

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 078433
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. 18109
Contact: KIM SOUTHALL E-Mail: kim.j.southall2@usa.conoco.com		8. Lease Name and Well No. NEWSOM 16E
3a. Address 10 DESTA DRIVE, SUITE 607W MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 915.686.5565 Fx: 915.686.6503	9. API Well No. 30-045-30682
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <u>D</u> NWNW 1100FNL 1185FWL At proposed prod. zone		10. Field and Pool, or Exploratory 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 <u>D</u> Sec 17 T26N R8W 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 SAN JUAN
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 6720 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6292 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well
20. BLM/BIA Bond No. on file		
23. Estimated duration		

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	Name (Printed/Typed) KIM SOUTHALL	Date 05/22/2001
Title SUBMITTING CONTACT		
Approved by (Signature) <u>/s/ Joel Farrell</u>	Name (Printed/Typed)	Date JUL 31
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 #4461 verified by the BLM Well Information System  
For CONOCO INC., sent to the Farmington  
Committed to AFMSS for processing by Maurice Johnson on 05/25/2001 ()

procedural review pursuant to 43 CFR 3163.3  
and appeal pursuant to 43 CFR 3163.4.

RECEIVED  
OIL CON. DIV  
DIST. 3  
AUG 2001

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

RECEIVED

KV

District I  
PO Box 1080, Hobbs, NM 88241-1080

District II  
PO Box 1080, Artesia, NM 88211-0719

District III  
1000 Ave Brazos Rd, Aztec, NM 87413

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>30-045-30682</b>		*Pool Code 71599	*Pool Name BASIN DAKOTA
*Property Code <b>18109</b>	*Property Name NEWSOM		*Well Number 16E
*USRD No. 005073	*Operator Name CONOCO, INC.		*Elevation 6292'

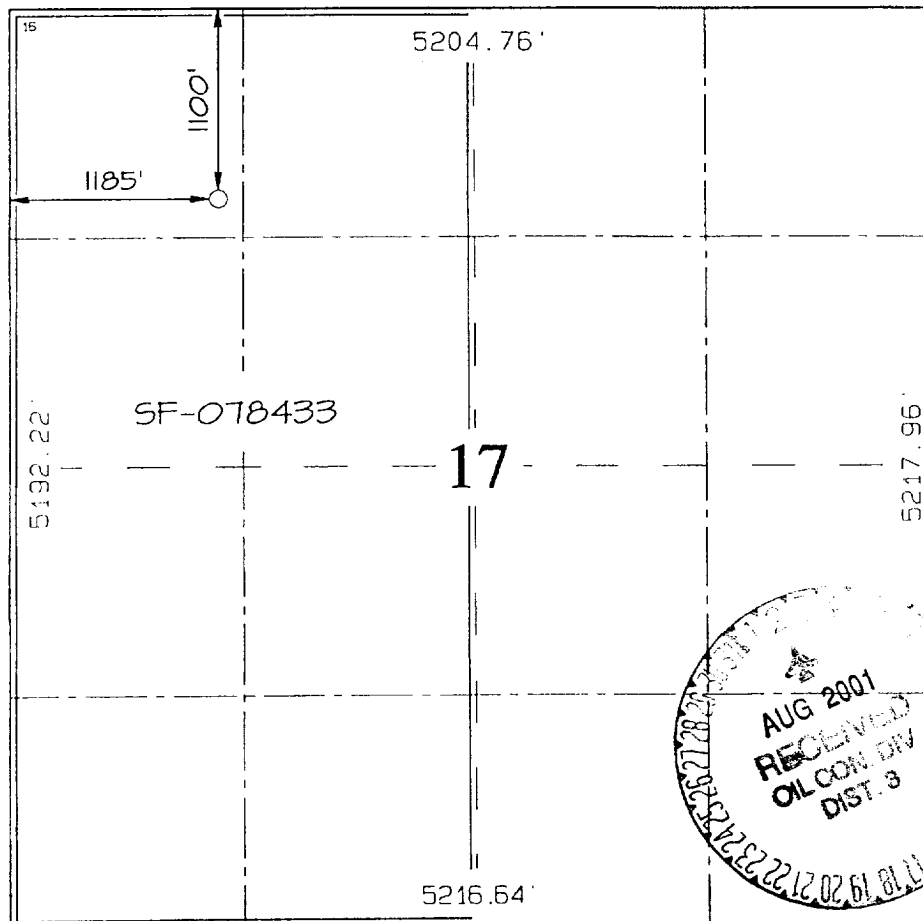
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	17	26N	8W		1100	NORTH	1185	WEST	SAN JUAN

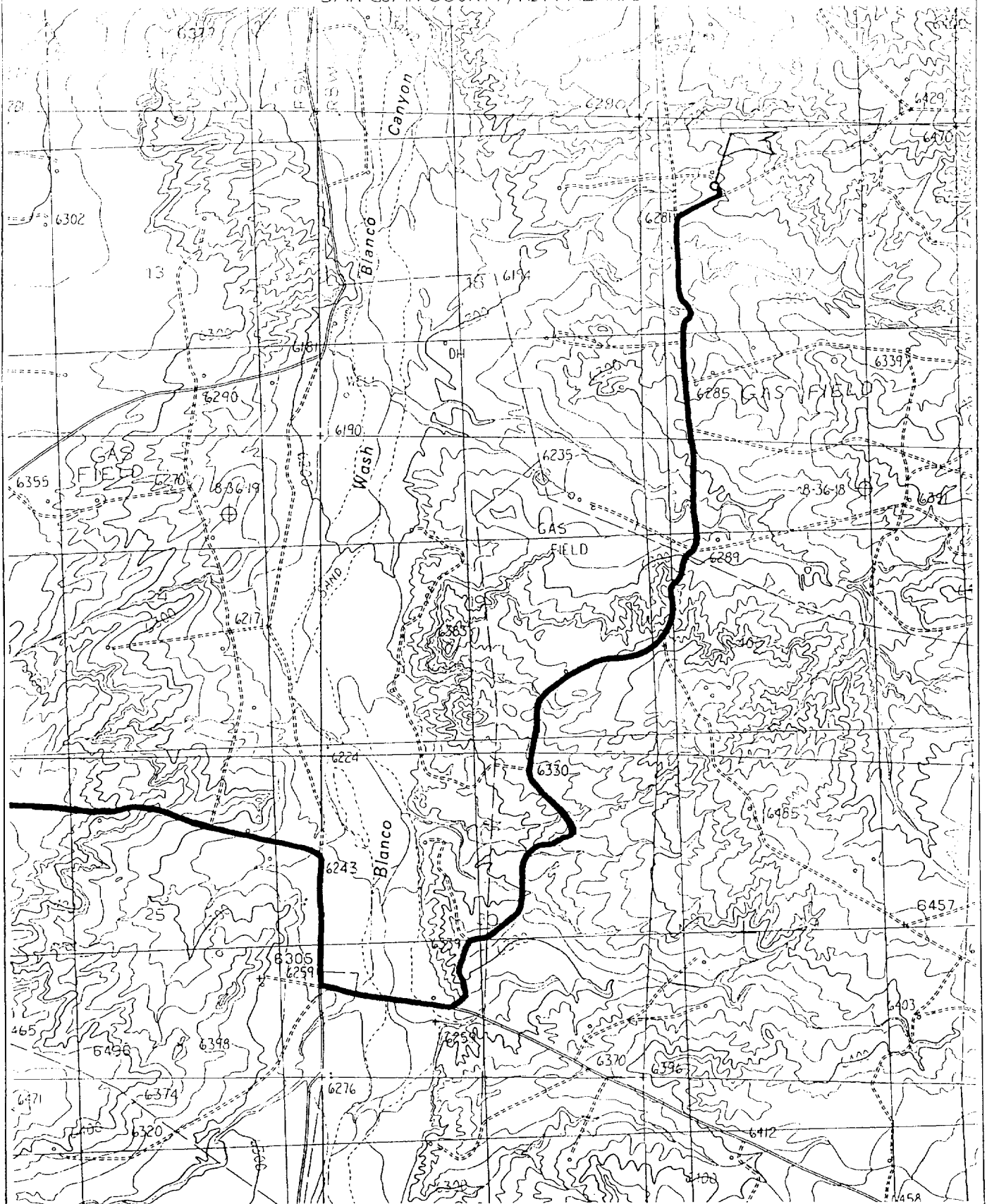
<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 320.0 Acres (W/2)					<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.

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

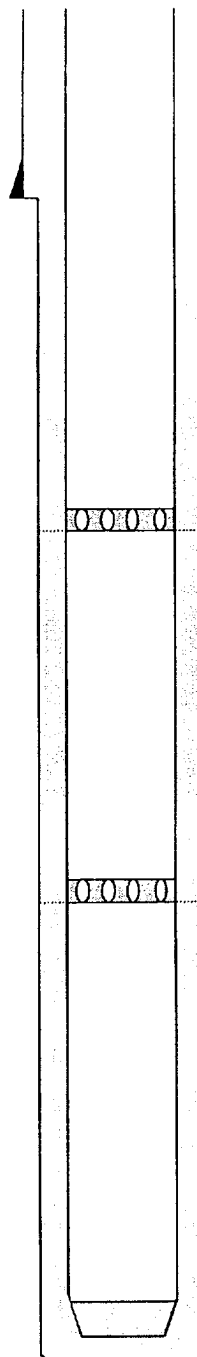
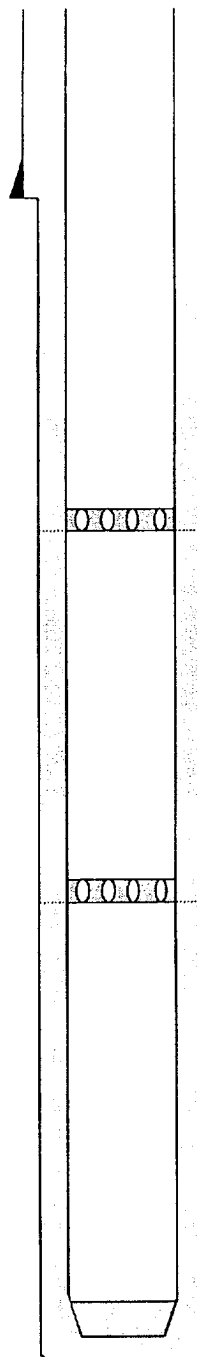
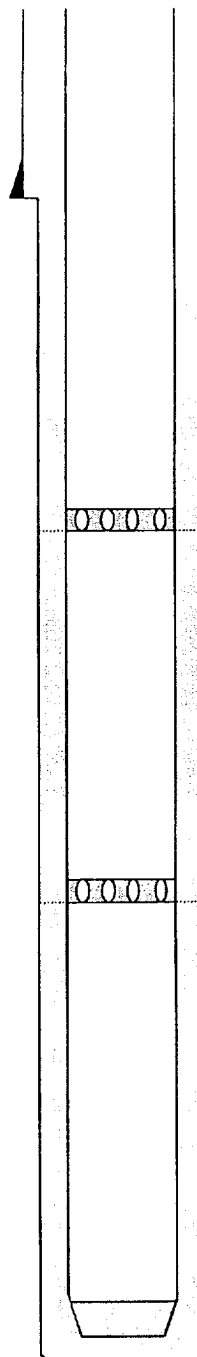
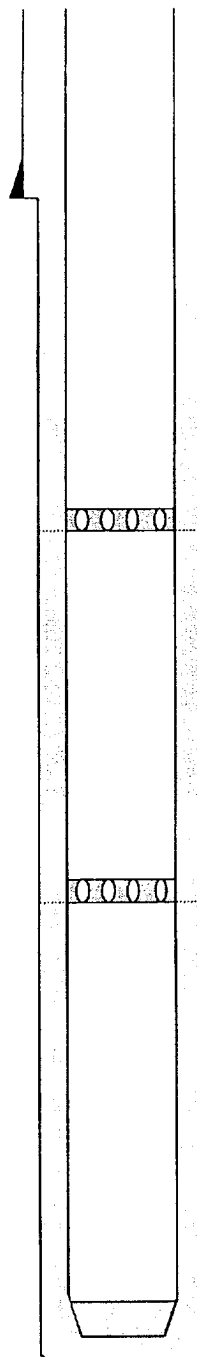
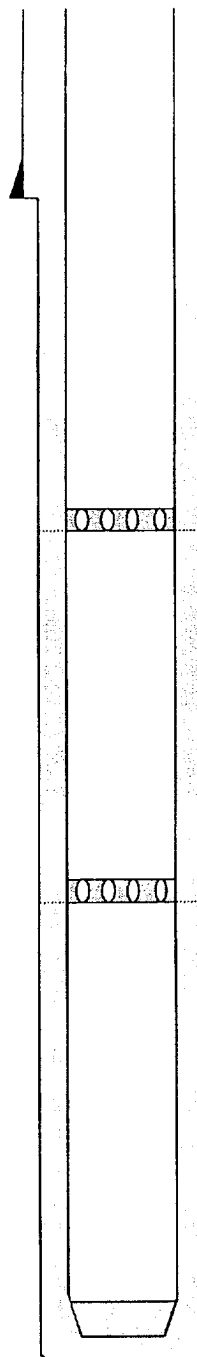
		<p><sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Kim Southall</i> Signature Kim Southall Printed Name Property Analyst Title <i>17 Aug 2001</i> Date</p> <p><sup>18</sup> SURVEYOR CERTIFICATION 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.</p> <p>APRIL 17, 2001 Date of Survey <i>Neale G. Edwards</i> Signature and Seal NEALE G. EDWARDS NEW MEXICO 6857 Professional Surveyor Certificate Number 6857</p>
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1100' FNL & 1185' FWL, SECTION 17, T26N, R8W, N.M.P.M.  
SAN JUAN COUNTY, NEW MEXICO

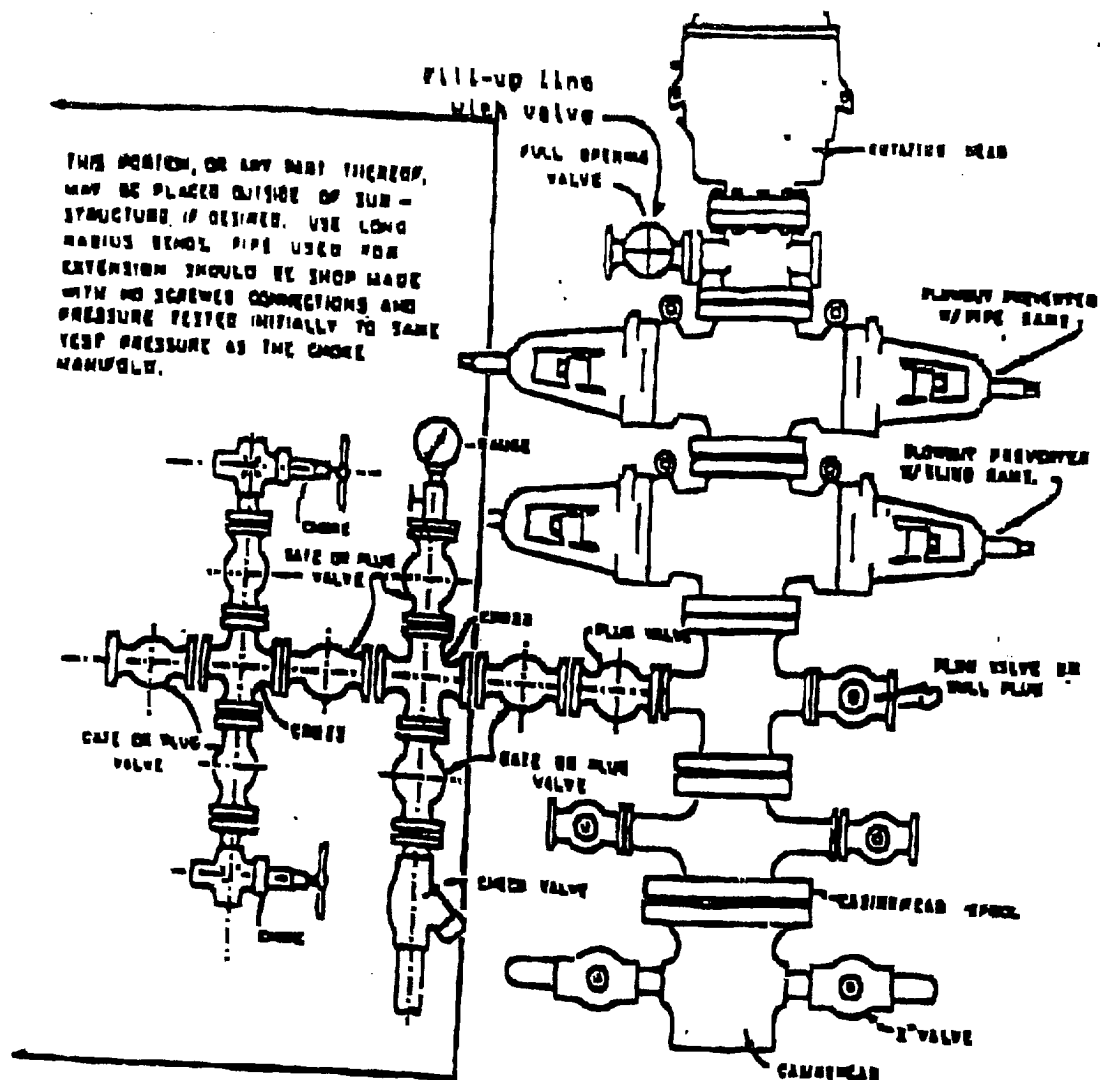


## Cementing Summary

Newsom 16E

		OH									
		Depth	Excess								
	9-5/8" Sfc. Casing	0	<i>Circulate</i>	Class 'H' Cement	185 sx	Slurry Volume	195.9 cu ft				
				Flocele (if req'd)	0.25 lb/sk		34.9 bbl				
				CaCl2	2.00% bwob-db	Slurry Density	16.5 ppg				
				Defoamer (if req'd)	0.05 gal/bbl	Slurry Yield	1.06 cu ft/sk				
						Mix Fluid	4.2 gal/sk				
	9-5/8" shoe	<del>285</del> 310 min	100% <i>Circulate 2</i>	Cement Blend	629 sx	Slurry Volume	1779.9 cu ft				
				Class 'H' Cement	84 lb/sk		317.0 bbl				
				San Juan Poz	lb/sk	Slurry Density	11.4 ppg				
				Econolite	3.00% bwob	Slurry Yield	2.83 cu ft/sk				
				CaCl2	bwob	Mix Fluid	17.29 gal/sk				
				CFR-3	bwob						
				HR-5	bwob						
				Silicalite-blended	10 lb/sk						
				Flocele	0.5 lb/sk						
				Defoamer (if req'd)	0.05 gal/bbl						
	DV Tool #2 Stage #3	3,425	75%	Cement Blend	827 sx	Slurry Volume	1405.5 cu ft				
				Class 'H' Cement	47 lb/sk		250.3 bbl				
				San Juan Poz	24 lb/sk	Slurry Density	12.8 ppg				
				Bentonite	3.00% bwob	Slurry Yield	1.70 cu ft/sk				
				Halad-344	0.40% bwob	Mix Fluid	8.26 gal/sk				
				CFR-3	0.20% bwob						
				HR-5	0.15% bwob						
				Silicalite-blended	20 lb/sk						
				Flocele	0.25 lb/sk						
				Defoamer (if req'd)	0.05 gal/bbl						
	DV Tool #1 Stage #2	6,185	60%	Cement Blend	188 sx	Slurry Volume	319.6 cu ft				
				Class 'H' Cement	47 lb/sk		56.9 bbl				
				San Juan Poz	24 lb/sk	Slurry Density	12.8 ppg				
				Bentonite	3.00% bwob	Slurry Yield	1.70 cu ft/sk				
				Halad-344	0.40% bwob	Mix Fluid	8.26 gal/sk				
				CFR-3	0.20% bwob						
				HR-5	0.10% bwob						
				Silicalite-blended	20 lb/sk						
				Flocele	0.25 lb/sk						
				Defoamer (if req'd)	0.05 gal/bbl						
	4-1/2" Csg St Stage #1	6,720	60%								

Note: Conoco to confirm DV depths



## BLOWOUT PREVENTER HOOKUP

Drilling contractors used in the San Juan Basing supply 3000 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 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 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 preventor.
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>	Loreaco 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. EXCEPTION: 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.