

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
CONOCO, INC.

3a. Address
P.O. BOX 2197 DU 3084 HOUSTON TX 77252

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
N 9 28N 7W
1080' FSL & 1650' FWL

5. Lease Serial No.

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 #21

9. API Well No.
30-039-07449

10. Field and Pool, or Exploratory Area
BLANCO PC/BLANCO MV/BASIN FC

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 recompleate 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 recompleation 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 recompleate this well to the Basin Fruitland Coal and Blanco Pictured Cliffs and downhole trimingle with the Blanco Mesaverde as per the attached.

RECEIVED
2001 JUN 18 AM 7:39
OTO FIELD OFFICE



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

DEBORAH MARBERRY

Title

REGULATORY ANALYST

Signature

Date

6/13/2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ Jim Lovato

Title

Date JUL 23 2001

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)

NMOCU

K

**San Juan 28-7 Unit Well #21
Fruitland Coal-Pictured Cliffs Recompletion,
and Trimingle with Mesa Verde,
May 9, 2001**

Peer reviewed, CEM, 5/17/01

API# 30039044900, Location: NMPM-28N-7W-9-NW SE SW

Operator – Augie Vasquez – mobile 505-320-0576

Notify MSO to shut in San Juan 28-7 Unit Well #266 prior to starting this project. (due to well spacing --- cannot produce both wells at same time – 266 making less than 20 MCF/d)

Objective

San Juan 28-7 Unit Well #21 currently has pressure between casing strings. TOC of 5.5" casing is at 3980 by temperature survey, we will set a plug, shoot squeeze holes and squeeze cement to surface to repair. Recomplete to Fruitland Coal and Pictured Cliffs formations, test, drill out cement and plug, and clean out to PBTD. Production is be down hole trimingled with Mesaverde production and optimized by raising tubing (it is currently set low). San Juan 28-7 Unit Well #21 currently produces approximately 75 MCFGD from the Mesa Verde. Expected uplift from the PC and FC recompletion is 200Mcfgd.

Proposed Pictured Cliffs and Fruitland Coal Intervals

The recommended NEP intervals in which Lucas Bazan will place perms are:

Pictured Cliffs:		Fruitland Coals:	
3340 – 3358	18'	3182 – 3190	8'
3370 – 3390	20'	3220 – 3243	23'
Total	38' Pay	3315 – 3336	21'
		Total	52' Pay

WELL DATA

PBTD @ 5660' Spud Date – 11/023/1955

Surface Casing: 9625", 25.4, SW, 4 jts. set @ 176, cement circ. to surface.

Intermediate Casing: 7", 20#, J-55, 107 jts. set @ 3415', TOC @ 1760' by TS.

Production Casing: 5.5", 15.5#, J-55, 171 jts. set @ 5665', TOC 3980' by TS. (NOTE – THIS IS BELOW 7" CASING --; CONFIRM W/ MSO ON ANY PRESSURES NOTICED ON 7" VALVE)

Tubing: 2.375", 4.7#, J-55, 181 jts., landed @ 5630' .

MV Perforation Depths: 4988' – 5006', & 5032' – 5048', 5100' – 5128', 5205' – 5206', 5528' – 5546', 5568' – 5598', 5638' – 5648'.

**San Juan 28-7 Unit Well #21
Fruitland Coal-Pictured Cliffs Recompletion,
and Trimingle with Mesa Verde,
May 9, 2001**

**API# 30039044900, Location: NMPM-28N-7W-9-NW SE SW,
Operator– Augie Vasquez – mob 505-320-0576**

PROCEDURE – Shut in San Juan 28-7 Unit Well # 266 prior to starting this project.

- 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 CIBP @ 3500' in 5.5" casing.
- 4) Fill hole with 1% KCL clean water and test to 500 psi . Test backside 7' to determine if any indications of cement isolation up into 7" --- if 7" annulus has pressure integrity, RUN CBL prior to next step.
- 5) RU wireline, RIH with perforating gun and shoot 3 squeeze holes (180 phasing) @ 3495', POOH gun.
- 6) RIH with tubing and cement retainer, set retainer @ 3485' (10' above squeeze holes), establish circulation with fresh water to surface, pump 2 bbl. dyed water, pump 273 cubic feet of cement (25% excess) to circulate to surface. Pump tubing volume of water (13 bbl.), pull out of cement retainer, and circulate clean, POOH tubing, SDON, WOC.
- 7) If cement circulates to surface proceed to step 8), if it does not circulate to surface run (CBL) cement bond log to determine TOC.
- 8) Test casing to 2,000 psi or maximum expected frac pressure.
- 9) Rig up wireline, perforate BOTH ZONES as per Lucas Bazan's procedure.
- 10) Rig up service company, break down perfs and frac (single stage PC/FC) as per Bazan's procedure.
- 11) Flow back energized fluids until well dies or settles down, strip in hole 2-3/8" tubing string, clean out to 3400', Land tubing @ 3340' , obtain four hour stable rate test. . PU 50' above top perf and run spinner across interval (and tracer log, if frac tagged). POOH tubing SEND TESTS TO TRIGON/CHRISTINE VALVATNE, for C-104 and DHC application (Check w/ Engr if spinner allocation test will suffice. If so, skip next step -- #12)
- 12) TIH with 2-3/8" tubing and set RBP @ 3338', pull up to 3315' and test FC, obtain four hour stabilized test. POOH tubing standing back.
- 13) RIH with 4-3/4" bit on 6 drill collars and 2-3/8" work string, drill out bridge plug @ 3500', clean out to PBTD @ 5660', POOH, stand back tubing, lay down collars and bit.
- 14) RIH 2.375" production tubing with mule shoe and SN on bottom, land tubing @ 5528'. 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.

District I
1525 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

Form C-107A
Revised May 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

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

APPLICATION FOR DOWNHOLE COMMINGLING

CONOCO, INC. P.O. BOX 2197 DU 3084 HOUSTON TX 77252
Operator Address
SAN JUAN 28-7 21 N 9 28N 7W RIO ARRIBA
Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 005073 Property Code 016608 API No. 30-039-07449 Lease Type X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BASIN FRUITLAND COAL	BLANCO PICTURED CLIFFS	BLANCO MESAVERDE
Pool Code	71629	72359	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3182' - 3336' PROPOSED	3340' - 3390' PROPOSED	4988' - 5648'
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)	1,035	1,044	400 (current) 1250(orig)
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1,045	1,189	1,250
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. 120MCFPD	Date: Rates: EST. 62MCFPD	Date: Rates: CURRENT 75MCFPD
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? Yes No X
If not, have all working royalty and overriding royalty interest owners been notified by certified mail? 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-11363; 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

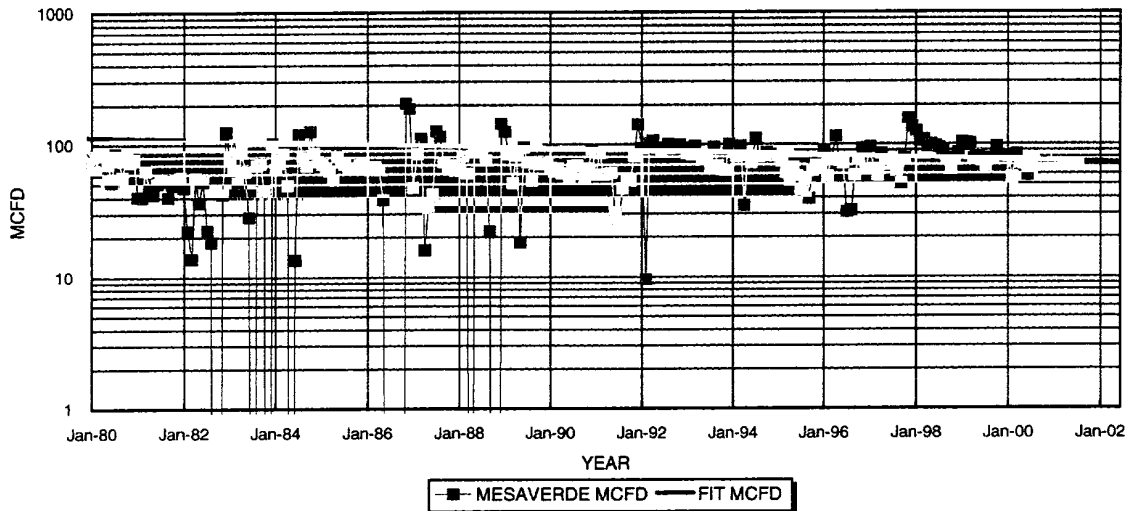
If application is to establish Pre-Approved Pools, the following additional information will be required:

- 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 6/13/2001
TYPE OR PRINT NAME DEBORAH MARBERRY TELEPHONE NO. (281)293-1005

**SJ 28-7 #21 MESAVERDE PRODUCTION
SECTION 09N-28N-07W, RIO ARRIBA COUNTY, NEW MEXICO**



MESAVERDE PRODUCTION		1ST PROD: 12/55	MESAVERDE PROJECTED DATA	
OIL CUM:	0.00	MBO	Jan.00 Qi:	77 MCFD
GAS CUM:	1588.8	MMCF	DECLINE RATE:	2.0% (EXPONENTIAL)
OIL YIELD:	0.0000	BBL/MCF	API #30-039-07449	

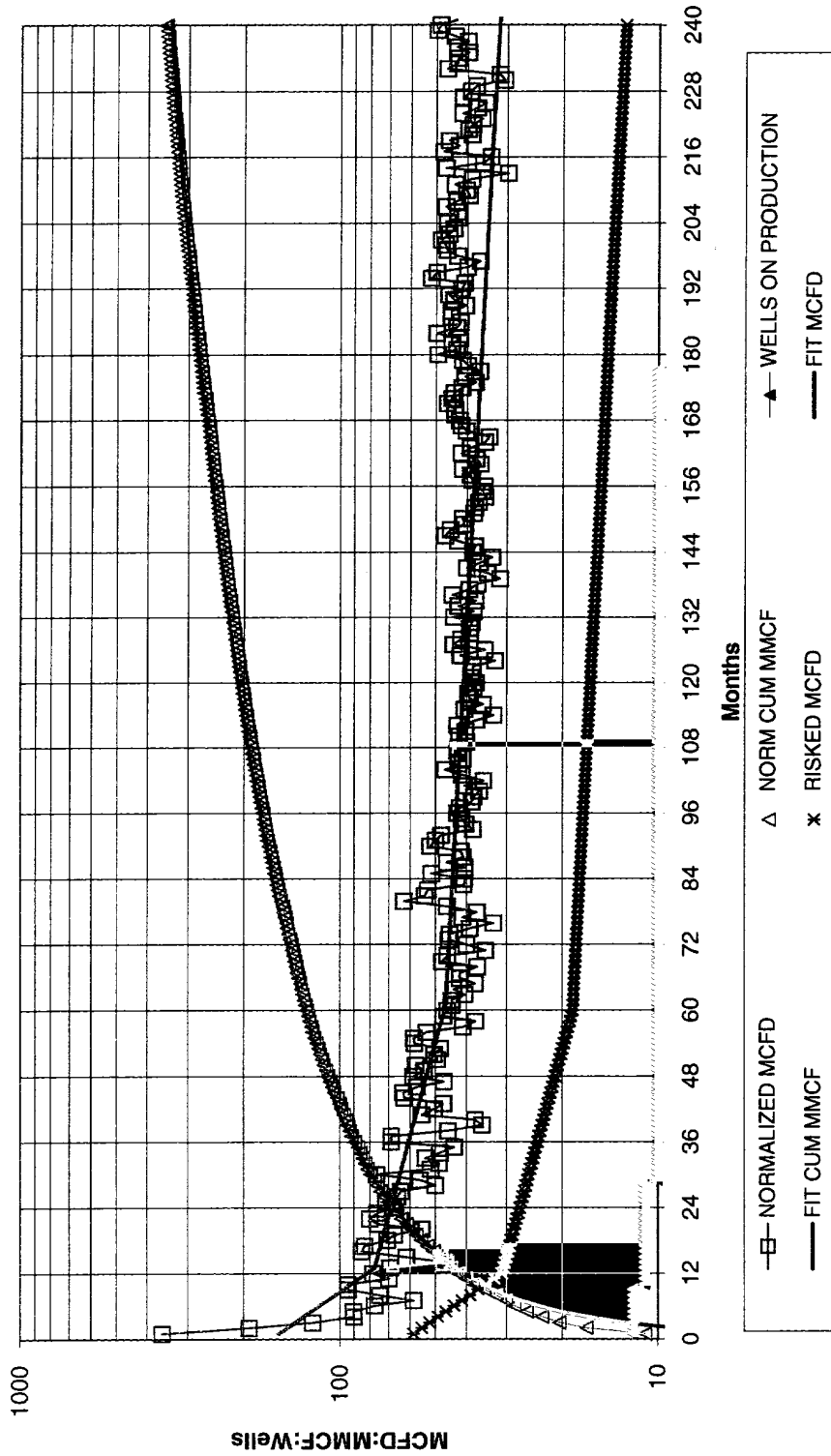
PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

NOTE: Current decline rate is approximately 2 %/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	76	0.0
2001	74	0.0
2002	73	0.0
2003	71	0.0
2004	70	0.0
2005	69	0.0
2006	67	0.0
2007	66	0.0
2008	65	0.0
2009	63	0.0
2010	62	0.0
2011	61	0.0
2012	60	0.0
2013	58	0.0
2014	57	0.0
2015	56	0.0
2016	55	0.0
2017	54	0.0
2018	53	0.0
2019	52	0.0
2020	51	0.0
2021	50	0.0
2022	49	0.0
2023	48	0.0
2024	47	0.0
2025	46	0.0
2026	45	0.0
2027	44	0.0
2028	43	0.0
2029	42	0.0
2030	41	0.0

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

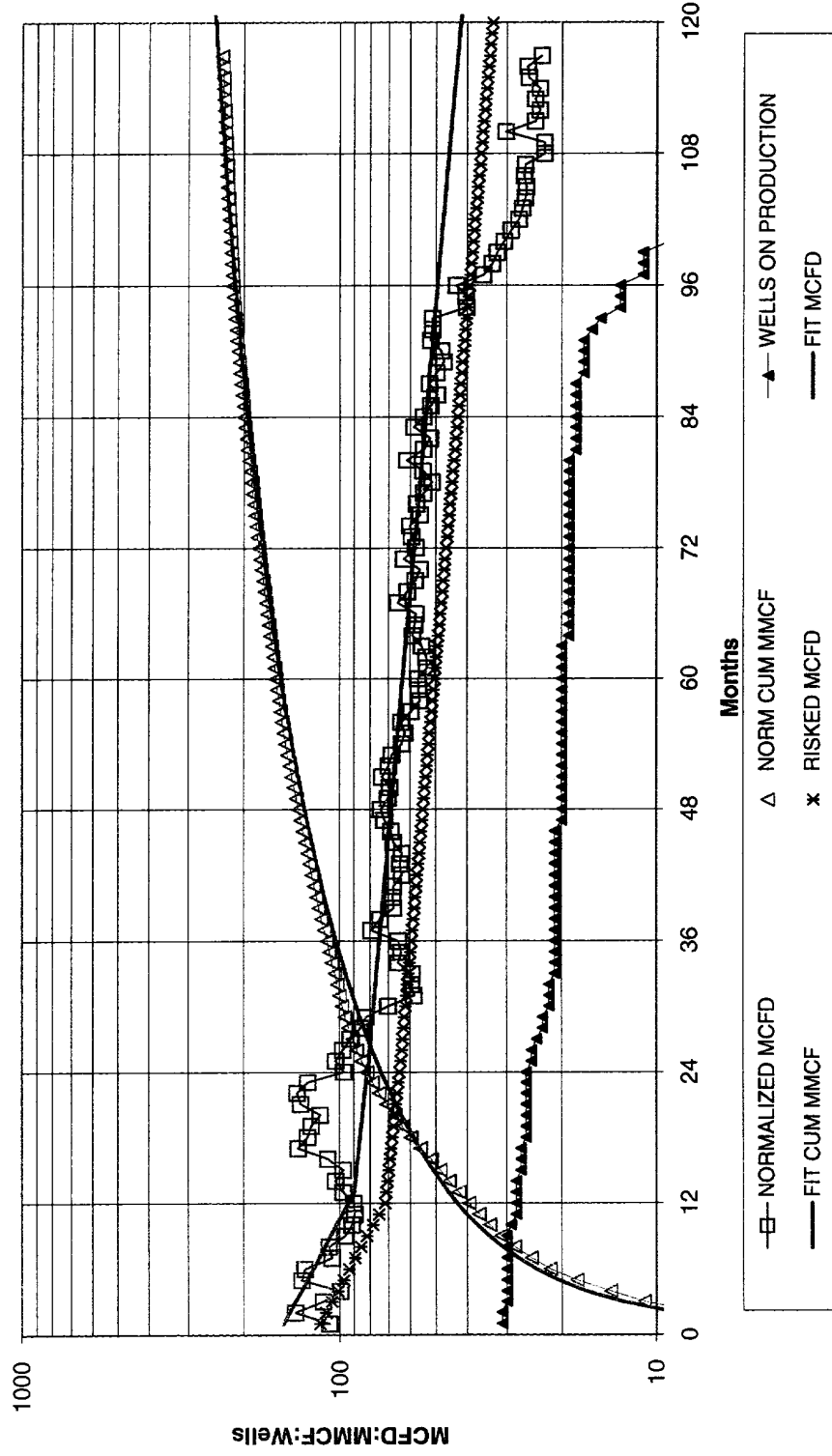


NORMALIZED AVG:	
699 MMCF EUR	155 MCFD IP
342 MMCF IN 20 YRS	50.0% DECLINE, 1ST 12 MONTHS
523 MMCF IN 40 YRS	12.0% DECLINE, NEXT 48 MONTHS
7 MCFD E.L.	2.5% FINAL DECLINE
0.0000 bbl/mcf oil yield	

RISKED AVG:	
219 MMCF EUR	62 MCFD IP
209 MMCF IN 40 YRS	50.0% DECLINE, 1ST 12 MONTHS
7 MCFD E.L.	12.0% DECLINE, NEXT 48 MONTHS
0.0000 bbl/mcf oil yield	2.5% FINAL DECLINE

Wells 28-7 1, 7, 10, 52, 71, 72, 75, 76, 91, 114, 266, 267.

NORMALIZED FRUITLAND COAL PRODUCTION 31 WELLS LOCATED IN 28-7 AND 27-7



<p>NORMALIZED AVG:</p> <p>363 MMCF EUR 350 MMCF IN 20 YRS 414 MMCF IN 40 YRS 15 MCFC E.L. 0.0000 bbl/mcf oil yield</p>	<p>150 MCFC IP 40.0% DECLINE, 1ST 12 MONTHS 10.0% DECLINE, NEXT 12 MONTHS 8.0% FINAL DECLINE</p>	<p>RISKED AVG:</p> <p>277 MMCF EUR 280 MMCF IN 20 YRS 15 MCFC E.L. 0.0000 bbl/mcf oil yield</p> <p>20% RISK</p> <p>120 MCFC IP 40.0% DECLINE, 1ST 12 MONTHS 10.0% DECLINE, NEXT 12 MONTHS 8.0% FINAL DECLINE</p>
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District I
1625 N. French Dr., Hobbs, NM 88240
District II
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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 30-039-07449		² Pool Code 72319		³ Pool Name BLANCO MESAVERDE	
⁴ Property Code 016608		⁵ Property Name SAN JUAN 28-7			⁶ Well Number 21
⁷ OGRID No. 005073		⁸ Operator Name CONOCO, INC.			⁹ Elevation

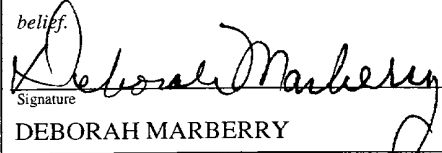
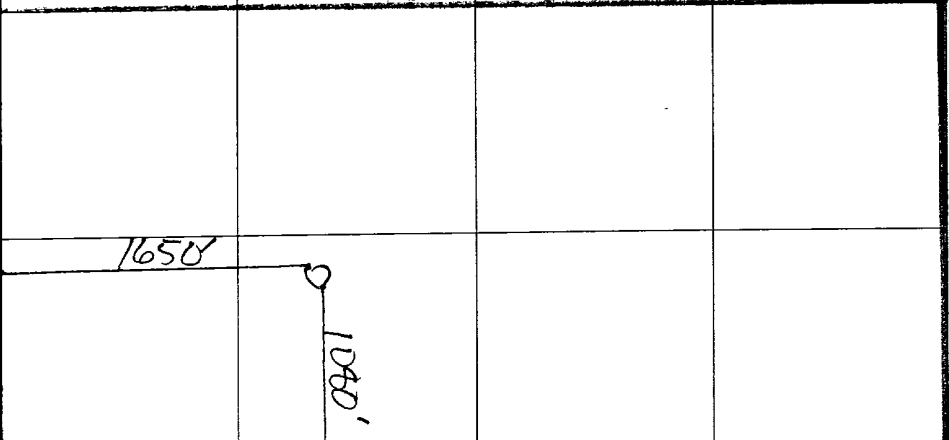
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	9	28N	7W		1080'	SOUTH	1650'	WEST	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>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 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	

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-07449		2 Pool Code 71629		3 Pool Name BASIN FRUITLAND COAL	
4 Property Code 016608		5 Property Name SAN JUAN 28-7			6 Well Number 21
7 OGRID No. 005073		8 Operator Name CONOCO, INC.			9 Elevation

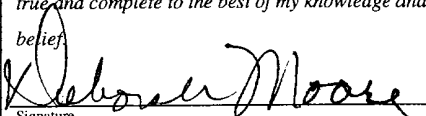
10 Surface Location

UL or lot no. N	Section 9	Township 28N	Range 7W	Lot Idn	Feet from the 1080'	North/South line SOUTH	Feet from the 1650'	East/West line WEST	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		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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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 5/24/2001 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	

1650'

1080'

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-07449		² Pool Code 72359	³ Pool Name BLANCO PICTURED CLIFFS	
⁴ Property Code 016608	⁵ Property Name SAN JUAN 28-7			⁶ Well Number 21
⁷ OGRID No. 005073	⁸ Operator Name CONOCO, INC.			⁹ Elevation

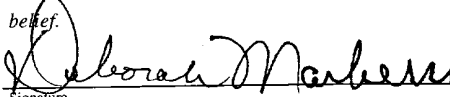
¹⁰ Surface Location

UL or lot no. N SE ¹ / ₄	Section 9	Township 28N	Range 7W	Lot Idn	Feet from the 1080'	North/South line SOUTH	Feet from the 1650'	East/West line WEST	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 ¹³ Joint or Infill ¹⁴ Consolidation Code ¹⁵ Order No.									

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