

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

1a. Type of Work: ☒ DRILL ☐ REENTER		5. Lease Serial No. CONTRACT 100
1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator CONOCO INC.		7. If Unit or CA Agreement, Name and No. 18021
Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conoco.com		8. Lease Name and Well No. JICARILLA D 21
3a. Address 10 DESTA DR., ROOM 608V/ MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 915.686.5799 Ext: 5799	9. API Well No. 70 839 26838
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESW 1170FSL 1590FWL At proposed prod. zone		10. Field and Pool, or Exploratory BLANCO MESAVERDE
14. Distance in miles and direction from nearest town or post office*		11. Sec., T., R., M., or Blk. and Survey or Area N Sec 30 T26N R3W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest orig. unit line, if any)	16. No. of Acres in Lease OCT 2001	12. County or Parish RIO ARRIBA
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 6373 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 7250 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well 294.24 320 w/p
23. Estimated duration		20. BLM/BIA Bond No. on file

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. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 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). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature	Name (Printed/Typed) VICKI WESTBY	Date 08/31/2001
Title AUTHORIZED SIGNATURE		
Approved by (Signature) S W Anderson	Name (Printed/Typed)	Date OCT 5 2001
Title Asst Field Mgr	Office	

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 #6923 verified by the BLM Well Information System
For CONOCO INC., sent to the Rio Puerco
Committed to AFMS for processing by Angie Medina-Jones on 09/04/2001 ()

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

*API Number 30039-26838		*Pool Code 72319 / 72319	*Pool Name BLANCO MESAVERDE / BLANCO MESAVERDE
*Property Code 18021	*Property Name JICARILLA D		*Well Number 21
*OGRID No. 005073	*Operator Name CONOCO, INC.		*Elevation 7250'

10 Surface Location

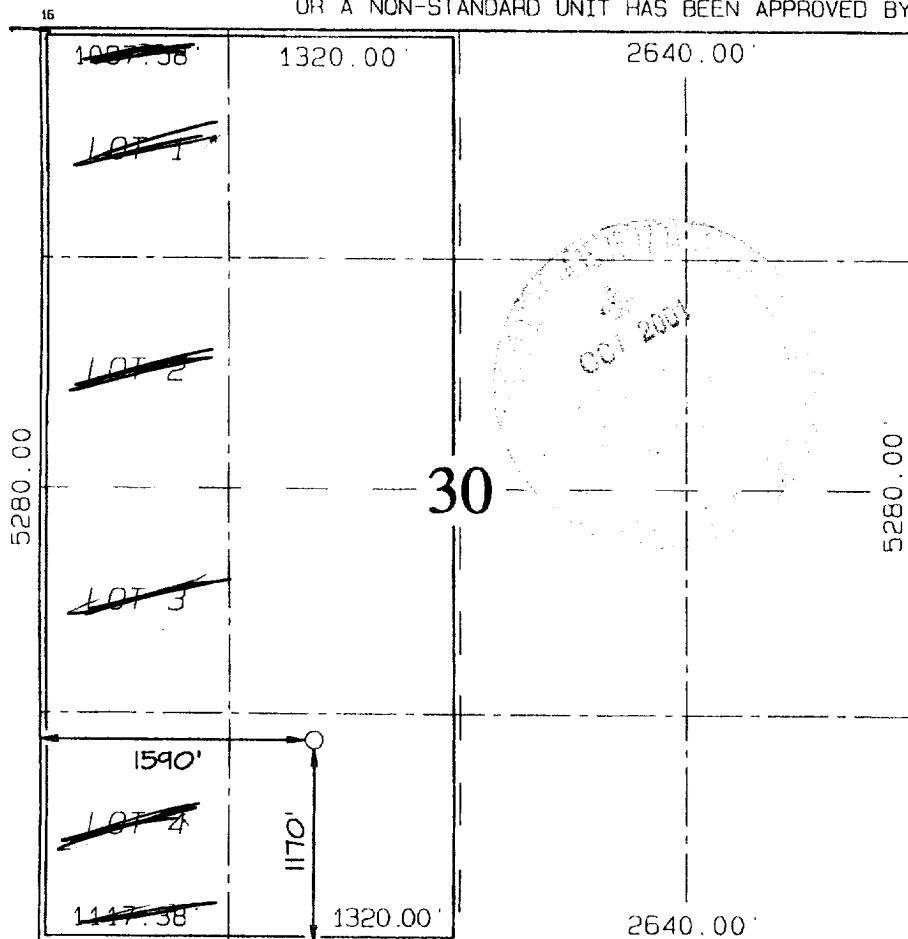
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	30	26N	3W		1170	SOUTH	1590	WEST	RIO ARriba

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 320 204.24 Acres (N/2)	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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.

Kim Southall
Signature
Kim Southall
Printed Name
Property Analyst
Title
June 13, 2001
Date

18 SURVEYOR CERTIFICATION

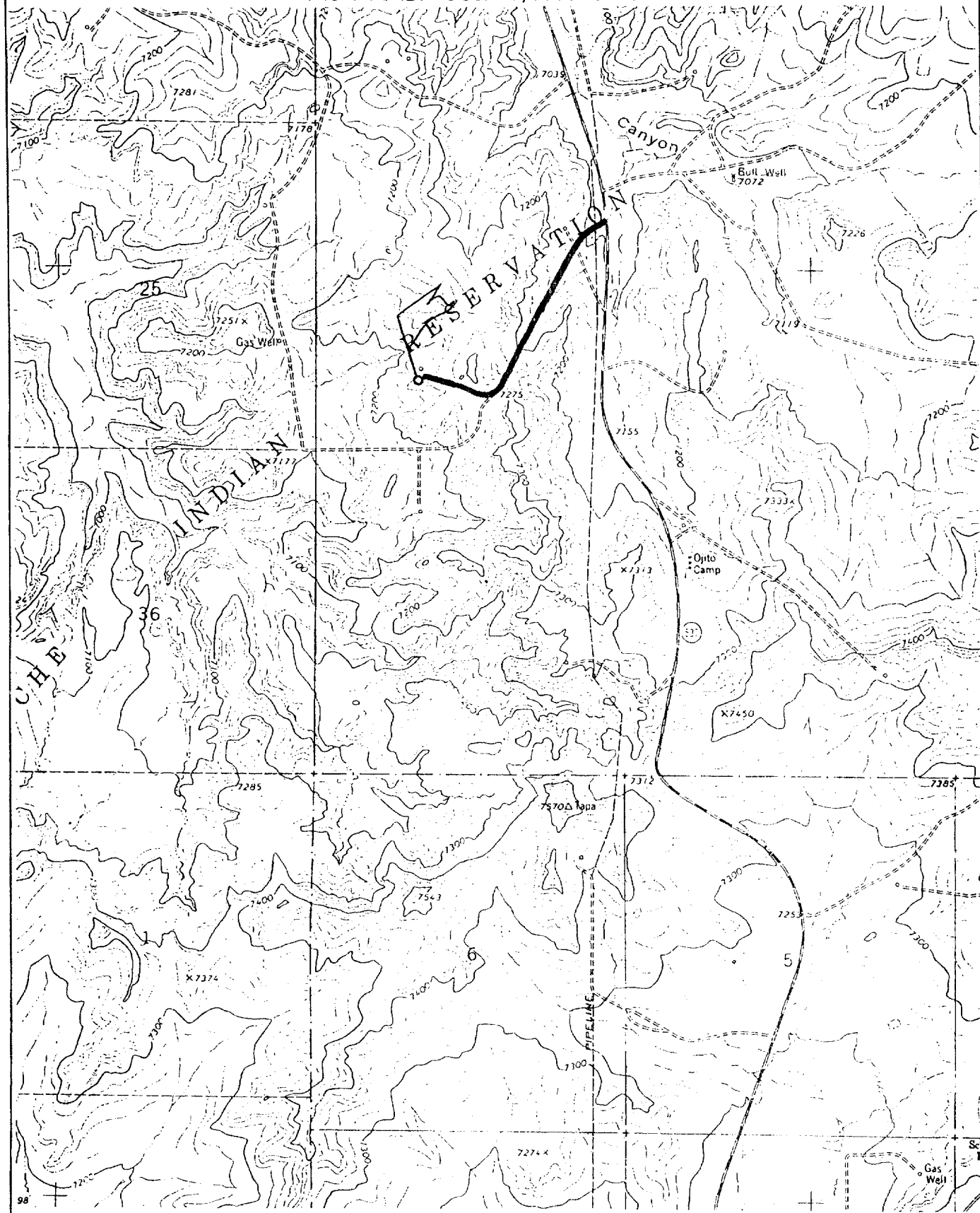
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

MAY 9, 2001
Date of Survey
Signature and Seal

Certificate Number 6857

CONOCO, INC. JICARILLA D #21

1170' FSL & 1590' FWL, SECTION 30, T26N, R3W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO



PROJECT PROPOSAL - New Drill / Sidetrack



Well : JICARILLA D 21 Lease : JICARILLA D AFF # : AFE S :
 Field Name : JICARILLA Rig : State : NM County : RIO ARriba API # :
 Geoscientist : Johnson, Tom B. Phone : (281) 293-6561 Prod. Engineer : Jonnye Busch Phone : 281-293-5305
 Res. Engineer : Riley, Steve Phone : (281) 293-3967 Proj. Field Lead : Valdez, Judson Phone :

Primary Objective (Zones) :

Pool Pool Name
 RON BLANCO MESAVERDE (PRORATED GAS)

Surface Location :

Latitude : 36.453367 Longitude : -107.1885 X : Y : Section : 30 Survey : 26N Abstract : 3W
 Footage X : 1590 FWL Footage Y : 1170 FSL Elevation : 7250 (FT)

Bottom Hole Location :

Latitude : Longitude : X : Y : Section : Survey : Abstract :

Location Type : Summer Only Start Date (Est.) : Completion Date : Date to Operation :

Formation Data : Assume KB = 7263 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	Rem-T	Remarks
Surface Casing	500	6763				Severe lost circulation is possible. 2 5/8", 36 ppl, J 55, SIC casing. Circulate cement to surface.
OJAM	3261	4002				Possible water flows
KRLD/FRLD	3596	3667				
PCCF	3863	3400		325	139	Good possible lost circulation
LEWS	4009	3254				
CHRA	4827	2436				
CLFH	5550	1713				Gas possibly well
MENF	5682	1581				Gas
PTLK	6023	1240		575		Gas
Total Depth	6373	890			172	4 1/2", 115 ppl, J 55, SIC casing. Circulate cement a minimum of 100 inside the pipe and casing string.

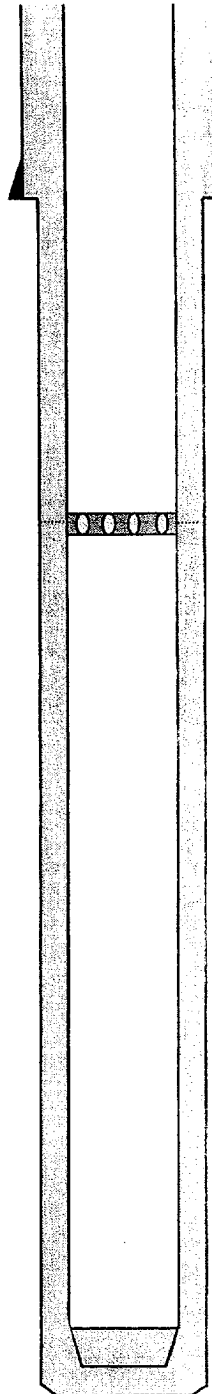
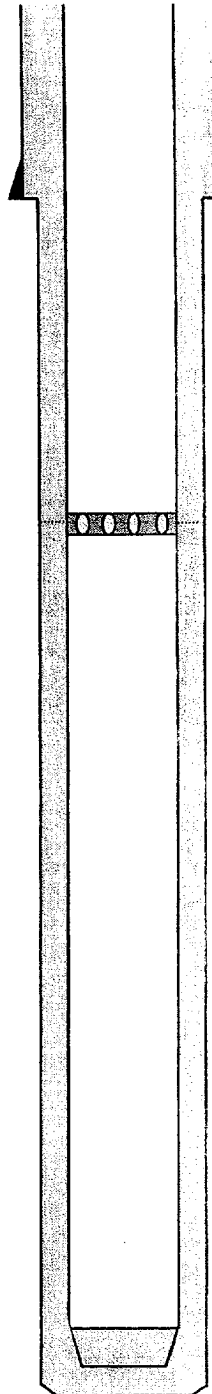
Logging Program :

Intermediate Logs : ☐ Log only if show ☐ GR / ILD ☐ Triple Combo
 TD Logs : ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☒ TDI

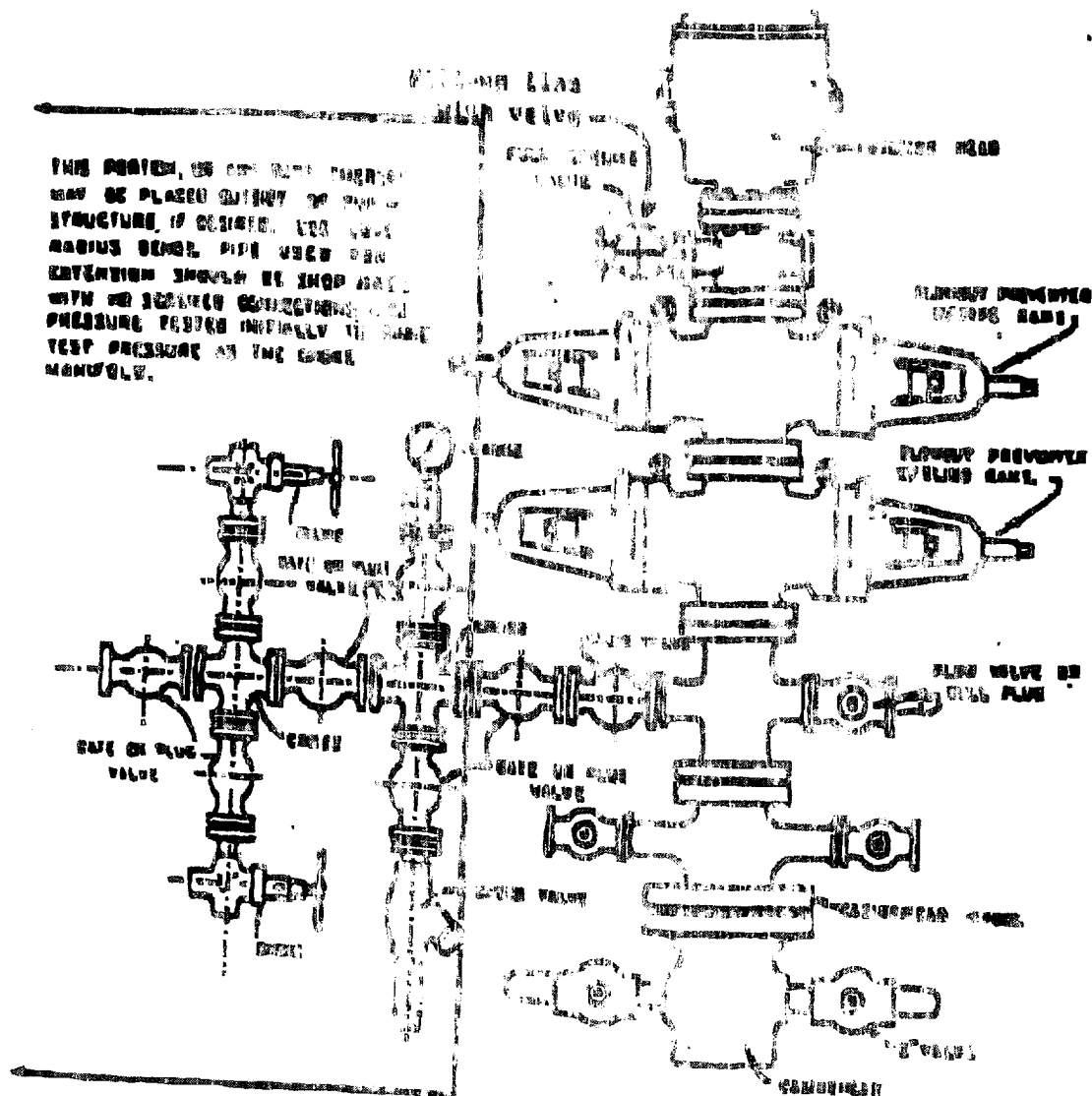
Additional Information : Logging company to provide a sketch with all lengths (OD's & ID's) of all tools prior to running in the hole.
 Cased hole TDI with GR to surface.

Cementing Summary

Jicarilla D 21

	Depth	OH					
		Excess					
	9-5/8" Sfc Csg	0		Class 'A' Cement	237 sk	Slurry Volume	330.6 cu ft
				Flocele (if req'd)	0.25 lb/sk		58.9 bbl
				CaCl ₂	2.00% bwoc-db	Slurry Density	15.8 ppg
				Defoamer (if req'd)	0.05 gal/bbl	Slurry Yield	1.15 cu ft/sk
						Mix Fluid	5.0 gal/sk
	9-5/8" shoe	500					
	DV Tool #1	5,400					
	Stage #2	60%	Blend	1512 sk		Slurry Volume	2569.8 cu ft
			Class 'H' Cement	47 lb/sk			457.7 bbl
			San Juan Poz	24 lb/sk		Slurry Density	12.8 ppg
			Bentonite	3.00% bwoc		Slurry Yield	1.70 cu ft/sk
	8-3/4" Open Hole		Halad-344	0.40% bwoc		Mix Fluid	8.26 gal/sk
			CFR-3	0.20% bwoc			
			HR-5	0.10% bwoc			
			Silicalite-blended	20 lb/sk			
			Flocele	0.25 lb/sk			
			Defoamer (if req'd)	0.05 gal/bbl			
	Stage #1	60%	Blend	315 sk		Slurry Volume	534.8 cu ft
			Class 'H' Cement	47 lb/sk			95.3 bbl
			San Juan Poz	24 lb/sk		Slurry Density	12.8 ppg
			Bentonite	3.00% bwoc		Slurry Yield	1.70 cu ft/sk
			Halad-344	0.40% bwoc		Mix Fluid	8.26 gal/sk
			CFR-3	0.20% bwoc			
			HR-5	0.10% bwoc			
			Silicalite-blended	20 lb/sk			
			Flocele	0.25 lb/sk			
			Defoamer (if req'd)	0.05 gal/bbl			
	4-1/2" Csg Shoe	6,373					

Notes: 1) Conoco to verify DV depth and hole sizes.



BLOWOUT PREVENTER HOOKUP

Drilling contractors used in the San Juan Basin supply 2000 psi equipment, but cannot provide annular preventers because of sub-structure 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. 1 even though the equipment will test to 3000 psi. The 2000 psi system allows isolation of the annular preventer 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 nest preventer.
11. Rotating head.

Cathodic Protection System Description

Anode Bed Type	Deep Bed	
Hole Size	2"	
Hole Depth	200' - 500'	As required to place anodes below moisture and in low resistance strata.
Surface Casing	21" Dia. 10' PVC Grout 2' - 3' in concrete pads	When installed casing will be installed as an anode bed casing to prevent soil and water flow. Casing will extend 2' - 3' above grade, be grouted into concrete pad, and sealed with a 1" cap. Grouting will be installed around casings and anode bed.
Vent Pipe	1" Dia. 10' PVC	Vent pipe will extend full length of hole, through top of casing cap, and sealed with a 1" perforated PVC cap.
Type Of Anodes	Galvanic Anodes	
Number Of Anodes	100	100 anodes, 10' x 4" x 1" gal anode bed maintained at 1' or more and a design life of 20 years.
Anode Bed Backfill	Low resistivity Petroleum based products	Installed to maintain moisture at 10' above top of bed.
Anode Junction Box	4 - 20 Amps Fiberglass (1" dia)	Sealed to prevent ingress of moisture intrusion.
Current Splitter Box	2 - 5 Circuit Amps	Sealed to prevent ingress of moisture intrusion.
DC / AC Cable	DC: 100, 100, 100, 100 Stranded wire (1/2" dia) Combination 100 with High Molecular Weight Polyethylene (HME) Insulation. AC: 100 Stranded Copper RMW/E	100' top 2" typical strands 1/2" deep in rock 100' depth in rock and concrete. EXCEPTION: if working in extremely hard substrates depth will be 9" - 12" with cable installed in conduit. Installed above foreign pipelines it 1" clearance or otherwise, if not, installed under foreign pipelines it 1" clearance (AC cable always installed under foreign pipelines in conduit).
Power Source	1) Rectifier 2) Solar Panel 3) Thermoelectric Generator	Choice of power source depending on availability of AC & other economic factors.
External Painting	Color to be selected according to API specification.	Paint applied to any external equipment associated with the CP system which can reasonably be painted.