TYPE OF WELL

NAME OF OPERATOR

Notice of Intent

CONOCO INC.

OIL WELL

2.

3.

4.

12.

UNITED STATES DEPARTMENT OF THE INTERIOR



FORM APPROVED Budget Burgau No. 1004-0135 Expires: March 31, 1993

BUREAU OF LAND MANAGEMENT LEASE DESIGNATION AND SERIAL NO. SF 078417 SUNDRY NOTICES AND REPORTS ON WELLS ALS ALS IF INDIAN, ALLOTTEE OR TRIBE NAME Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT-" for such proposals if the proposals in the proposals of the proposal of the proposal of the proposals of the proposal of the proposa IF UNIT OR CA, AGREEMENT DESIGNATION SUBMIT IN TRIPLICATE San Juan 28-7 WELL NAME AND NO. GAS WELL San Juan 28-7 Unit #246 OTHER API WELL NO. 30-039-21649 ADDRESS AND TELEPHONE NO. 10. FIELD AND POOL, OR EXPLORATORY AREA 10 Desta Drive, Suite. 100W Midland, Texas 79705-4500 (915) 686-5424 Blanco Mesa Verde LOCATION OF WELL (Footage, Sec., T., R., M., or Survey Description) 11. COUNTY OR PARISH, STATE 1150' FSL & 245' FEL, UNIT LETTER "P", Sec. 7, T28N-R7W Rio Arriba County, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Abandonment Change of Plans Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing Final Abandonment Notice Casing Repair Water Shut-Off Altering Casing Conversion to Injection Other: Pay Add Dispose Water Report results of multiple com npletion Report and Log Form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) See attached summary.

4.	I hereby certify that the foregoing is true and correct		
	SIGNED (LILL) (Chis space for Federal or State office use)	TITLE VERLA JOHNSON, As Agent for Conoco	Inc. DATE 8-12-99
	APPROVED BYConditions of approval, if any:	TITLE	DATE

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 (CAR) fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* See Instruction on Reverse Side

AUG 2 3 1999



FARMING.

CONOCO INC. San Juan 28-7 Unit #246

API #30-039-21649

1150' FSL & 245' FEL, UNIT LETTER "P" Sec. 7, T28N-R7W

7/15/99 Tbg=110#. Csg=310#. MI RU Key Energy Rig #5. Blow down & kill well w/ 2% KCL Wtr. ND WH. NU BOP. POOH w/ 182 Jts 2-3/8", EUE, 4.7#, 8rd, J55 tbg standing back & strapping.

7/16/99 Csg=310#. Blow down & kill well w/ 2% KCL wtr. NU Frac valve & "Y". MI RU BlueJet. RIH w/ 4-1/2" Halliburton composite plug to set plug @ 5650' KB. POOH. Load well w/90 bbls 2% KCL & press test plug & csg to 3000#. Holds OK. RIH w/ 3-18"HCS perf gun w/11gm charges. Shot 22 holes, MV (Menefee)@ 5388,91,94,97,5432,35,38,5504,07,10,13,16,22,25,28,31,34,66,69,71,75, & 75. POOH. MI RU BJ Services Press test lines to 4000#. Break down, Acidize & Ball off as follows: Break down w/ 18 bbls 2% KCL. Broke @ 2600# @ 8.6 bpm. ISIP=250#. Pumped 500 gal 15% HCL, dropping 33, 1.1sg ball sealers, equally through the job. Flushed w/ 95 bbls KCL. Avg TP=2000#. Avg rate=9 bpm. Balled Off. RIH w/ wireline to retrieve ball sealers. Counted 21 good hits.

7/19/99 MI RU BJ Services. Test lines. Pump Slickwater frac to Menefee. 1373 BBLs 1% KCL 47gal Inflo-150, & 27 gal FRW-30. MinTP=1990#, MaxTP=2580#, AvgTP=2500#. Avg Inj rate=51 bpm. ISIP=140#. RD MO BJ. ND frac valve & Y. RU flow "T". PU Baker Metal Muncher RIH w/2-3/8" tbg to 3860'. RU 6" blewy line. Start unloading well w/1gas compr. 1 Compr will not start.

7/20/99 Csg=0#. RIH w/ Tbg to 5627'. No gas. POOH to 5123' Left well SI overnight.

<u>7/21/99</u> Tbg=30# Csg=580#. RU hard line, would not unload. Blow down Csg. RIH w/16 jts tbg Unload well w/ gas compr. Flowed 1/2" choke. Well still bringing wtr. POOH w/ tbg to 5438'. Press. Well w/ gas compr. Left to flow thru 1/2" choke overnight w/ Drywatch.

7/22/99 Flowed thru 1/2" choke. FTP=60# =(396 Mcf/d), Csg=380#. Removed 1/2' choke, Irt flow 2". Well bringing wtr, Csg dropped to 240# then started loading up again. RIH w/ tbg to 5627', Unloaded well w/gas compr. Flow thu 2". POOH w/ 6 jts left well w/Drywatch.

7/23/99 Flowed 2" full open. FTP= 15# Csg =240#. Est 400 Mcf/d. Blow down well. RIH w/6 jts to 5624' RU gas compr. Unload well w/gas compr. Flow thru 2" full open. Less water. POOH w/ 6 jts. to 5438' Press. well w/gas compr. Installed 1/2" choke and left flowing w/ Drywatch.

T/26/99 Flowed over the weekend. FTP=50#, Csg= 235# Est 330 Mcf/d, 2 BWPD, & 1/2 BOPD. RD Blewwy line. POOH w/ tbg standing back. MI w/ BlueJet. RIH w/ wireline & set Hali. composite plug @ 5360' KB. POOH. Load hole w/ 85 bbls to press test plug, frac valve & Y to 3000#. Holds OK. RIH w/ wireline 3-18" HCS perf gun w/ 11gm charges to perf MV (Cliffhouse) w/32 shots (.32"). perf @1spf@5137,39,42,44,47,49,56,58,82,87,89,96,5202,04,08,15,18,21,37,39,53,55,61,63,68,73,75,7 9,84,88,97, &99' POOH. MI RU BJ Services. Pumped 500 gal 15% HCL acid & flushed w/ 81 bbl 1% KCL. Dropping 48, 1.1 sg ball sealers throughout the job. Avg 9 bpm @ 500#. Balled-off good. RIH retrieve 40 ball sealers. Counted 31 good hits. RD BlueJet. RU BJ to pump Frac. Pumped slickwater only frac (No sand), w/ 1466 bbls 1% KCL wtr w/FRW-30 and Inflo-150 chem added. AvgTP=2400#, MaxTP=2600#, Avg Inj rate= 54 BPM. ISIP=200#. 5 Min= vac. RD & release BJ. PU Metal Muncher bit & RIH w/ tbg to 4616'. Start gas compr. Start to unload well.

7/27/99 Tbg=0#, Csg=0#. RIH w/ tbg to 5123'. Unload well w/ gas compr. making water. Let flow for the rest of the day.

<u>7/28/99</u> SITP=480#, SICP=550#. Csg. press. 345# Tbg. Press.10#. Well loaded up, during drywatch, will unload well and start flow again.

<u>7/29/99</u> Csg press. 340#, tbg. press. 10# flowing thur. 2" tbg. still making some water. Rig up gas comp. unload well with comp. Rig up to flow thur 1/2" choke, dry watch.

CONOCO INC. San Juan 28-7 Unit #246

API #30-039-21649

1150' FSL & 245' FEL, UNIT LETTER "P" Sec. 7, T28N-R7W

7/30/99 Csg. press. 340 #, tbg. press. 60#, 373 MCF rate, still making water. RD choke, RU comp. clean and unload well. RU 1/2" choke for flow, drywatch.

8/2/99 Csg press. 330#, tbg. press. 80#, 498MCF rate. Making very little water. Drywatch well.

8/3/99 80# tbg. Press. 340# csg. Press. est. rate 498 MCF thur. 1/2" choke, very little water. Blow well down, RIH with mill tag up plug at 5360.0". Mill out plug. Unloaded. RIH to 2nd plug at 5600.0', mill out plug. Unloaded. RIH tag up on plug. PU unload. POOH with tbg. and mill. RIH with MS, SN, and 182 joints of 2 3/8" tbg. Land well, charge up, well started to flow up tbg. Well making water. Drywatch.

8/4/99 Tbg. press. 50#, csg. press. 450#, Well still making some water. Flow well to clean up. Blew well down, land tbg. with 182 joints at 5755', NDBOP, NUWH. Unload well, clean up kill fluids. Put well on production. RD pulling unit, clean up, ready to move. Well flow rate at 1.6MCF