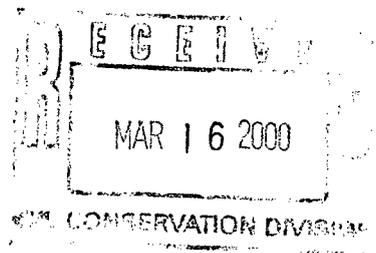




March 15, 2000

New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505
Attn: D. Catanach



RE: Gage #3
Sec. 20, T30N, R10W
API# 30-045-23146

David:

Conoco is requesting to change our allocation based on the following BLM Sundry and attached production forecast.

If you need additional information please give me a call at (281) 293-1005. Thank you for your time.

Sincerely,

Deborah Moore
Regulatory Analyst

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM 03567
2. Name of Operator CONOCO, INC.	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. Box 2197 DU 3066 Houston, TX 77252-2197 (281) 293-1005	7. If Unit or CA, Agreement Designation 5930001160
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) G3, SEC. 20, T30N, R10W 1830' FNL & 1795' FEL	8. Well Name and No. GAGE #3
	9. API Well No. 30-045-23146
	10. Field and Pool, or Exploratory Area 71599 / 72319
	11. County or Parish, State Sandoval, NM

12. CHECK APPROPRIATE BOX(S) 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"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other allocation change
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion 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.)*

Conoco requests a new allocation for this well based on the attached production forecast.

14. I hereby certify that the foregoing is true and correct

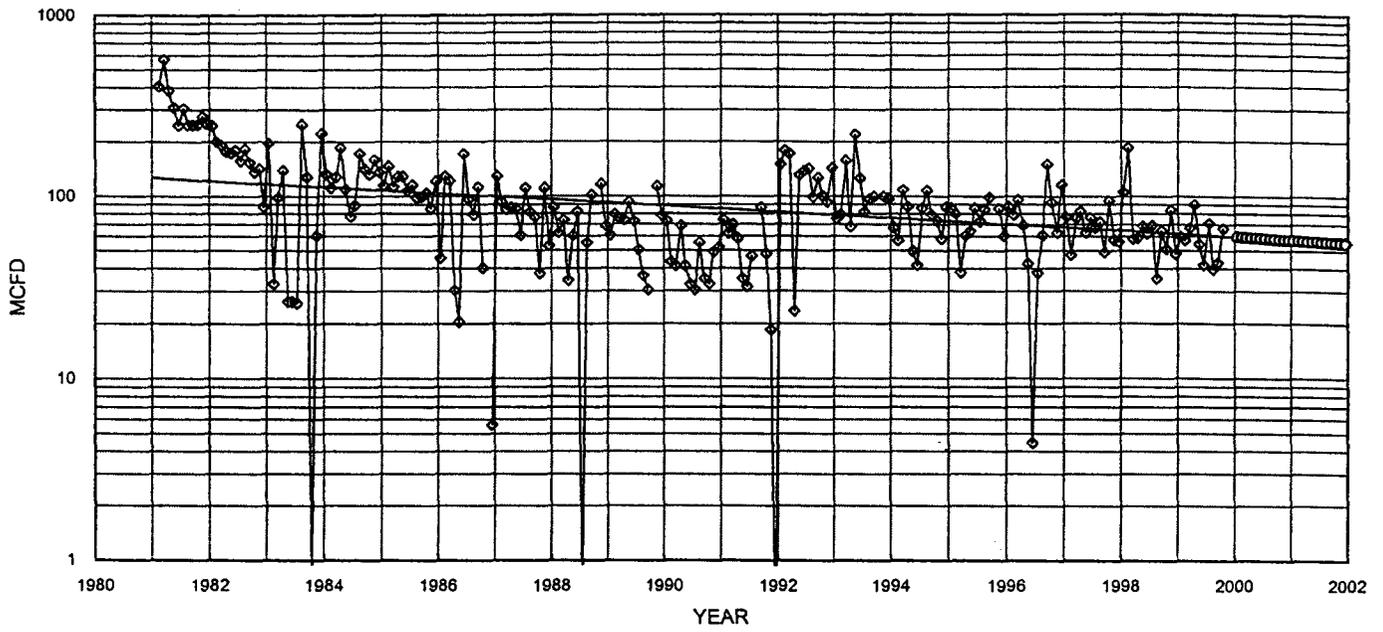
Signed *[Signature]* Title Regulatory Analyst Date 3/15/00

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

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.

**GAGE #3 DAKOTA PRODUCTION
SECTION 20G-30N-10W**



◆ DK Mcfd ● FIT MCFD — Historical Fit

DAKOTA HISTORICAL DATA	1ST PROD: 8/61	DAKOTA PROJECTED DATA
OIL CUM: 0.3 MBO		1/1/00 Q1: 60 MCFD
GAS CUM: 663.1 MMCF		DECLINE RATE: 4.00% (EXPONENTIAL)
OIL YIELD: 0.0004 BBL/MCF		OIL YIELD: 0.0000 BBL/MCF, LAST 3 YEARS

YEAR	MID-YEAR AVG MCFD	MID-YEAR AVG BOPD
2000	59	0.00
2001	56	0.00
2002	54	0.00
2003	52	0.00
2004	50	0.00
2005	48	0.00
2006	46	0.00
2007	44	0.00
2008	42	0.00
2009	41	0.00
2010	39	0.00
2011	37	0.00
2012	36	0.00
2013	34	0.00
2014	33	0.00
2015	32	0.00
2016	30	0.00
2017	29	0.00
2018	28	0.00
2019	27	0.00
2020	26	0.00
2021	25	0.00
2022	24	0.00
2023	23	0.00
2024	22	0.00
2025	21	0.00
2026	20	0.00
2027	19	0.00
2028	19	0.00
2029	18	0.00

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION