UNITED STATES

FORM APPROVED OMB NO. 1004-0136 Expires February 28, 1995

BUREAU OF LAND MANAGEMENT						5. LEASE DESIGNATION AND SERIAL NO.		
APPLICATION FOR PERMIT TO DRILL OR DEEPEN					SF 078570			
la. TYPE OF WORK	TOTAL OTTE ENTINE	TO DIVILL ON DEL		: 55	6. IF INDI.	AN, ALLOTTEE OR TRIBE NAME		
DRILL [⊠∽ DEI	EDENI 🗆	51 - 74 - <u>-</u> 71	- •'				
					7. UNIT AGREEMENT NAME			
6. TYPE OF WELL OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE					San Juan 28-7 Unit 8. FARM OR LEASE NAME WELL NO.			
	OTHER	SINGLE ZONE MU	TIPLE ZONE	M	1			
NAME OF OPERATOR	noco Inc.				#184M			
ADDRESS AND TELEPHONE NO.				_		0-039-26651		
		Midland, TX 79705; 915	686,5515			AND POOL, OR WILDCAT		
AOCATION OF WELL (Report locati At surface	ion clearly and in accordance with any St	tate requirements*)	11 18 19 30	<u> </u>	Bacin I	Dakota/Blanco Mesaverde		
+ 1090' FNL & 905' FWL					1			
At proposed prod. Zone 1090' FNL & 1	905' FWI.	FEB 2001			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA			
	CTION FROM NEAREST TOWN OR PO	OST OFFICE	AVED_	2	Sec. 9,	T27N, R7W TY OR PARISH 13. STATE		
		റ ്ഹ വ	M DW	23				
5/ DISTANCE FROM PROPOSED*		6. NO. OF ACRES IN LEASE	rt. 3	1720	Rio Ar			
LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.		1 00	્રવે	то	THIS WELL			
(Also to nearest drig. Unit line, if any B. DISTANCE FROM PROPOSED LO	CATION*	9. PROPOSED DEPTH	18.85 pt	20. RO	TARY OR CA	W/320 BLE TOOLS		
TO NEAREST WELL, DRILLING, OR APPLIED FOR, ON THIS LEAS	SE, FT.	7812' –				Rotary		
ELEVATIONS (Show whether DF,	, RT, GR, etc.) 6789' —				22.APPROX	DATE WORK WILL START*		
		D CASING AND CEMEN	TDIC DD	OCD A	N/	02/25/01		
	DD \D \CEI		TING PK	JUKA	IVI			
SIZE OF HOLE	, 		SETT	ING DE	DTL	OHANTITY OF CUMENT		
SIZE OF HOLE 12-1/2"	PROPOSEI GRADE, SIZE OF CASING J-55; 9-5/8"		SETT	ING DE 285'	РТН	QUANTITY OF CEMENT		
	GRADE, SIZE OF CASING	G WEIGHT PER FOOT		ING DE 285' 3802'	ЕРТН	141 sxs, circ		
12-1/2" 8-3/4" 6-1/4" It is proposed to drill a	GRADE, SIZE OF CASING J-55; 9-5/8" J-55; 7" J-55, 4 1/2" vertical wellbore in the B	WEIGHT PER FOOT 36# 20# 10.5#	n Dakota	285' 3802' 7812' Pools.	DHC at			
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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

State of New Mexico Energy, Minerals & Natural Resources Department

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

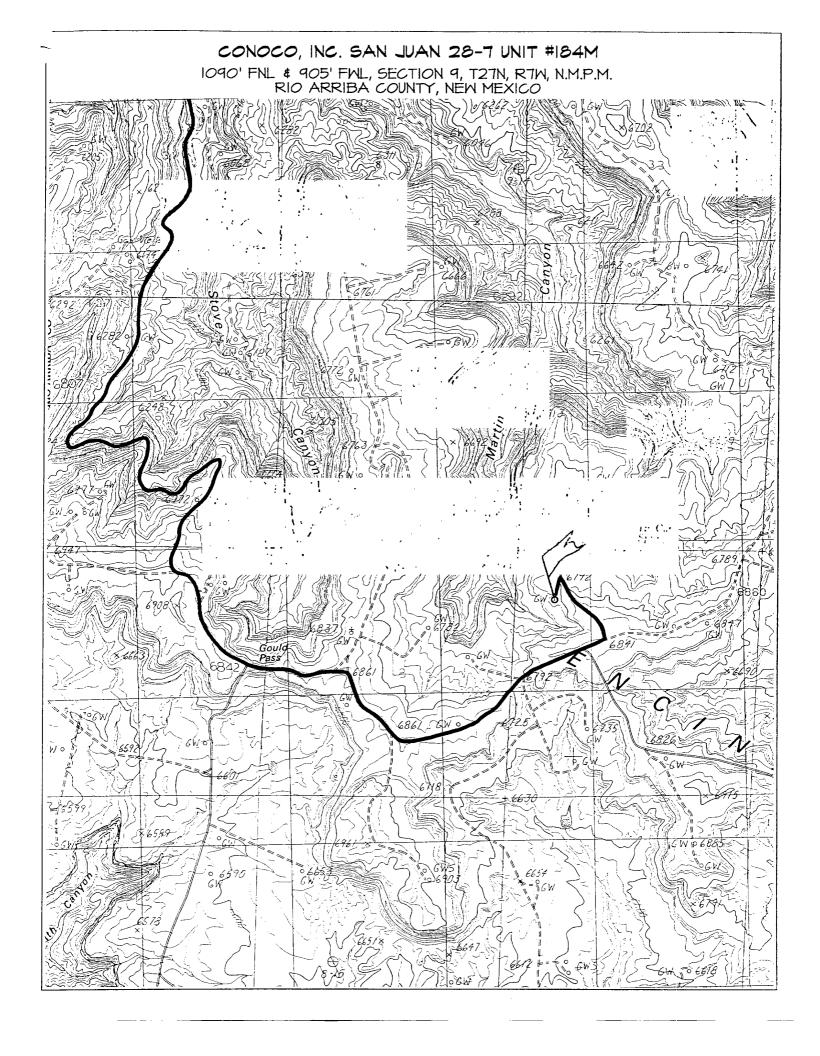
Form C–102 Revised February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

District IV PO Box 2088, Santa F	e, NM 87504-2088	·			AMEND	ED REPORT		
	WELL	LOCATION AND A	ACREAGE DED	ICATION PLA	T			
30-039-	'API Number 'Pool Code 'Pool Name							
¹Property Code 016608		ľ	°Well Number 184M					
'OGRID No.		°operato CONOCC		'Elevation 6789				
	-	¹⁰ Surface	Location					
Ut. or lot no. Section	Township Range	Lot Idn Feet from the	North/South line	Feet from the	East/West line WEST	County RIO ARRIBA		
Ut or lot no. Section	11 Bottom Township Range	Hole Location Lot Idn Feet from the	If Different North/South line	From Surfac	East/West line	County		
P Dedicated Acres 320	Acres (W/2)	¹³ Joint or In	fill 14 Consolidation Code	e ¹⁵ Order No.				
NO ALLOWABLE	WILL BE ASSIGNE OR A NON-S	D TO THIS COMPLET TANDARD UNIT HAS E	ION UNTIL ALL BEEN APPROVED	INTERESTS HAV BY THE DIVISI	/E BEEN CON ON	ISOLIDATED		
905' 	5	292.54'	6 17 18 79 70 70 70 70 70 70 70 70 70 70 70 70 70	17 OPERA I hereby certify true and complete Signature	TOR CERTI	FICATION contained herein is knowledge and belief		
5481.96°. 	 	9- —	EZILLE E	JoAnn S Printed Na Sr. Pro Title Om Date 18 SURVEY		FICATION		

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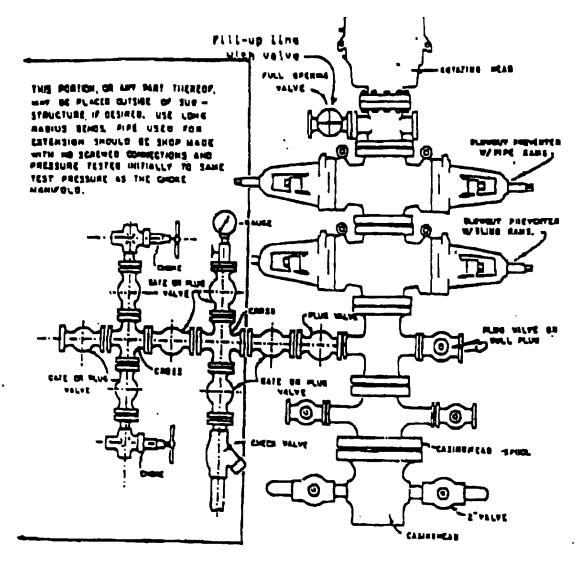
5320.26'

NOVEMBER 8, 2000 Date of Survey 6857 Certificate Certificate 6857



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 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.



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:

- Two rams with one blind and one pipe ram. 2. Kill line (2 inch maximum).
- 3. One kill line valve.
- One choke line valva. 4.
- 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.