

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: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF-078570
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator CONOCO INC.		7. If Unit or CA Agreement, Name and No.
Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conoco.com		8. Lease Name and Well No. SAN JUAN 28-7 UNIT 214F
3a. Address 10 DESTA DR., ROOM 608W MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 915.686.5799 Ext: 5799	9. API Well No. 30-034-26902
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWSE 1400FSL 1585FEL At proposed prod. zone		10. Field and Pool, or Exploratory BLANCO MESAVERDE Basin Dakota ST
14. Distance in miles and direction from nearest town or post office*		11. Sec., T., R., M., or Blk. and Survey or Area J Sec 4 T27N R7W Mer NMP
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	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 7741 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6668 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well 320.17 E/L
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:

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

25. Signature (Electronic Submission)	Name (Printed/Typed) VICKI WESTBY	Date 01/11/2002
Title AUTHORIZED SIGNATURE		
Approved by (Signature) JL	Name (Printed/Typed)	Date 3-13-2002
Title	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 #10026 verified by the BLM Well Information System  
For CONOCO INC., will be sent to the Farmington

procedural review pursuant to 43 CFR 3165.3  
and appeal pursuant to 43 CFR 3165.4.

Subject to compliance with attached  
"SPECIAL REQUIREMENTS"

\*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\*

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

District II  
PO Drawer 00, 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 <b>30-039-26902</b>		*Pool Code <b>72319 - 71599</b>	*Pool Name <b>BLANCO MESAVERDE - BASIN DAKOTA</b>
*Property Code <b>016E08</b>	*Property Name <b>SAN JUAN 28-7 UNIT</b>		*Well Number <b>214F</b>
*GRID No. <b>005073</b>	*Operator Name <b>CONOCO, INC.</b>		*Elevation <b>6668'</b>

<sup>10</sup> Surface Location


Lot or lot no. <b>J</b>	Section <b>4</b>	Township <b>27N</b>	Range <b>7W</b>	Lot Ion	Feet from the <b>1400</b>	North/South line <b>SOUTH</b>	Feet from the <b>1585</b>	East/West line <b>EAST</b>	County <b>RIO ARriba</b>
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<sup>11</sup> Bottom Hole Location If Different From Surface

Lot or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres <b>320.17 Acres - (E/2)</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<sup>16</sup> 2635.38' 1364.22' LOT 4 LOT 3 LOT 2 LOT 1 1352.34' 1371.48' 1346.40' 2742.96' 5292.54' Jan 2002 RECEIVED OIL CONSERVATION DIVISION SANTA FE, NM 87504-2088				<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <u>Vicki Westby</u> Signature Vicki R. Westby Printed Name Sr. Title Analyst Title <u>November 27, 2001</u> Date	
SF-078570 4 1585' 1400' 2692.14'				<sup>18</sup> 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. Survey Date: OCTOBER 31, 2001 Signature and Seal of Professional Surveyor  <u>JASON C. EDWARDS</u> Certificate Number 15269	

# PROJECT PROPOSAL - New Drill / Sidetrack



Well : SAN JUAN 28-7 214F	Lease : SAN JUAN 28-7	AFE # :	AFE \$ :
Field Name : EAST 28-7	Rig : Key 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 : Elergman, Pat W.	Phone : (281) 293 - 6517

## Primary Objective (Zones) :

Pool:	Pool Name
RON	BLANCO MESAVERDE (PRORATED GAS)

*"Air Drilled"*

<b>Surface Location :</b>						
Latitude : 36.599667	Longitude : -107.5749	X :	Y :	Section : 4	Survey : 27N	Abstract : 7W
Footage X : 1585 FEL	Footage Y : 1400 FSL	Elevation: 6668 (FT)				
<b>Bottom Hole Location :</b>						
Latitude :	Longitude :	X :	Y :	Section :	Survey :	Abstract :
Location Type : Year Round		Start Date (Est.) :		Completion Date :		Date In Operation :

Formation Data : Assume KB = 6681 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion	BHP (PSIG)	BHT	Remarks
Surface Casing	283	6398				Severe lost circulation is possible. 9 5/8", 36 ppf, J-55, STC casing. Circulate cement to surface.
OJAM	2361	4320				Possible water flows
KRLD	2470	4211				
FRLD	2966	3715				Possible gas
PCCF	3221	3460				
LEWS	3621	3060				7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
Intermediate Casing	3721	2960				7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
CHRA	4181	2500				
CLFH	4801	1880		1300		Gas; possibly wet
PTLK	5471	1210				Gas
MINCS	5771	910				
GLLP	6709	-28				
GRHN	7391	-710				Gas possible, highly fractured
TWLS	7466	-785				Gas
CB30	7606	-925				Gas
Total Depth	7741	-1060		3000		4 1/2", 10.5 ppf, J-55, STC casing. Circulate cement a minimum of 100' inside the previous casing string. No open

# PROJECT PROPOSAL - New Drill / Sidetrack



					hole logs. Cased hole TDT with GR to surface.
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## Logging Program :

Intermediate Logs :

☐ Log only if show ☐ GR / ILD ☐ Triple Combo

TD Logs :

☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☒ TDT

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 TDT with GR to surface.

Comments :



Well: San Juan 28-7 214F  
County: Rio Arriba  
Area: East 28-7  
Rig: Key 43

Company: Conoco, Inc.  
Engineer: Mr. Ricky Joyce  
Date: 10-Jan-02

#### Surface Casing:

138" sx

Type III Cement + 2%bwoc Calcium Chloride + 0.25 lbs/sk Cello Flake + 60.6% H<sub>2</sub>O

Slurry Weight:	14.5	ppg
Slurry Yield	1.41	cf/sk
Amount of Mix Water	6.84	gps
Pump Time	2:47	
Compressives		
8 hrs @ 80 F	800	psi
24 hrs @ 80 F	2150	psi
48 hrs @ 80 F	3625	psi

#### Intermediate Casing:

Slurry 1 449" sx

Premium Lite Cement + 2% bwoc Calcium Chloride + 0.25 lbs/sk Cello Flake + 8% bwoc Bentonite + 120.1% H<sub>2</sub>O

Slurry 2 73" sx

Type III Cement + 2% bwoc Calcium Chloride + 0.25 lbs/sk Cello Flake + 60.6% H<sub>2</sub>O

##### Slurry 1

Slurry Weight:	12.1	ppg
Slurry Yield	2.21	cf/sk
Amount of Mix Water	12.52	gps
Pump Time	4:30	
Compressives		
8 hrs @ 80 F		psi
24 hrs @ 80 F	250	psi
48 hrs @ 80 F	525	psi

##### Slurry 2

Slurry Weight:	14.5	ppg
Slurry Yield	1.41	cf/sk
Amount of Mix Water	6.84	gps
Pump Time	2:15	
Compressives		
8 hrs @ 80 F	800	psi
24 hrs @ 80 F	2150	psi
48 hrs @ 80 F	3625	psi

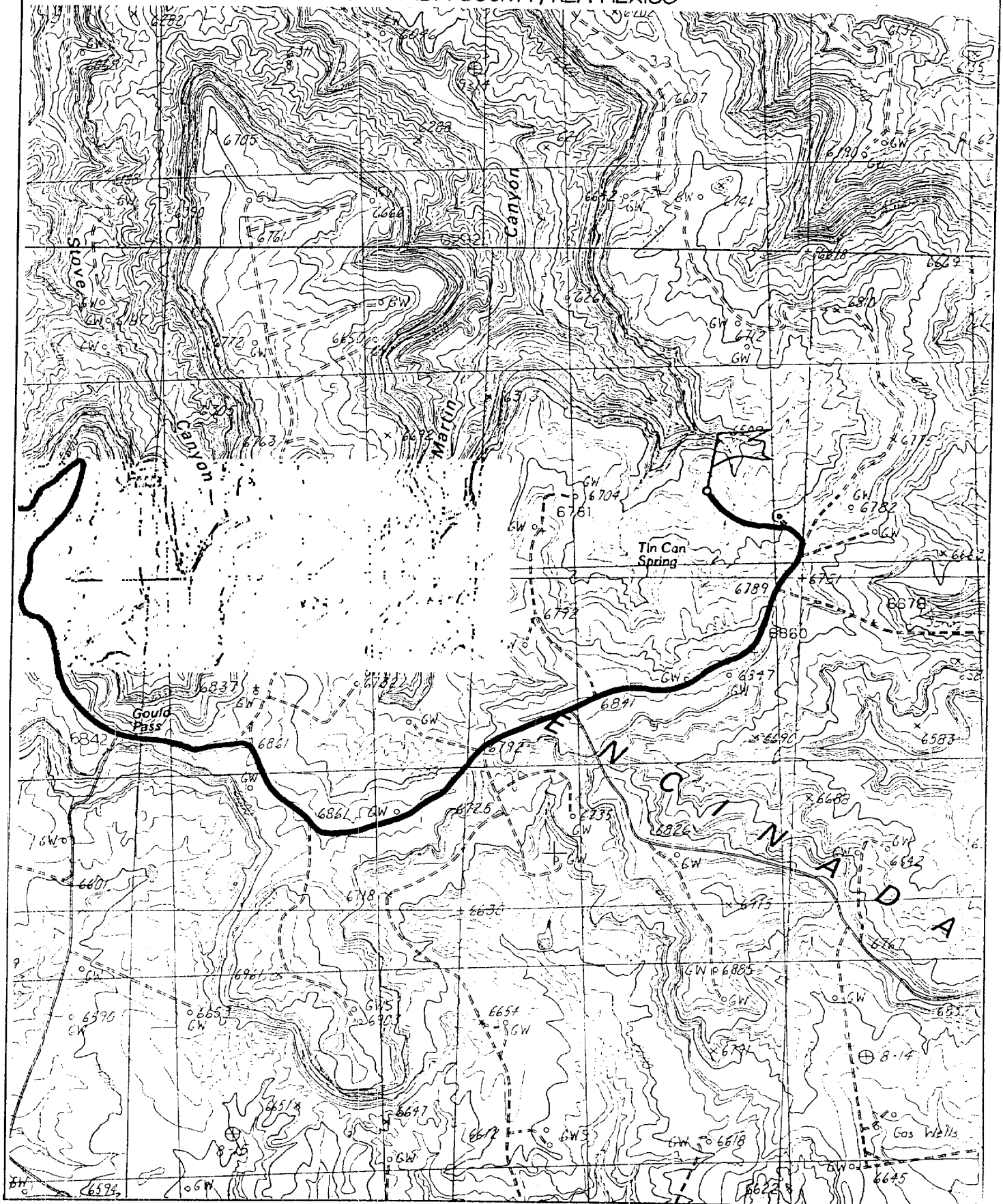
#### Production Casing:

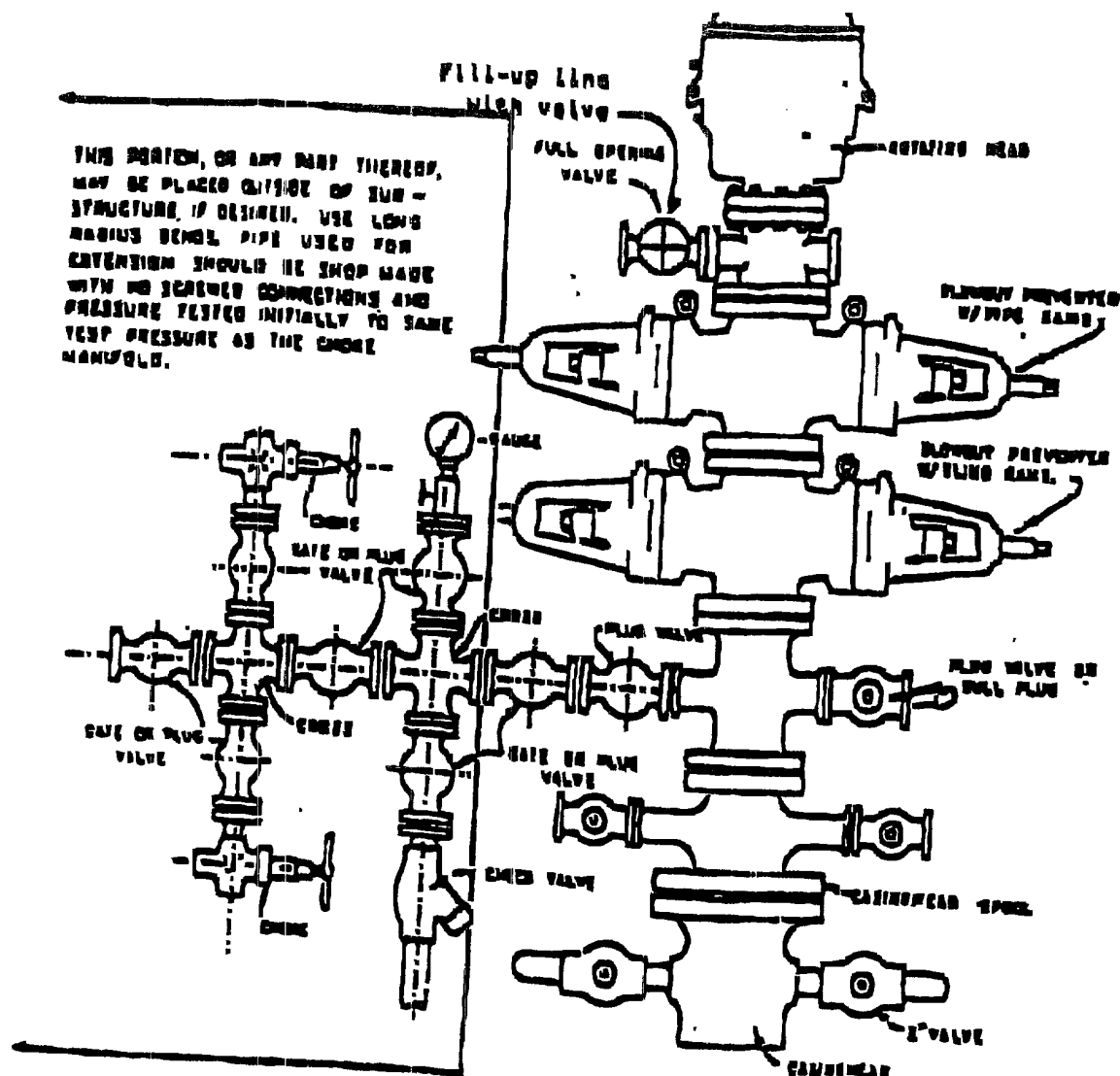
375" sx

Premium Lite High Strength + 0.25 lbs/sk Cello Flake + .45% bwoc CD-32 + 0.65% bwoc FL-52 + 0.1% R-3 + 107% H<sub>2</sub>O

Slurry Weight:	12.5	ppg
Slurry Yield	2.07	cf/sk
Amount of Mix Water	11.16	gps
Pump Time	2:29	
Compressives		
8 hrs @ 140 F		psi
24 hrs @ 140 F	1960	psi
48 hrs @ 140 F	2100	psi

CONOCO, INC. SAN JUAN 28-7 UNIT #214F  
1400' FSL & 1585' FEL, SECTION 4, T27N, R7W, N.M.P.M.  
RIO ARriba COUNTY, NEW MEXICO





**BLOWOUT PREVENTER HOOKUP**

Drilling contractors used in the San Juan Basing supply 3000 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. 2 even though the equipment will test to 3000 psi. The 2000 psi system allows delation of the annular preventor and fulfills your requirements (note diagram No. 1). In addition, the following equipment will comprise the 3000 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 preventer.
11. Rotating head.

## Cathodic Protection System Description

<b>Anode Bed Type</b>	Deep Well	
<b>Hole Size</b>	8"	
<b>Hole Depth</b>	200' - 500'	As required to place anodes below moisture and in low resistance strata.
<b>Surface Casing</b>	8" Diam., $\geq$ 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.
<b>Vent Pipe</b>	1" Diam. PVC	Vent pipe will extend from bottom of hole, through top of casing cap, and sealed with a 1" perforated PVC cap.
<b>Type Of Anodes</b>	Cast Iron Or Graphite	
<b>Number Of Anodes</b>	8 - 20	Sufficient quantity to achieve a total anode bed resistance of $< 1$ ohm and a design life $\geq$ 20 years.
<b>Anode Bed Backfill</b>	Loreasco SW Calcined Petroleum Coke Breeze	Installed from bottom of hole to 10' above top anode.
<b>Anode Junction Box</b>	8 - 20 Circuit Fiberglass Or Metal	Sealed to prevent insect & rodent intrusion.
<b>Current Splitter Box</b>	2 - 5 Circuit Metal	Sealed to prevent insect & rodent intrusion.
<b>DC / AC Cable</b>	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 arroyos and streams. <b>EXCEPTION:</b> 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).
<b>Power Source</b>	1) Rectifier 2) Solar Power Unit 3) Thermoelectric Generator	Choice of power source depending on availability of AC & other economic factors.
<b>External Painting</b>	Color to be selected according to BLM specifications.	Paint applied to any surface equipment associated with the CP system which can reasonably be painted.