

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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 55A

9. API Well No.
30-039-21912-00-S1

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

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

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)

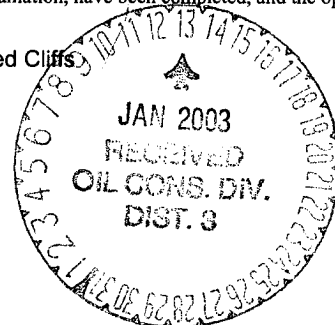
Sec 12 T28N R7W NESE 1460FSL 0990FEL
36.67246 N Lat, 107.51860 W Lon

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 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.)

Conoco proposes to downhole trimingle this well in the Basin Fruitland Coal, Blanco Pictured Cliffs South 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 #16134 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 (03MXH0307SE)

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

JAN - 8 2003
Date

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

NMCCD

**San Juan 28-7 Unit #55A
Cmt Sqz; 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 #55A. The SJ 28-7 No. 55A is a Mesaverde well located in the NESE of section 12-T28N-R7W. 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 3500'; based on temp survey. WILL NEED TO RUN CBL and circulate squeeze proposed FC portion.

*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 @ 6236' Spud Date -6/79

Surface Casing: 9 5/8", H-40 32#. set @ 226', cement circulated to surface.

Interm Casing: 7", 20#, K-55, . set @ 3901', TOC @ 3500' (Temp Sur)

Production Liner Csg: 4.5", 10.5#, K-55, set from 3741'-6253'; TOC @ liner top

Tubing: 2.875", 6.4#, J-55, landed @ 6186', with mule shoe and SN on bottom.

Perforations: MV @ 5215'-6229"

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

Fruitland Coal (awaiting TDT log; FC top @ 3200'--est)
Pictured Cliffs (awaiting TDT log; PC top est at 3617')

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 @ 3741' ; 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 from plug for minimal length (at least to TOC or above 2400') . (NOTE: if Bluejet neutron log planning to be run, can do it at same time; TDT will need to defer until after sqz). If CBL confirms cement top @ 3500', have svc company work up cementing procedure based on squeeze perfs @ 3480'; CONTACT BLM AND NMOC for approvals. Shoot 2 squeeze holes (at 3480'—or at least 20' above very top of cement), RIH w/ tbg and packer; set 90' above perfs; establish circulation, and proceed to circulate cement to surface. Ensuring cmt out of tbg; release pkr; reverse circ, keeping head on cmt; and POOH. SION. Drillout and test next day. Run TDT (if neutron not run). Send 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 & Yolanda 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 @ 6186', 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 68240

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 Department

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107A
Revised May 15, 2000

APPLICATION TYPE

Single Well

☒ Established Pre-Approved Pools

EXISTING WELLBORE

☒ Yes ☐ No

CONOCO, INC.

P.O. BOX 2197 WL3 3044 HOUSTON TX 77252

Operator

Address

SAN JUAN 28-7 UNIT

55A

I Sec. 12 T28N R7W

RIO ARRIBA

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 005073 Property Code 016608 API No. 30-039-21912 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)	3400 - 3595	3600 - 3750	5215 - 6229
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)	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: see attached	Date: Rates: see attached	Date: Rates: see 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 % % Test	Oil Gas % % Test	Oil Gas % % Subtraction

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 30-039-21912		2 Pool Code 72319		3 Pool Name BLANCO MESAVERDE	
4 Property Code 016608		5 Property Name SAN JUAN 28-7 UNIT			6 Well Number 55A
7 OGRID No. 005073		8 Operator Name CONOCO, INC.			9 Elevation 6822

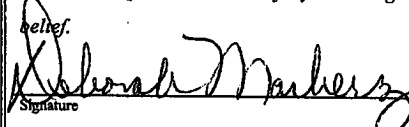
10 Surface Location

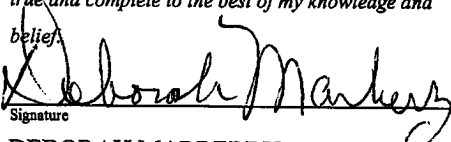
UL or lot no. I	Section 12	Township 28N	Range 7W	Lot Idn	Feet from the 1460	North/South line SOUTH	Feet from the 990	East/West line EAST	County RIO ARRIBA
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11 Bottom Hole Location If Different From Surface

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 288.4 S/2	13 Joint or Infill I	14 Consolidation Code U		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.  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	
					990'	
				1460'		

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 style="text-align: right;">  Signature DEBORAH MARBERRY Printed Name REGULATORY ANALYST Title 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 style="text-align: right;"> 990' Date of Survey Signature and Seal of Professional Surveyor: Certificate Number </p>
				1460'	

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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	² Pool Code	³ Pool Name
30-039-21912	72439	BLANCO PC SOUTH
⁴ Property Code	⁵ Property Name	⁶ Well Number
016608	SAN JUAN 28-7 UNIT	55A
⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
005073	CONOCO, INC.	6822

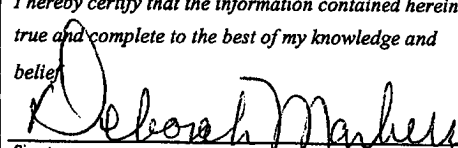
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	12	28N	7W		1460	SOUTH	990	EAST	RIO ARriba

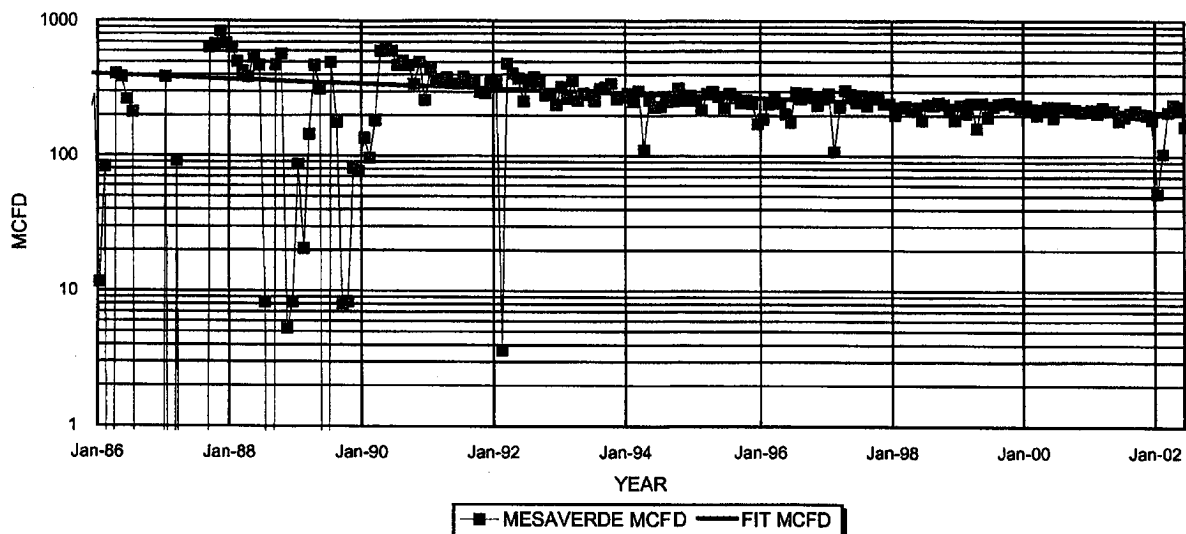
¹¹ Bottom Hole Location If Different From Surface

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.						
288.4 S/2	I	U							

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.  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

**SAN JUAN 28-7 UNIT #55A MESAVERDE PRODUCTION
SECTION 12-28N-07W, RIO ARRIBA, NEW MEXICO**



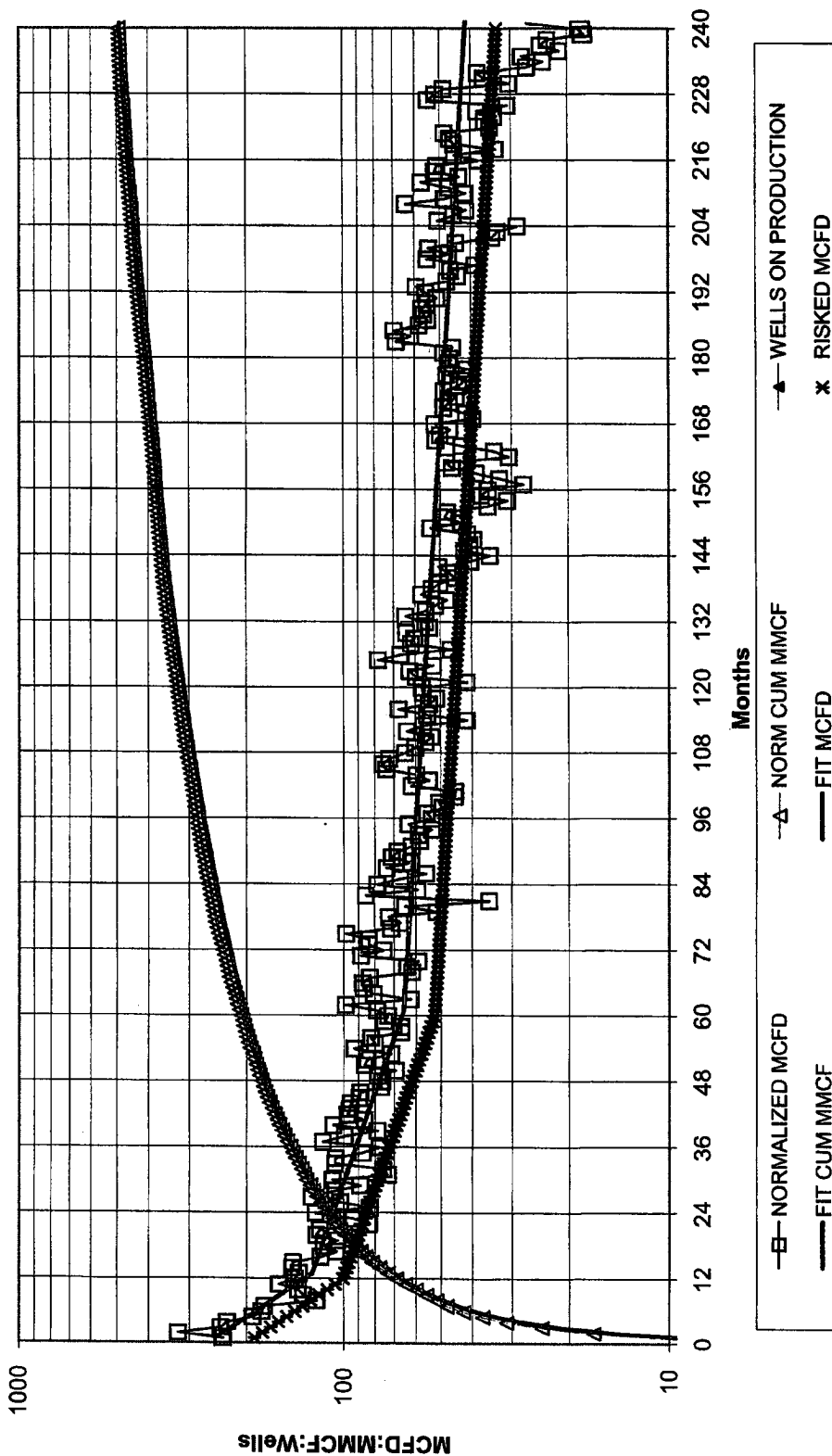
MESAVERDE PRODUCTION		1ST PROD: 08/79	MESAVERDE PROJECTED DATA	
OIL CUM:	10.41	MBO	Jan '02 Q1:	208 MCFD
GAS CUM:	2391.0	MMCF	DECLINE RATE:	4.0% (EXPONENTIAL)
OIL YIELD:	4.35	BBL/MMCF	API #30-039-21912	

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

NOTE: Current decline rate is approximately 4.0%/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	204	0.9
2003	196	0.9
2004	188	0.8
2005	181	0.8
2006	173	0.8
2007	167	0.7
2008	160	0.7
2009	154	0.7
2010	147	0.6
2011	141	0.6
2012	136	0.6
2013	130	0.6
2014	125	0.5
2015	120	0.5
2016	115	0.5
2017	111	0.5
2018	106	0.5
2019	102	0.4
2020	98	0.4
2021	94	0.4
2022	90	0.4
2023	87	0.4
2024	83	0.4
2025	80	0.3
2026	77	0.3
2027	74	0.3
2028	71	0.3
2029	68	0.3
2030	65	0.3
2031	63	0.3
2032	60	0.3

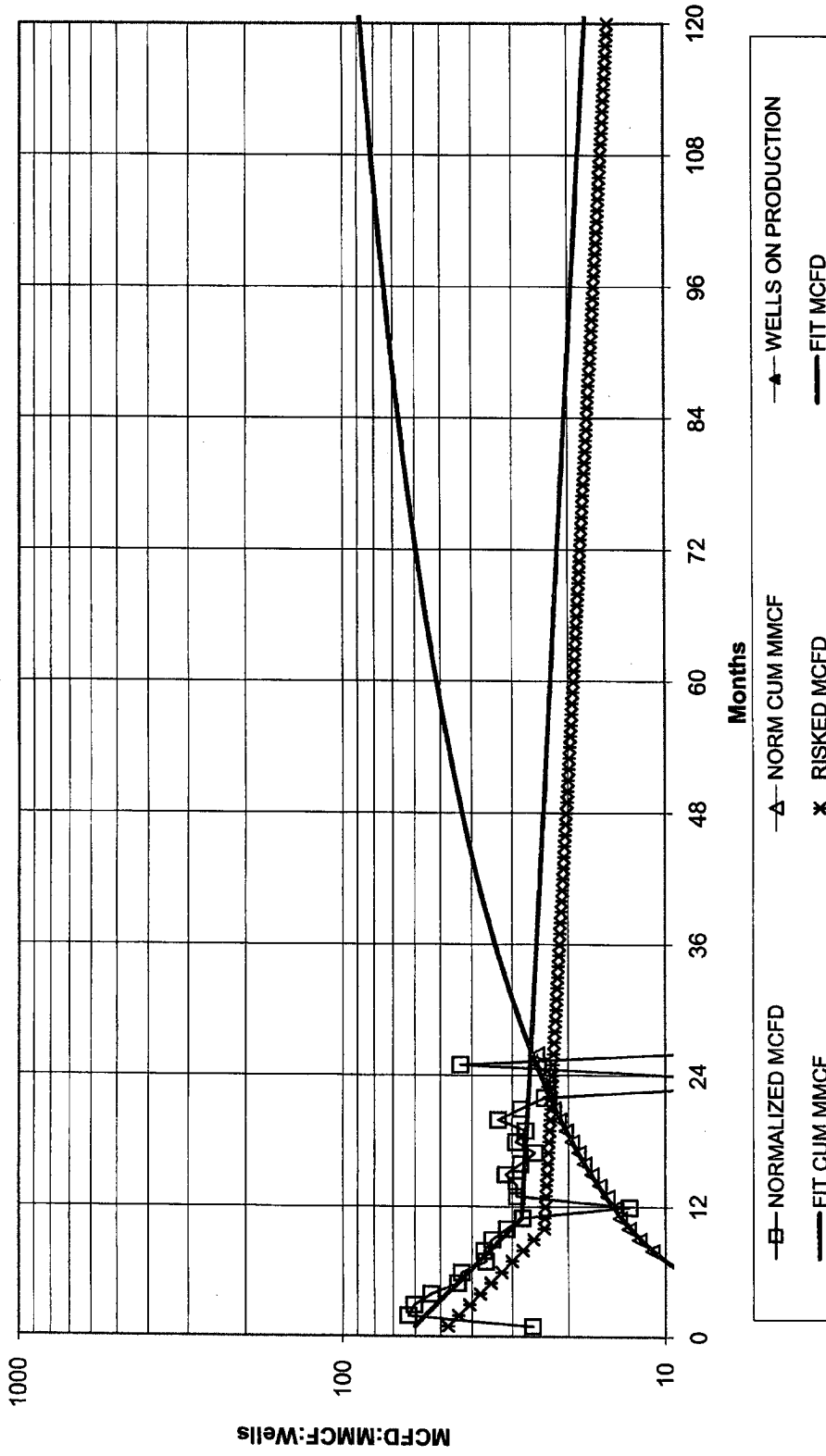
NORMALIZED PICTURED CLIFFS PRODUCTION WELLS LOCATED IN 28-7 SECTIONS 16, 17, 18 AND 19



NORMALIZED AVG: 982 MMCF EUR 488 MMCF IN 20 YRS 713 MMCF IN 40 YRS 10 MCFD E.L. 0.0005 bbl/mcf oil yield	250 MCFD IP 50.0% DECLINE, 1ST 12 MONTHS 15.0% DECLINE, NEXT 48 MONTHS 3.0% FINAL DECLINE	RISKED AVG: 20% RISK 786 MMCF EUR 570 MMCF IN 40 YRS 10 MCFD E.L. 0.0005 bbl/mcf oil yield 200 MCFD IP 50.0% DECLINE, 1ST 12 MONTHS 15.0% DECLINE, NEXT 48 MONTHS 3.0% FINAL DECLINE
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28-7 wells 8A, 12A, 30A, 32A, 146, 161, 245

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>60 MCFD IP 60.0% DECLINE, 1ST 10 MONTHS 5.0% FINAL DECLINE</p>	<p>RISKED AVG: 15% RISK</p> <p>109 MMCF EUR 117 MMCF IN 20 YRS 10 MCFD E.L. 0.0000 bbl/mcf oil yield</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.