Form 3160-3
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.: SF-078498

6. If Indian, Allottee or Tribe Name:

1a. Type of Work: ☒ DRILL ☐ REENTER

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

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

8. Lease Name and Well No.: SAN JUAN 28-7 UNIT 191F

2. Name of Operator: CONOCO INC.
Contact: VICKI WESTBY
E-Mail: Vicki.R.Westby@conoco.com

9. API Well No.: 30 039 27032

3a. Address: 10 DESTA DR., ROOM 608W
MIDLAND, TX 79705

3b. Phone No. (include area code): Ph: 915.686.5799 Ext: 5799

10. Field and Pool, or Exploratory: BLANCO MESAVERDE/BASIN DAK(

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface: NESE 1715FSL 670FEL

At proposed prod. zone:

11. Sec., T., R., M., or Blk. and Survey or Area: I Sec 33 T28N R7W Mer NMP

NOV 2004
OIL CONS. DIV.
DIST. 3

14. Distance in miles and direction from nearest town or post office*

12. County or Parish: RIO ARRIBA

13. State: NM

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)

16. No. of Acres in Lease

17. Spacing Unit dedicated to this well: 316.~~82~~ 48 E/2

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.

19. Proposed Depth: 7722 MD

20. BLM/BIA Bond No. on file

21. Elevations (Show whether DF, KB, RT, GL, etc.): 6629 GL

22. Approximate date work will start

23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature	Name (Printed/Typed)	Date
(Electronic Submission)	VICKI WESTBY	10/11/2002

Title: AUTHORIZED SIGNATURE

Approved by (Signature)	Name (Printed/Typed)	Date
/s/ Monica Kuehling		11/17/04
Title: AFM	Office: FFO	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

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.

Additional Operator Remarks (see next page)

Electronic Submission #14993 verified by the BLM Well Information System
For CONOCO INC., sent to the Farmington

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

NMOCD

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
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
30-039-27032	72319 / 71599	BLANCO MESAVERDE / BASIN DAKOTA

[4] Property Code	[5] Property Name	[6] Well Number
~~016608~~ 31739	SAN JUAN 28-7 UNIT	191F

[7] OGRID No.	[8] Operator Name	[9] Elevation
005073	CONOCO, INC.	6629'

[10] Surface Location

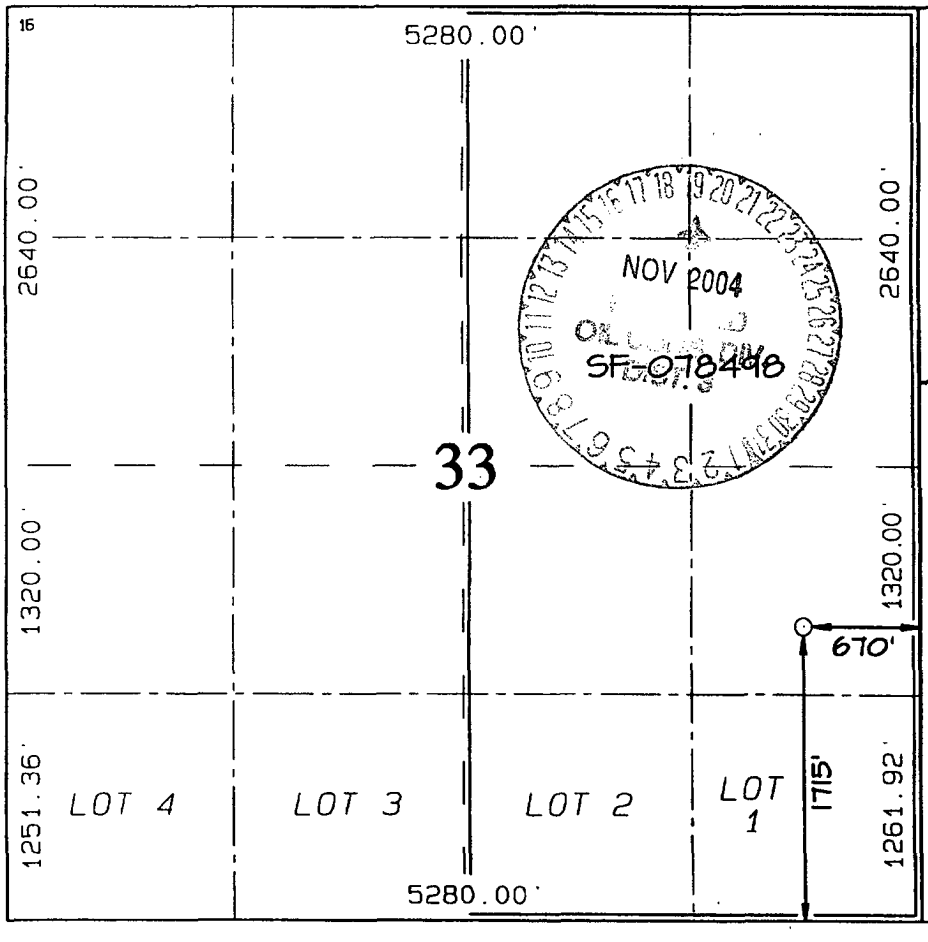
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	33	28N	7W		1715	SOUTH	670	EAST	RIO ARRIBA

[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.
316.32 ~~320~~ Acres - (E/2)			

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



[17] OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Vicki Westby
Signature

Vicki R. Westby
Printed Name

Sr. Title Analyst
Title

August 1, 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: JUNE 25, 2002

Signature and Seal of Professional Surveyor

JASON C. EDWARDS
NEW MEXICO
15269
REGISTERED PROFESSIONAL SURVEYOR

JASON C. EDWARDS
Certificate Number 15269

Form 3160-5
(August 1999)

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.
NMSF078565

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.
SAN JUAN 28-7 UNIT 191F

2. Name of Operator
CONOCOPHILLIPS COMPANY
Contact: VICKI WESTBY
E-Mail: VICKI.R.WESTBY@CONOCOPHILLIPS.COM

9. API Well No.
30-039-27032-00-X1

3a. Address
P O BOX 2197 WL 6106
HOUSTON, TX 77252

3b. Phone No. (include area code)
Ph: 915-368-1352

10. Field and Pool, or Exploratory
BASIN DAKOTA
MESAVERDE POINT LOOKOUT

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 33 T28N R7W NESE 1715FSL 670FEL

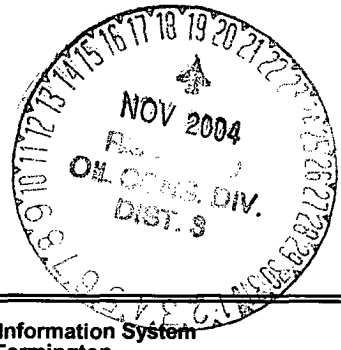
11. County or Parish, and State
RIO ARRIBA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Change to Original A PD
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 recomplete 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 recompletion 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.)

ConocoPhillips Company requests to submit a revised well plan for this well as shown on the attached documents.



14. I hereby certify that the foregoing is true and correct.
Electronic Submission #50761 verified by the BLM Well Information System
For CONOCOPHILLIPS COMPANY, sent to the Farmington
Committed to AFMSS for processing by ADRIENNE BRUMLEY on 11/16/2004 (05AXB0274SE)

Name *(Printed/Typed)* VICKI WESTBY — Title AGENT

Signature (Electronic Submission) — Date 11/08/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By [signature] — Title AFM — Date 11/17/04

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 FFO

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMOCD

ConocoPhillips

San Juan Business Unit

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 28-7 191F

Lease:	AFE #: 4391/4392			AFE $:
Field Name: EAST 28-7	Rig: Key Rig 43	State: NM	County: RIO ARRIBA	API #:
Geoscientist: Glaser, Terry J	Phone: (281) 293 - 6538	Prod. Engineer: Moody, Craig E.		Phone: (281) 293 - 6559
Res. Engineer: Valvatne, Christine K.	Phone:	Proj. Field Lead:		Phone: (281) 293 - 6517

Primary Objective (Zones):

Zone	Zone Name
FRR	BASIN DAKOTA (PRORATED GAS)
RON	BLANCO MESAVERDE (PRORATED GAS)

Location: Surface — **Straight Hole**

Latitude: 36.62	Longitude: -107.57	X:	Y:	Section: 33	Abstract: 7W
Footage X: 670 FEL	Footage Y: 1715 FSL	Elevation: 6629 (FT)	Survey: 28N		

Tolerance:

Location Type: Year Round | Start Date (Est.): | Completion Date: | Date In Operation:

Formation Data: Assume KB = 6642 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	213	6429	☐			12 1/4" Hole. 9 5/8", 32.3 ppf, H-40, STC casing. Circulate cement to surface.
NCMT	1177	5465	☐			
OJAM	2352	4290	☐			Possible water flows
KRLD	2502	4140	☐			
FRLD	2962	3680	☐			Possible gas
PCCF	3212	3430	☐			
LEWS	3412	3230	☐			
Intermediate Casing	3512	3130	☐			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
CHRA	4172	2470	☐			
CLFH	4862	1780	☐			Gas; possibly wet
MENF	5002	1640	☐			Gas
PTLK	5452	1190	☐	1300		Gas
MNCS	5702	940	☐			
GLLP	6692	-50	☐			
GRHN	7372	-730	☐			Gas possible, highly fractured
TWLS	7452	-810	☐			Gas
CBBO	7597	-955	☐			Gas
Total Depth	7722	-1080	☐	3000		6 1/4" Hole. 4 1/2", 11.6 ppf, N-80, LTC casing. Circulate cement a minimum of 100' inside the previous casing string. No open hole logs. Cased hole TDT with GR to surface.

Reference Wells:

Reference Type	Well Name	Comments

Logging Program:

Intermediate Logs: ☐ Log only if show ☐ GR/ILD ☐ Triple Combo

TD Logs: ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☑ TDT

Additional Information:

Printed on: 11/8/2004 9:55:40 AM

ConocoPhillips

San Juan Business Unit

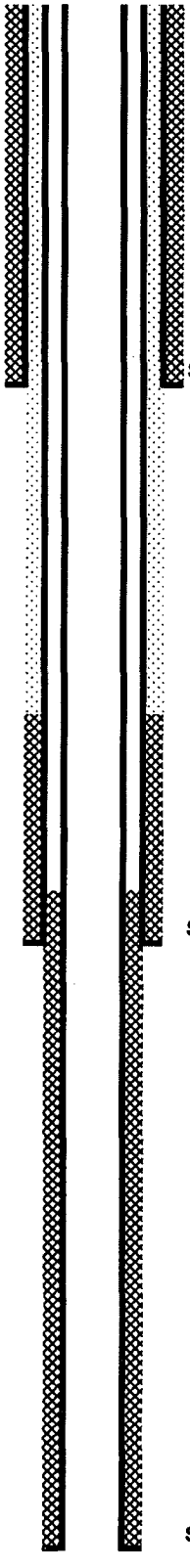
PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 28-7 191F

Comments: General/Work Description - Circulating for approval**

Drilling Mud Program:
Surface: spud mud
Intermediate: fresh water mud with bentonite & polymer as needed
Below Intermediate: air/nitrogen/mist drilling media with foamer, polymer & corrosion inhibitor as needed

San Juan 28-7 #191F



SURFACE CASING :

Drill Bit Diameter	12.25	"	
Casing Outside Diameter	9.625	"	Casing Inside Diam. 9.001 "
Casing Weight	32.3	ppf	
Casing Grade	H-40		
Shoe Depth	230	'	
Cement Yield	1.21	cuft/sk	
Excess Cement	125	%	
Cement Required	149	**sx**	

SHOE 230 ', 9.625 ", 32.3 ppf, H-40 STC

INTERMEDIATE CASING :

Drill Bit Diameter	8.75	"	
Casing Outside Diameter	7	"	Casing Inside Diam. 6.456 "
Casing Weight	20	ppf	
Casing Grade	J-55		
Shoe Depth	3512	'	
Lead Cement Yield	2.88	cuft/sk	
Lead Cement Excess	150	%	
Tail Cement Length	702.4	'	
Tail Cement Yield	1.33	cuft/sk	
Tail Cement Excess	150	%	
Lead Cement Required	350	**sx**	
Tail Cement Required	206	**sx**	

SHOE 3512 ', 7 ", 20 ppf, J-55 STC

PRODUCTION CASING :

Drill Bit Diameter	6.25	"	
Casing Outside Diameter	4.5	"	Casing Inside Diam. 4.000 "
Casing Weight	11.6	ppf	
Casing Grade	N-80		
Top of Cement	3312	'	200' inside intermediate casing
Shoe Depth	7722	'	
Cement Yield	1.45	cuft/sk	
Cement Excess	50	%	
Cement Required	463	**sx**	

SHOE 7722 ', 4.5 ", 11.6 ppf, N-80 STC

9-5/8 Surface Casing		
Cement Recipe	Class C Standard Cement	
	+ 3% Calcium Chloride	
	+0.25 lb/sx Flocele	
Cement Volume	149	sx
Cement Yield	1.21	cuft/sx
Slurry Volume	179.8	cuft
	32.0	bbls
Cement Density	15.6	ppg
Water Required	5.29	gal/sx

7" Intermediate Casing		
Lead Slurry		
Cement Recipe	Standard Cement	
	+ 3% Econolite (extender)	
	+ 10 lb/sx Pheno Seal	
Cement Required	350	sx
Cement Yield	2.88	cuft/sx
Slurry Volume	1008.3	cuft
	179.6	bbls
Cement Density	11.5	ppg
Water Required	16.91	gal/sx

7" Intermediate Casing		
Tail Slurry		
Cement Slurry	50 / 50 POZ:Standard Cement	
	+ 2% Bentonite	
	+ 6 lb/sx Pheno Seal	
Cement Required	206	sx
Cement Yield	1.33	cuft/sx
Slurry Volume	273.6	cuft
	48.7	bbls
Cement Density	13.5	ppg
Water Required	5.52	gal/sx

4-1/2" Production Casing		
Cement Recipe	50 / 50 POZ:Standard Cement	
	+ 3% Bentonite	
	+ 3.5 lb/sx PhenoSeal	
	+ 0.2% CFR-3 Friction Reducer	
	+ 0.1% HR-5 Retarder	
	+ 0.8% Halad-9 Fluid Loss Additive	
Cement Quantity	463	sx
Cement Yield	1.45	cuft/sx
Cement Volume	671.6	cuft
	119.6	
Cement Density	13.1	ppg
Water Required	6.47	gal/sx

9-5/8 Surface Casing		
Cement Recipe	Class G Standard Cement	
	+ 2% S001 Calcium Chloride	
	+0.25 lb/sx D029 Cellophane Flakes	
Cement Volume	148	sx
Cement Yield	1.16	cuft/sx
Cement Volume	171.5	cuft
Cement Density	15.8	ppg
Water Required	4.983	gal/sx

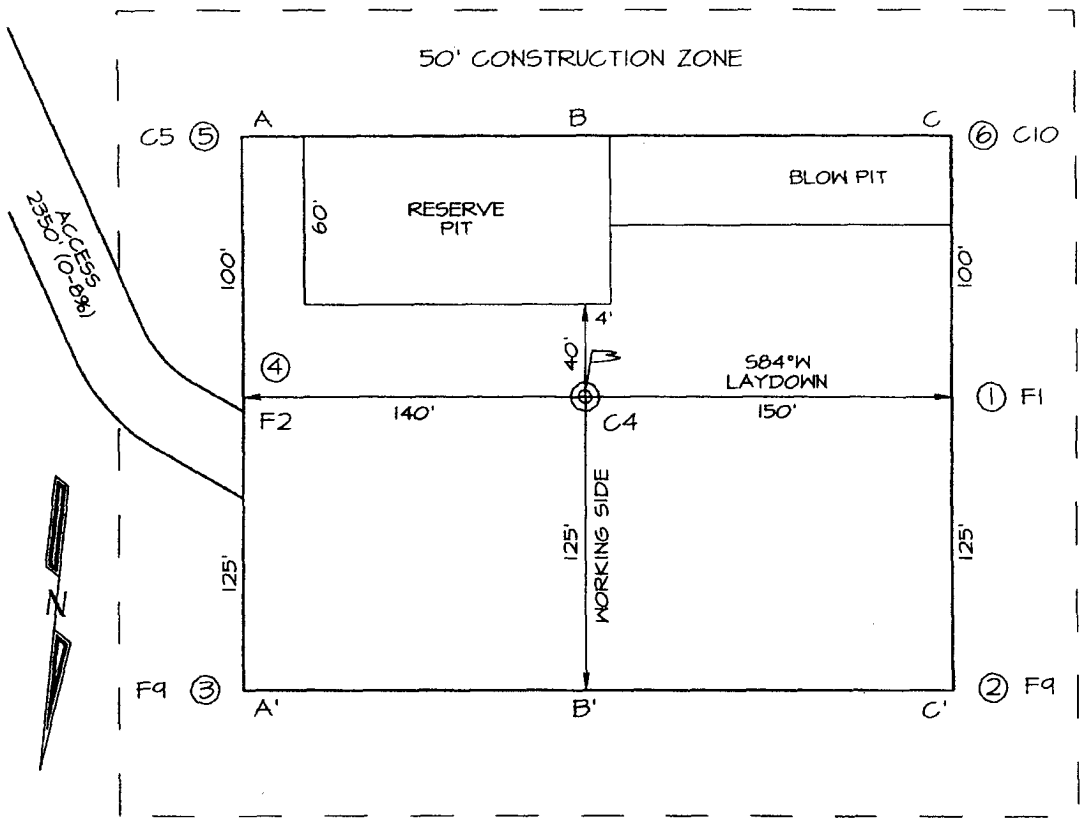
7" Intermediate Casing		
Lead Slurry		
Cement Recipe	Class G Standard Cement	
	+0.25 lb/sx D029 Cellophane Flakes	
	+ 3% D079 Extender	
	+ 0.20% D046 Antifoam	
	+ 10 lb/sx Pheno Seal	
Cement Required	371	sx
Cement Yield	2.72	cuft/sx
Slurry Volume	1009.6	cuft
	179.8	bbls
Cement Density	11.7	ppg
Water Required	15.74	gal/sx

7" Intermediate Casing		
Tail Slurry		
Cement Slurry	50 / 50 POZ:Standard Cement	
	+0.25 lb/sx D029 Cellophane Flakes	
	+ 2% D020 Bentonite	
	+ 1.5 lb/sx D024 Gilsonite Extender	
	+ 2% S001 Calcium Chloride	
	+ 0.10% D046 Antifoam	
	+ 6 lb/sx Pheno Seal	
Cement Required	209	sx
Cement Yield	1.31	cuft/sx
Slurry Volume	273.5	cuft
	48.7	bbls
Cement Density	13.5	ppg
Water Required	5.317	gal/sx

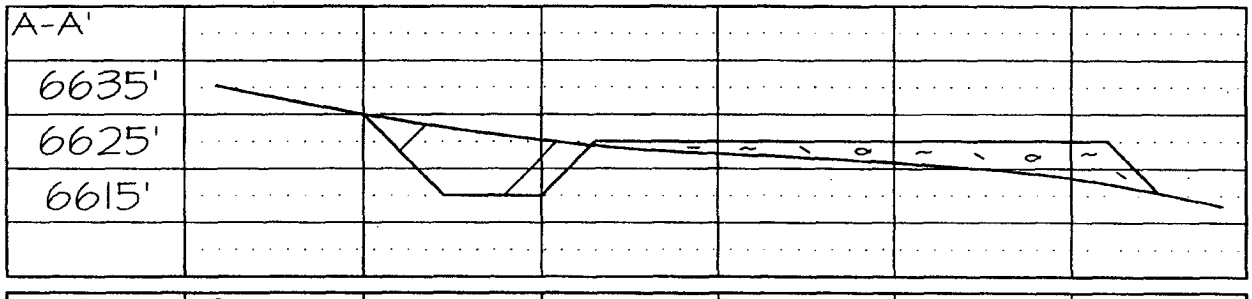
4-1/2" Production Casing		
Cement Recipe	50 / 50 POZ:Class G Standard Cement	
	+0.25 lb/sx D029 Cellophane Flakes	
	+ 3% D020 Bentonite	
	+ 1.0 lb/sx D024 Gilsonite Extender	
	+ 0.25% D167 Fluid Loss	
	+ 0.15% D065 Dispersant	
	+ 0.1% D800 Retarder	
	+ 0.1% D046 Antifoamer	
	+ 3.5 lb/sx PhenoSeal	
Cement Quantity	466	sx
Cement Yield	1.44	cuft/sx
Cement Volume	671.3	cuft
	119.6	
Cement Density	13	ppg
Water Required	6.43	gal/sx

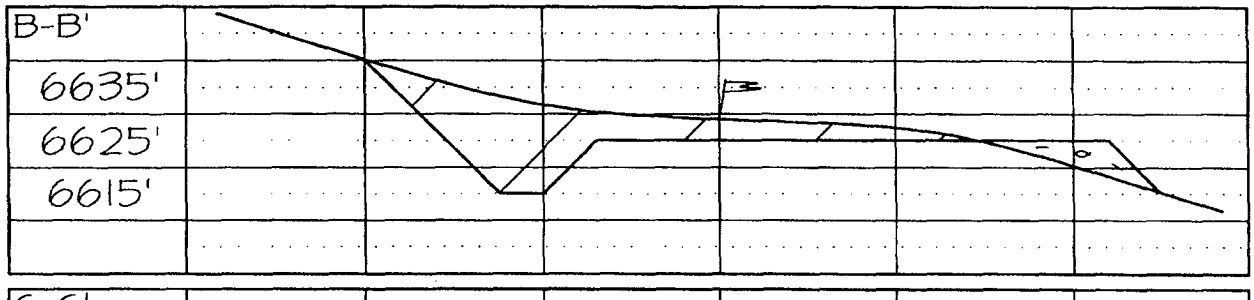
CONOCO, INC. SAN JUAN 28-7 UNIT #191F
1715' FSL, 670' FEL, SECTION 33, T28N, R7W, NMPM
RIO ARRIBA COUNTY, NEW MEXICO GROUND ELEVATION: 6629'

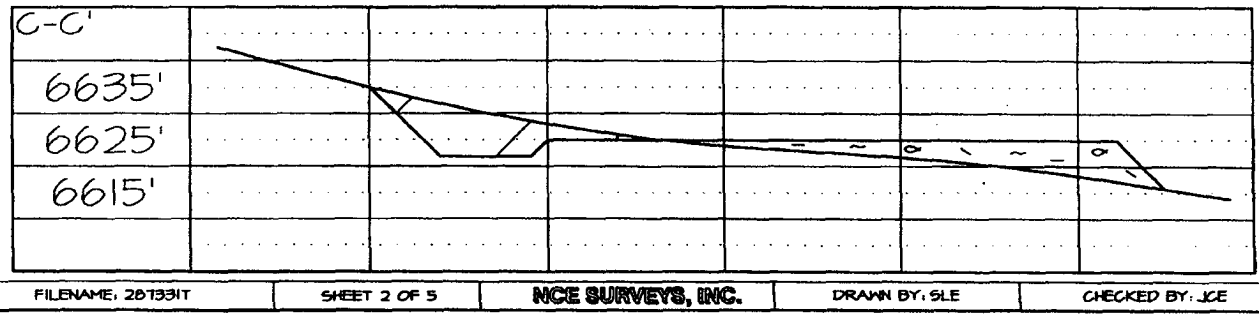
LATITUDE: 36°36'55.38"
LONGITUDE: 107°34'17.31"
DATUM: NAD1927



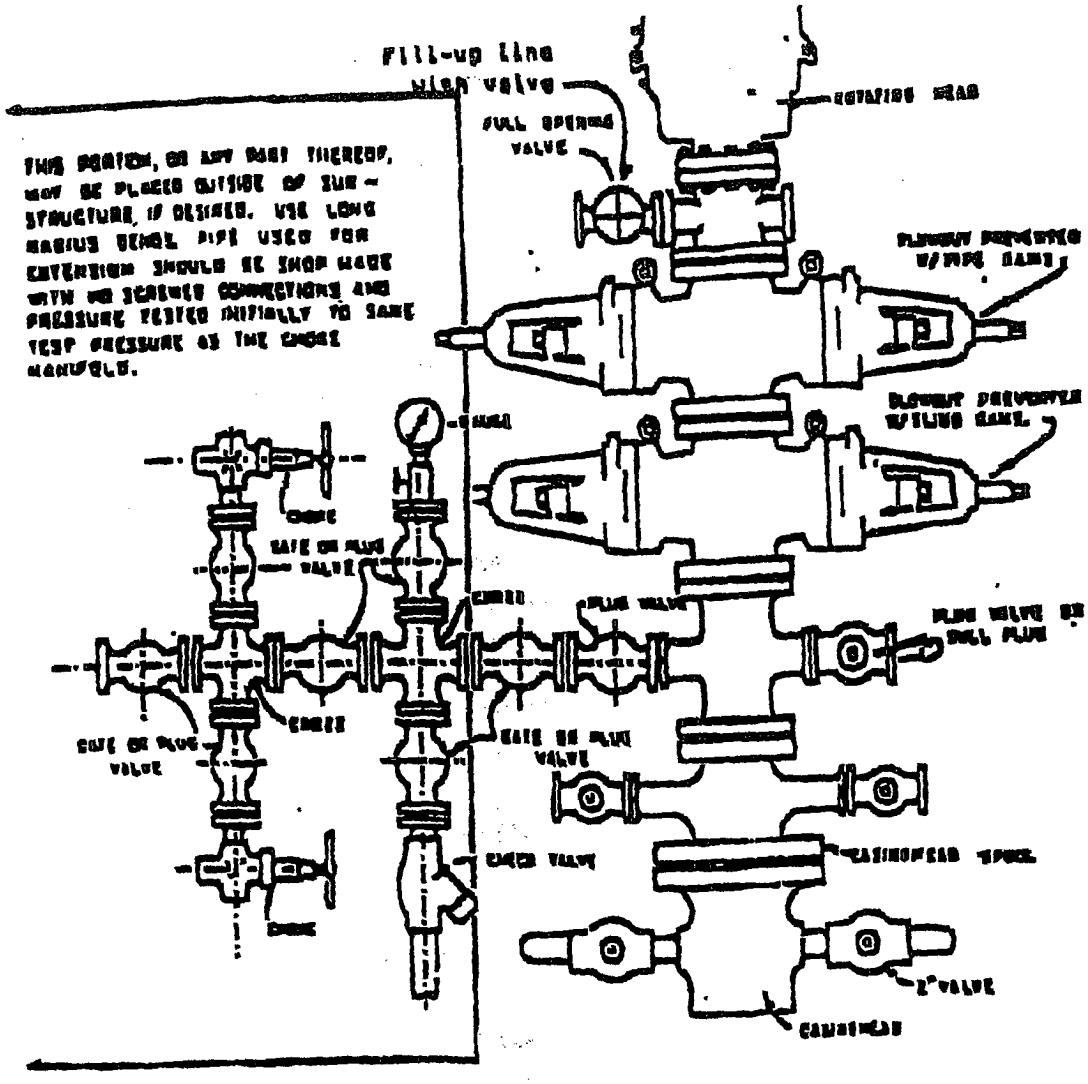
PLAT NOTE:
SURFACE OWNER Bureau of Land Management







FILENAME: 28T33IT	SHEET 2 OF 5	NCE SURVEYS, INC.	DRAWN BY: SLE	CHECKED BY: JCE



BLOWOUT PREVENTER HOOKUP

Drilling contractors used in the San Juan Basing supply 3000 psi equipment, but cannot provide annular preventors because of substructure limitations. Maximum anticipated surface pressures for this well will not exceed the working pressure of the proposed BOP system. Please see the attached BOP diagram details 2000 psi equipment according to Onshore Order No. 2 even though the equipment will test to 3000 psi. The 2000 psi system allows deletion of the annular preventor and fulfills your requirements (note diagram No. 1). In addition, the following equipment will comprise the 2000 psi system:

1. Two rams with one blind and one pipe ram.
2. Kill line (2 inch maximum).
3. One kill line valve.
4. One choke line valve.
5. Two chokes (reference diagram No. 1).
6. Upper kelly cock valve with handle.
7. Safety valve and subs to fit all drill strings in use.
8. Two-inch minimum choke line.
9. Pressure gauge on choke manifold.
10. Fill-up line above the upper most preventor.
11. Rotating head.

Cathodic Protection System Description

Anode Bed Type	Deep Well	
Hole Size	8"	
Hole Depth	200' - 500'	As required to place anodes below moisture and in low resistance strata.
Surface Casing	8" Diam., ≥ 20' Length. Cemented In Annular Space	When needed, casing will be installed at an adequate depth to control ground water flow. Casing will extend a minimum of 2' above grade, be surrounded by a concrete pad, and sealed with a PVC cap. Steel casing will be substituted when boulders are encountered.
Vent Pipe	1" Diam. PVC	Vent pipe will extend from bottom of hole, through top of casing cap, and sealed with a 1" perforated PVC cap.
Type Of Anodes	Cast Iron Or Graphite	
Number Of Anodes	8 - 20	Sufficient quantity to achieve a total anode bed resistance of <1 ohm and a design life ≥ 20 years.
Anode Bed Backfill	Loresco SW Calcined Petroleum Coke Breeze	Installed from bottom of hole to 10' above top anode.
Anode Junction Box	8 - 20 Circuit Fiberglass Or Metal	Sealed to prevent insect & rodent intrusion.
Current Splitter Box	2 - 5 Circuit Metal	Sealed to prevent insect & rodent intrusion.
DC / AC Cable	DC: #2, #4, #6, #8 Stranded Copper (One Size Or Any Combination Of) With High Molecular Weight Polyethylene (HMWPE) Insulation. AC: #8 Stranded Copper HMWPE	18" depth in typical situation. 24" depth in roadway, & 36" depth in arroyo's and streams. EXCEPTION: If trenching is in extremely hard substratum, depth will be 8 - 12" with cable installed in conduit. Installed above foreign pipelines if 1' clearance is available. If not, installed under foreign pipeline with 1' clearance (AC cable always installed under foreign pipeline in conduit).
Power Source	1) Rectifier 2) Solar Power Unit 3) Thermoelectric Generator	Choice of power source depending on availability of AC & other economic factors.
External Painting	Color to be selected according to BLM specifications.	Paint applied to any surface equipment associated with the CP system which can reasonably be painted.