

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-079298-B
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" 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 128F
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. 30-039-26954
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWNE 685FNL 1965FEL At proposed prod. zone		10. Field and Pool, or Exploratory BLANCO MESAVERDE/BASIN DAKOTA
14. Distance in miles and direction from nearest town or post office*		11. Sec., T., R., M., or Blk. and Survey or Area B Sec 12 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 320.00	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 7793 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6561 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well E/2
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) <i>Vicki Westby</i>	Name (Printed/Typed) VICKI WESTBY	Date 03/15/2002
Title AUTHORIZED SIGNATURE		
Approved by (Signature) <i>David J. Mankiewicz</i>	Name (Printed/Typed)	Date APR 15
Title <i>AEM</i>	Office <i>FFO</i>	

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 #10185 verified by the BLM Well Information System
For CONOCO INC., will be sent to the Farmington

** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT **

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

District II
PO Drawer D, 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 30-039-26954		*Pool Code 72319 / 71599	*Pool Name BLANCO MESAVERDE / BASIN DAKOTA
*Property Code 016608	*Property Name SAN JUAN 28-7 UNIT		*Well Number 128F
*OGRID No. 005073	*Operator Name CONOCO, INC.		*Elevation 6561'

10 Surface Location

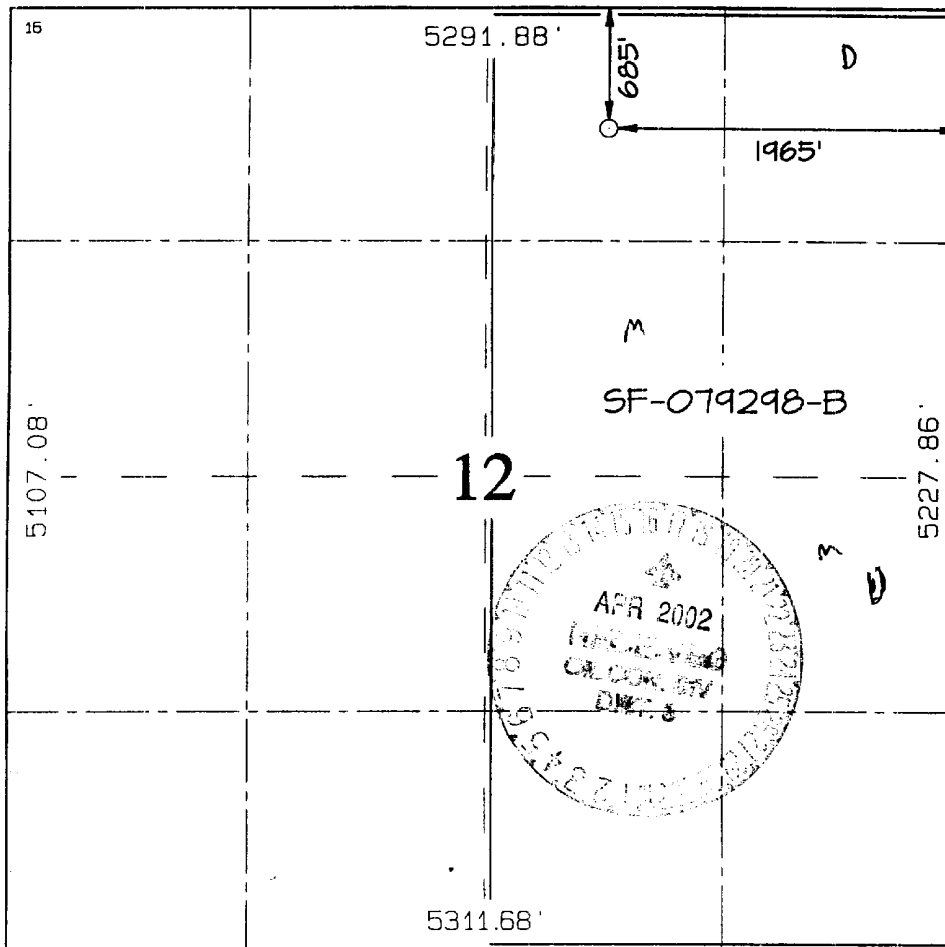
UL or lot no. B	Section 12	Township 27N	Range 7W	Lot Idn	Feet from the 685	North/South line NORTH	Feet from the 1965	East/West line EAST	County RIO ARRIBA
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11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 320.0 Acres - E/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

Vicki Westby
Signature

Vicki R. Westby

Printed Name

Sr. Title Analyst

Title

March 4, 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.

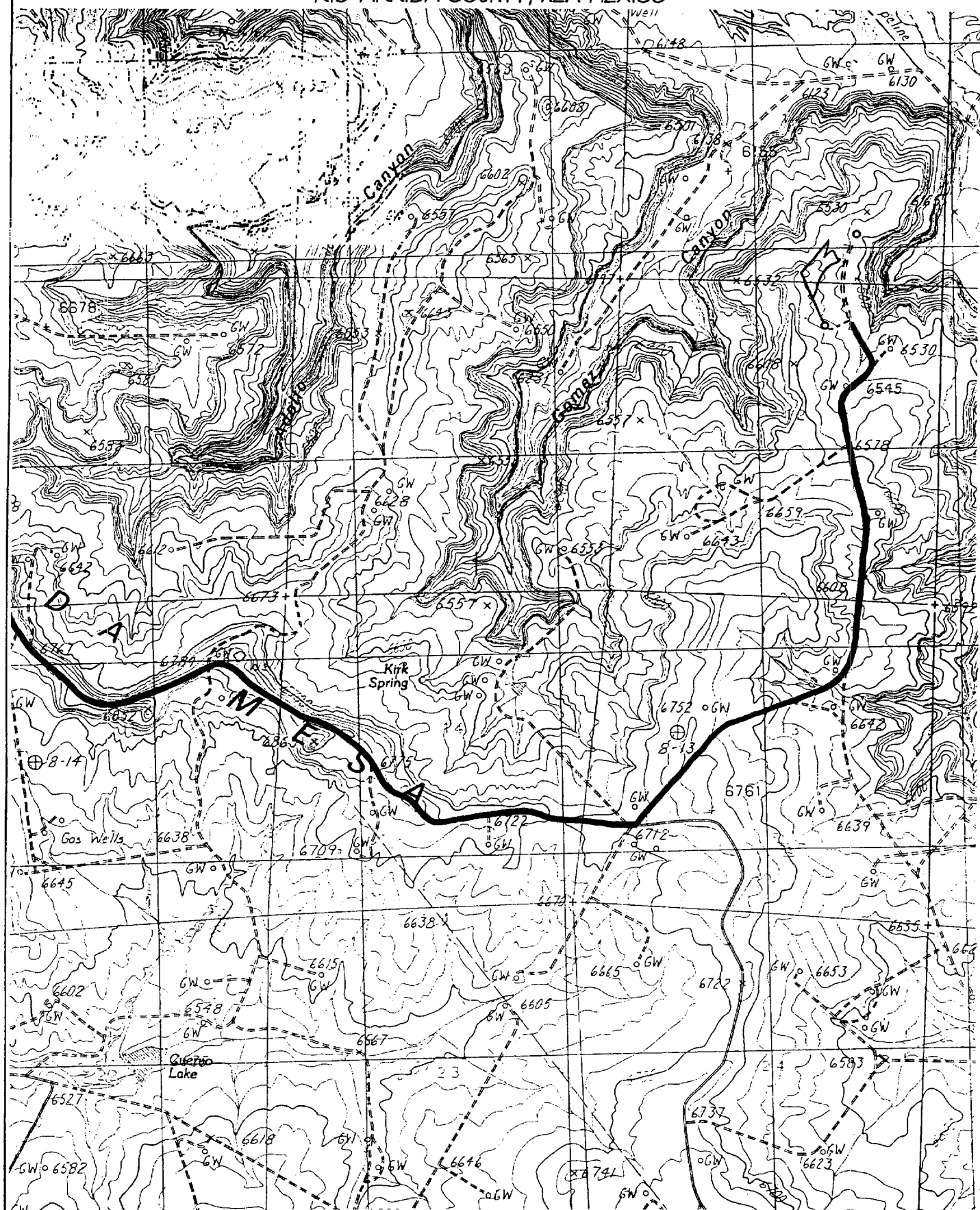
Survey Date: NOVEMBER 13, 2001

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

685' FNL & 1965' FEL, SECTION 12, T27N, R7W, N.M.P.M.
RIO ARRIBA COUNTY, NEW MEXICO



PROJECT PROPOSAL - New Drill / Sidetrack



Well : SAN JUAN 28-7 128F	Lease : SAN JUAN 28-7	AFE # :		AFE \$:
Field Name : EAST 28-7	Rig :	State : NM	County : RIO ARRIEA	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 : Bergman, Pat W.	Phone : (281) 293 - 6517	

Primary Objective (Zones) :

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

"Air Drilled"

Surface Location :

Latitude : 36.594081	Longitude : -107.5225	X :	Y :	Section : 12	Survey : 27N	Abstract : 7W
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Footage X : 1965 FEL	Footage Y : 685 FNL	Elevation : 6561 (FT)
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Bottom Hole Location :

Latitude :	Longitude :	X :	Y :	Section :	Survey :	Abstract :
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Location Type : Year Round	Start Date (Est.) :	Completion Date :	Date In Operation :
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Formation Data : Assume KB = 6574 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion	BHP (PSIG)	BHT	Remarks
Surface Casing	285	6289				Severe lost circulation is possible. 9 5/8", 36 ppf, J-55, STC casing. Circulate cement to surface.
OJAM	2474	4100				Possible water flows"
KRLD	2584	3990				
FRLD	2925	3649				Possible gas
PCCF	3204	3370				
LEWS	3404	3170				
Intermediate Casing	3504	3070				7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
CLFH	4849	1725		1300		Gas; possibly wet
MENF	4984	1590				Gas
PTLK	5414	1160				Gas
MNCS	5714	860				
GLLP	6659	-85				
GRHN	7343	-769				Gas possible, highly fractured
TWLS	7444	-870				Gas
CBBO	7574	-1000				Gas
Total Depth	7793	-1219		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 :

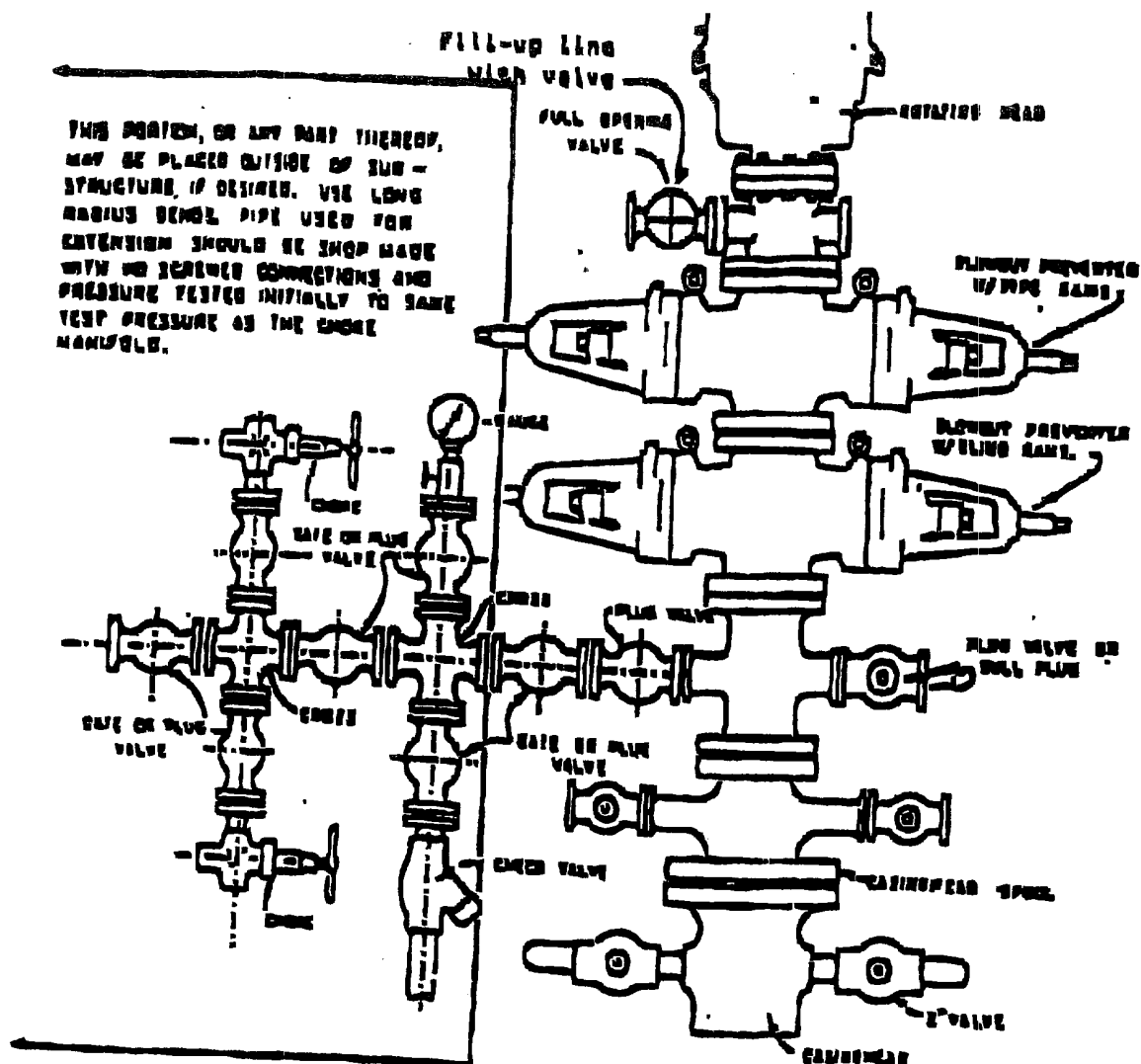
☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☒ TDT

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 :



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 deletion of the annular preventer 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

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., \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.
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 \geq 20 years.
Anode Bed Backfill	Lorasco 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 arroyos 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 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.