50% DECLINE, 1ST 12 MONTHS
 15% DECLINE, NEXT 36 MONTHS
 7% FINAL DECLINE

**NORMALIZED FRUITLAND COAL PRODUCTION
29 WELLS SINCE 1990; 28N-7W & 27N-7W**



—■— NORM MCFD —▲— NORM CUM MMCF —●— WELLS ON PRODUCTION ——— FIT CUM MMCF ——— RISKED MCFD ——— FIT MCFD

NORMALIZED AVG:

356 MMCF EUR
327 MMCF IN 20 YRS
10 MCFD E.L.
0.0000 bbl/mcf oil yield

160 MCFD IP
47.0% DECLINE, 1ST 12 MONTHS
10.0% DECLINE, NEXT 24 MONTHS
8.0% FINAL DECLINE

RISKED AVG:

256 MMCF EUR
246 MMCF IN 20 YRS
10 MCFD E.L.
0.0000 bbl/mcf oil yield

25% RISK

120 MCFD IP
47.0% DECLINE, 1ST 12 MONTHS
10.0% DECLINE, NEXT 24 MONTHS
8.0% FINAL DECLINE

Lease Name: SAN JUAN 28 7 UNIT
County, State: RIO ARBA, NM
Operator: CONOCO INCORPORATED
Field: BLANCO
Reservoir: MESAVERDE
Location: 32 28N 7W NE SW NE

SAN JUAN 28 7 UNIT - BLANCO

