Form 3160-5
(April2004)

UNITEDSTATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORMAPPROVED
OM B No. 1004-0137
Expires: March 31, 2007

RCVD DEC15'06
OIL CONS. DIV.
DIST. 3

## 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.*

070 FARMINGTON NM

RECEIVED

| | |
|---|---|
| 1. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other | 5. Lease Serial No. SF078277 |
| 2. Name of Operator: ConocoPhillips Company | 6. If Indian, Allottee or Tribe Name |
| 3a. Address: PO BOX 4289 Farmington NM 87499 | 3b. Phone No. *(include area code)*: (505)326-9597 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description): 305 SOUTH 2005 EAST UL: O, Sec: 7, T: 29N, R: 5W | 7. If Unit or CA/Agreement, Name and/or No.<br>8. Well Name and No. SAN JUAN 29-5 UNIT 62M<br>9. API Well No. 30-039-29385<br>10. Field and Pool, or Exploratory Area Blanco Mesaverde/ Basin Dakota<br>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 | | | |
|---|---|---|---|---|
| ☒ Notice of Intent | ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| ☐ Subsequent Report | ☐ Alter Casing | ☐ Fracture Treat | ☐ Reclamation | ☐ Well Integrity |
| ☐ Final Abandonment Notice | ☐ Casing Repair | ☐ New Construction | ☐ Recomplete | ☒ Other Allocation |
| | ☐ Change Plans | ☐ Plug and Abandon | ☐ Temporarily Abandon | |
| | ☐ Convert to Injection | ☐ Plug Back | ☐ 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 recomplete 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 recompletion 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 the attached. This is in reference to DHC 1912AZ

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)* Juanita Farrell — Title Regulatory Specialist

Signature Juanita Farrell — Date 12/12/2006

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by Joe Hewitt — Title Geo — Date 12-14-06

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 FDO

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 29-5 #62M - API 30-039-29385**

The San Juan 29-5 #62M is an 80-acre Mesaverde/80-acre Dakota infill well located in the southeast quarter of Section 7-T29N-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 27, 2006.

Initial flow tests as reported by the field operator indicated:

Mesaverde (2-3/8" tubing set at 5,654', perforations from 5,280 - 5,778' OA, RBP at 5,902')
9/22/06 ½" choke 120 psi ftp 400 psi sicp 792 Mcfgd + 0 Bopd + 1 Bwd

Dakota (2-3/8" tubing set at 7,671', perforations from 7,774 - 7,912' OA, TD 7,984', multi-pass production log)
9/26/06 ½" choke 115 psi ftp 440 psi sicp 725* Mcfgd + 0 Bopd + 2.8 Bwd

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

| | | |
|---|---|---|
| **Fixed Allocation (Gas)** | **Mesaverde** | **52%** |
| | **Dakota** | **48%** |
| **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).