Form 3160-3

FORM APPROVED

(August 1999)	UNITED		OMB No. 1 Expires Novem	004-0136 aber 30, 2000
	DEPARTMENT OF BUREAU OF LANI		5. Lease Serial No. SF-078640	
APPLICA	ATION FOR PERMI	T TO DRILL OR REENTER	6. If Indian, Allottee or Tril	be Name
la. Type of Work: 🛛 DRILL	→ □ REENTER		7. If Unit or CA Agreemen	t, Name and No.
lb. Type of Well: Oil Wel	ll ⊠ Gas Well □	Other	8. Lease Name and Well No SAN JUAN 28-7 UNIT	o. <b>`</b>
2. Name of Operator CONOCO INC.	Conta	ct: VICKI WESTBY E-Mail: Vicki.R.Westby@conoco.com	9. API Well No.	26784
3a. Address 10 DESTA DR., ROOM 608 MIDLAND, TX 79705	8W	3b. Phone No. (include area code) Ph: 915.686.5799 Ext: 5783 1. 5 6	10. Field and Pool, or Explo BLANCO MV/BASIN	
4. Location of Well (Report lo	ocation clearly and in accor	dance with any State requirements.*)	11. Sec., T., R., M., or Blk.	and Survey or Area
At surface NE At proposed prod. zone	NW 1130FNL 1635F\	NL	Sec 21 T27N R7W I	Mer NMP
14. Distance in miles and direction	on from nearest town or po	st office*	2. County or Parish RIO ARRIBA	13. State
15. Distance from proposed local lease line, ft. (Also to neares		16. No. of Acres in Received	17. Spacing Unit dedicated	to this, well
18. Distance from proposed local completed, applied for, on the	tion to nearest well, drilling his lease, ft.	g, 19. Proposed Depth 7498 MD	20. BLM/BIA Bond No. on	file
21. Elevations (Show whether DI 6522 GL	F, KB, RT, GL, etc.	22. Approximate date work will start	23. Estimated duration	
procedural review procedural r	purposent to 45 CPM	24. Attachments CUBJEC of Onshore Oil and Gas Order No. 1, shall be attached to	G OPERA: JNS AUTH T TO COMPLIANCE WI AL REQUIREMENTS!	DRIZED ARE TH ATTACHE
Well plat certified by a registered     A Drilling Plan.     A Surface Use Plan (if the location of the Supplementary of the supplementary)     Supplementary of the supplem	d surveyor. ion is on National Forest Sy	4. Bond to cover the operal Item 20 above).  5. Operator certification	tions unless covered by an existir	·
25. Signature		Name (Printed/Typed) VICKI WESTBY		Date 07/20/2001
Title AUTHORIZED SIGNATU	JRE			<u></u>
Approved by (Signature)	Orroil	Name (Printed/Typed)		Date
Title	W+ 51(	Office		- AUG I

Additional Operator Remarks (see next page)

Electronic Submission #5865 verified by the BLM Well Information System For CONOCO INC., sent to the Farmington Committed to AFMSS for processing by Lucy Bee on 07/26/2001 ()

\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\*

Oistrict I PC Box 1980, Hoobs, NM 88241-1980

District II PO Dhawer CO. Antesia, NM 88211-0719

District III 1000 Bio Brazes Bd., Aztec, NM 87410

District IV PO Box 2088, Santa Fe. NM 37504-2088

State of New Mexico Energy, Minerals & Natural Resources Department

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

Form C-Revised February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

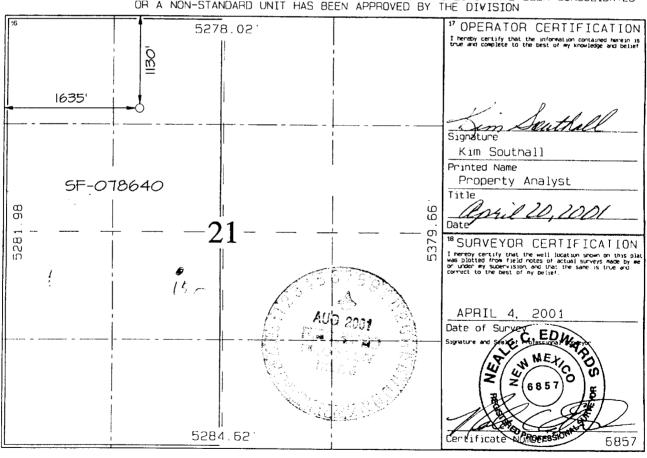
AMENDED REPORT

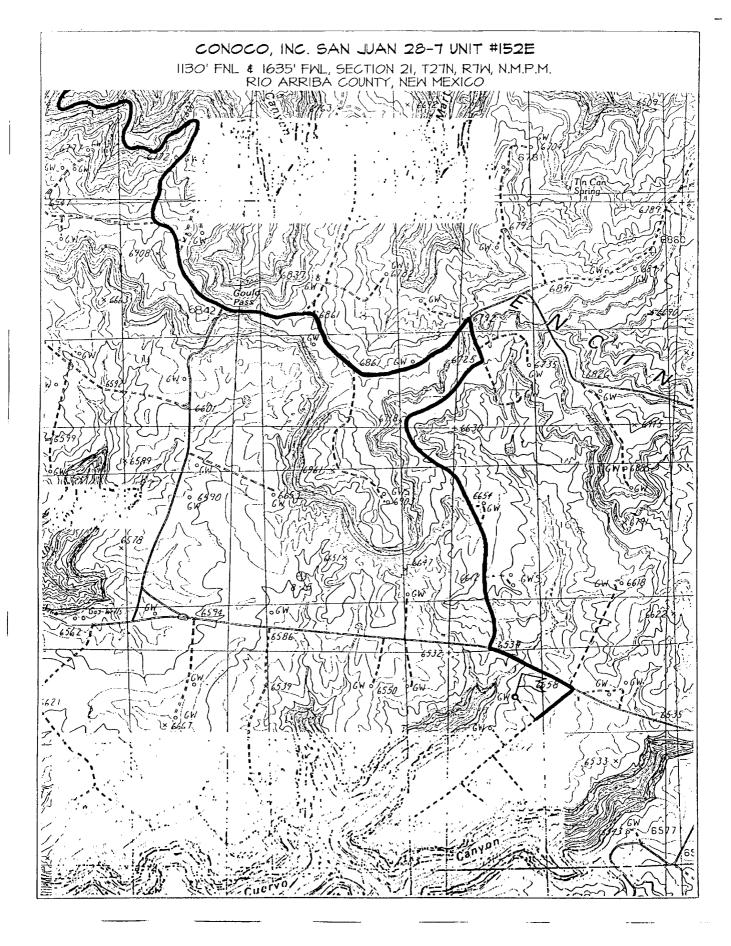
### WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number	'Pool Code	<sup>1</sup> Pool Name		
30039-26784	72319 / 71599	BLANCO MESAVERDE / B	SIN DAKOTA	
'Property Code 016608	'Property Name 'Well Num SAN JUAN 28-7 UNIT 152E			
'0GRID No. 005073	*Opera CONOC	*Elevation 6522		

<sup>10</sup> Surface Location Feet from the North/South Line Feet from the East/Hest line C 21 27N RIO 7 W 1130 NORTH 1635 WEST ARRIBA <sup>11</sup>Bottom Hole Location If Different From Surface UL or lot no Sect 100 Lot Idn North/South line Feet from the Feet from the East/West line 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. 320.0 Acres (W/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





### PROJECT PROPOSAL - New Drill / Sidetrack



Well: SAN JUAN 28-7 152E Lease: SAN JUAN 28-7 AFE#: AFE \$: Field Name: EAST 28-7 Rig: Key 43 County: Rio Arriba API#: State: NM Geoscientist: Glaser, Terry J Phone: (281) 293 - 6538 Prod. Engineer: Moody, Craig E. Phone: (281) 293 - 6559 Res. Engineer: Valvatne, Christine K. Phone: (281) 293 - 5767 Proj. Field Lead: Phone: Primary Objective (Zones) Pool Pool Name FRR BASIN DAKOTA (PRORATED GAS) RON BLANCO MESAVERDE (PRORATED GAS) Surface Location: 36.562747 Longtitude : -107.5833 X : Υ: Section: 21 Survey: 27N Abstract: 7W Bofrom Hola Location: Latitude: Longtitude: **X**: Y: Section: Abstract: Survey: Location Type: Year Round Start Date (Est.): Completion Date: Date In Operation: Formation Data: Assume KB = 6535 Units = Formation Call & Depth Depletion BHP Remarks Casing Points (TVD in Ft) (Yes/No) BHT (Ft) 285 6250 Surface Casing Severe lost circulation is possible. 9 5/8", 36 ppf, J-55, STC casing. Circulate cement to surface. **a** 4430 OJAM 2105 Possible water flows" ş:£ KRLD 2268 4267 **FRLD** 2552 3983 Possible gas 2932 3603 3,5 **PCCF** 12 3332 3203 LEW'S 3432 3103 Intermediate Casing 7", 20 ppf, J-55, STC Casing. Circulate cement to surface. CHRA 3860 2675 CLFH 1895 1300 4640 Gas; possibly wet 4650 1885 MENF Gas PTLK 5200 1335 Gas 1/4 **GLLP** 6367 168 **GRHN** 7150 -615 Gas possible, highly fractured TWLS 7248 -713 Gas .5 СВВО 7392 -857 Gas Total Depth 7498 -3000 41/2", 10.5 ppf, J-55, STC casing. Circulate cement a minimum of 100' inside the previous casing string. No open hole logs. Cased hole TDT with GR to surface.



Well: San Juan 28-7 152E

County: Rio Arriba Area: East 28-7 Rig: Key 43

Company: Conoco, Inc. Engineer: Mr. Ricky Joyce Date: 01-May-01

#### Surface Casing:

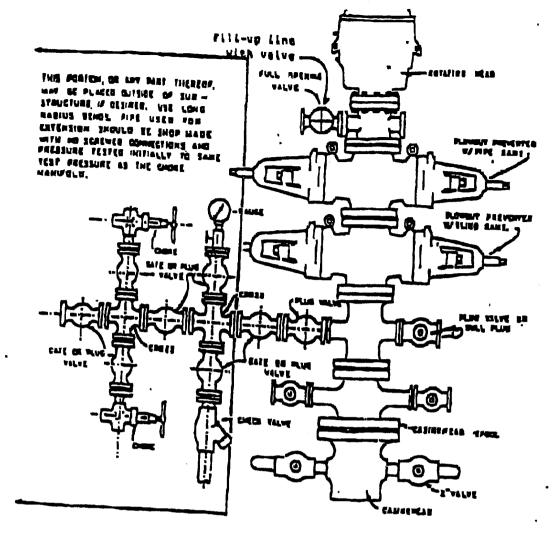
	1;	39 sx	Type III Cement + 2%bwoc Calcium Chloride + 0.25 lbs/sk Cello Flake + 60.6% H20
Slurry Weight:	14.5	ppg	
Slurry Yield	1.41	cf/sk	
Amount of Mix Water	6.84	gps	
Pump Time	2:47		
Compressives			
8 hrs @ 80 F	800	psi	
24 hrs @ 80 F	2150	psi	
48 hrs @ 80 F	3625	psi	

#### Intermediate Casing:

Slurry 1	41	0 sx	Premium Lite Cement + 8% bwoc Bentonite + 12		oc Calcium Chloride + 0.25 lbs/sc Cello Flake + 420
Slurry 2		73 sx	Type III Cement + 2% by	voc Calo	cium Chloride + 0.25 lbs/sk Cello Flake + 60.6% H20
Slui	ry 1		Slurry 2		
Slurry Weight:	12.1	ppg	Slurry Weight:	14.5	ppg
Slurry Yield	2.21	cf/sk	Slurry Yield	1.41	cf/sk
Amount of Mix Water	12.52	gps	Amount of Mix Water	6.84	gps
Pump Time	4:30		Pump Time	2:15	
Compressives			Compressives		
8 hrs @ 80 F		psi	8 hrs @ 80 F	800	psi
24 hrs @ 80 F	250	psi	24 hrs @ 80 F	2150	psi
48 hrs @ 80 F	525	psi	48 hrs @ 80 F	3625	psi

#### **Production Casing:**

L	37	'9 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% H20
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	



# BLOWOUT PREVENTER HOOKUP

Drilling contractors used in the San Juan Basing supply Joco psi equipment, but cannot provide annular preventors 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 pai equipment according to Onshore Order No. 2 even though the equipment will test to Jooo pai. The 2000 pai system allows delation of the annular manufacture. delation 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). One kill line valva. 3,
- one choke line valve. 4. 5,
- Two chokes (reference diagram No. 1).
- Upper kelly cock valve with handle.
- Safety valve and subs to fit all drill strings in use. Two-inch minimum choke line. 8. 9.
- 10.
- Pressure gauge on choke manifold. 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 ancountered.
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	B - 20	Sufficient quantity to achieve a total anode bed resistance of < 1 ohm and a design life ≥ 20 years.
Anode Bed Backfill	Loreaco SW Calcined Petroleum Coke Breeze	installed from bottom of hole to 10' above top anode.
Anode Junction Box	8 - 20 Circuit Fiberglass Or Motal	Sealed to prevent insect & radent intrusion.
Current Splitter Box	2 - 5 Circuit Metal	Sealed to prevant 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 6 - 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 loreign pipeline in conduit).
Power Source	1) Rectifler 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.