

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.
NMSF 078496 / 078565A

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. SAN JUAN 28-7 UNIT 261M
2. Name of Operator CONOCO INC.	Contact: YOLANDA PEREZ E-Mail: yolanda.perez@usa.conoco.com	9. API Well No. 30-039-26540
3a. Address P. O. BOX 2197, DU 3084 HOUSTON, TX 77252-2197	3b. Phone No. (include area code) Ph: 281.293.1613 Fx: 281.293.5090	10. Field and Pool, or Exploratory BLANCO MESAVERDE/BASIN DA
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 5 T27N R7W SENW 1510FNL 1475FWL		11. County or Parish, and State RIO ARRIBA COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 type="checkbox"/> Recomplete	<input checked="" 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 recompleat 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 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.)

Ran production log, temperature probe and pressure gauge. Tubing landed depth is at 7694', 2 joints lower than original setting. Please see attached daily summary report for more detailed information.

RECEIVED
JUN 20 2002
BY *[Signature]*

ACCEPTED FOR RECORD
JUN 20 2002
FARMINGTON FIELD OFFICE
BY *[Signature]*

14. I hereby certify that the foregoing is true and correct. Electronic Submission #9962 verified by the BLM Well Information System For CONOCO INC., sent to the Farmington Committed to AFMSS for processing by Lucy Bee on 05/21/2002 ()	
Name (Printed/Typed) YOLANDA PEREZ	Title COORDINATOR
Signature (Electronic Submission)	Date 01/07/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	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.

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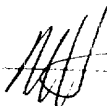
Daily Summary

API	County	State/Province	Surface Legal Location	NS Dist. (ft)	NS Flag	EW Dist. (ft)	EW Flag
300392654000	RIO ARRIBA	NEW MEXICO	NMPM-27N-7W-5-F	1510.0	N	1475.0	W
Ground Elev (ft)	Spud Date	Rig Release Date	Latitude (DMS)	Longitude (DMS)			
6774.00	4/21/2001	4/30/2001	36° 36' 23.8032" N	107° 35' 59.5824" W			

Start	Ops This Rpt
12/3/2001	Held safety mtg. SICP=580# SITP= 600#. MI rig and equipment. Spot unit and RU. RU pump,pit and blow down lines. Blow well down. Kill w/ 20 bbl kcl down csg. RD plunger system and well head tree. ND master valve. NU bop. Unseat tbg. hanger. Production lines and plunger system shows a considerable amount of paraffin. Notify engineering. TIH w/ 3 jts and get below all perms. RU swab T. PU sinker bar and no-go and RIH w/ sand line to 100' and stacked out. PU tbg. broach and RIH w/ sand line and worked through bridge @ 1200'and fell through to 7000'. POOH and pump 30 bbl down tbg. to be sure it is clear. POOH w/ 5 jts. .Secure well and SDFN
12/4/2001	HELD SAFETY MTG. SICP=600#. Bleed down csg. Kill tbg. w/ 5 bbl kcl. TIH w/ 3 jts tbg. and did not tag fill. Circulate clean. TOOH w/ 93 jts and get flowing up tbg.RU Schlumberger wireline.PU production: log tools. RIH and stack out on seating nipple. Try to spud through. and could not. Tools are 1 11/16" . Seating nipple ID = 1.781". Tolls should fit through nipple. RD wireline. TOOH w/150 jts 2 3/8" tbg. LD seating nipple. Light scale prevented wireline from getting through. Secure well and SDFN.
12/5/2001	Held safety mtg. SICP=600#. Bleed down csg. PU MS,SN and TIH w/ 150 jts. 2 3/8" tbg. set @ 4723' w/ kb. RU Schlumberger wireline, run production log/ temp probe/ psi probe from 7618' to 4900'. Dakota zone is logged off w/ fluid. MV was logged with down passes and also stationary sets at each lobe. The log in hand does not have percent's of gas flow rate calculated on them. This will be done in Denver and sent to Houston Engineering ASAP.Well is making a considerable amout of fluid . Contacted C. Moody and decided to run a packer and isolate the lower Dakota to see if this is where the water production is coming from.Secure well and SDFN.
12/6/2001	NOTE: Well shows to be making 500 MCFPD and all production coming from the MV. due to the DK being logged off. Held safety mtg. SICP=550#. Bleed down csg. kill tbg. TOOH w/ 150 jts tbg. and stand back. PU Halliburton 4.5" RTTS packer Seating nipple and 241 jts tbg. Blow well dry w/ air. Set packer @ 7634' w/kb. and test lower Dakota. After 4 hrs. SICP= 550#, FTP= 28# Tested on a 1/2" choke the lower Dakota is making 185 MCFPD. SWI and leave packer set over night. SDFN.
12/7/2001	Held safety mtg. SICP= 550#, SITP= 380#. Bleed off csg. kill tbg. Release pkr. TOOH w/ 241jts tbg. and LD pkr. PU MS,SN and TIH w/ 243jts 2 3/8" tbg. and land well @ 7694' w/ KB. ND BOP, NU well head. Get flowing up tbg. w/ air. RD unit and equipment. Move unit to side of loc, while flowing fluid off of well. Landed tbg. 2 jts lower than original setting to assist w/ the fluid that is coming from above the lower dakota zone. It was agreed by engineering that the fluid was coming from the MV formation. (My sugestion is to run a production packer in the future if the water problem persists.) SWI. Turn over to operator and EPNG for production. NOTE: Let operator know if this well didnt get turned on right away it will need to be swabbed in.

JUN 20 2002

BY

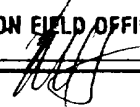


ACCEPTED FOR RECORD

JUN 20 2002

FARMINGTON FIELD OFFICE

BY



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