

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-078432
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. Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conoco.com		7. If Unit or CA Agreement, Name and No. 18106
3a. Address 10 DESTA DR., ROOM 608W MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 915.686.5799 Ext: 5799	8. Lease Name and Well No. HODGES 13E
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NESE 1950FSL 660FEL At proposed prod. zone		9. API Well No. 30-045-30762
14. Distance in miles and direction from nearest town or post office*		10. Field and Pool, or Exploratory BASIN DAKOTA/BLANCHARD SOUTH B. H. H. H.
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	11. Sec., T., R., M., or Blk. and Survey or Area I Sec 34 T26N R8W Mer NMP
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 7375 MD	12. County or Parish SAN JUAN
21. Elevations (Show whether DF, KB, RT, GL, etc. 6983 GL	22. Approximate date work will start	13. State NM
23. Estimated duration		17. Spacing Unit dedicated to this well 320 - F/2
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	Name (Printed/Typed) VICKI WESTBY	Date 08/01/2001
Title AUTHORIZED SIGNATURE		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) David J. Mantkiewicz	Date 10/19/01
Title AFM minerals	Office FFO	

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 #6101 verified by the BLM Well Information System
For CONOCO INC., sent to the Farmington

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

UNCLASSIFIED AND UNREVIEWED FOR
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

5. Lease Serial No.
SF-078432

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
HODGES 13E

2. Name of Operator
CONOCO INC. Contact: VICKI WESTBY
E-Mail: Vicki.R.Westby@conoco.com

9. API Well No.

3a. Address
10 DESTA DR., ROOM 608W
MIDLAND, TX 79705

3b. Phone No. (include area code)
Ph: 915.686.5799 Ext: 5799

10. Field and Pool, or Exploratory
BASIN DAKOTA

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 34 T26N R8W Mer NESE 1950FSL 660FEL

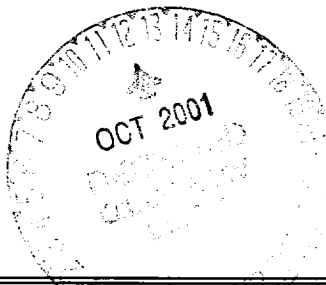
11. County or Parish, and State
SAN JUAN COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> APDCH
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

THIS NOTICE IS TO REVISE THE FORMATIONS TO BE COMPLETED IN THIS WELL FROM THE BLANCO PICTURED CLIFFS SOUTH/B DAKOTA ONLY.



14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #6463 verified by the BLM Well Information System
For CONOCO INC., sent to the Farmington
Committed to AFMSS for processing by Lucy Bee on 08/20/2001 ()**

Name (Printed/Typed) VICKI WESTBY

Title AUTHORIZED SIGNATURE

Signature

Date 08/16/2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By *[Signature]*

Title AFM minerals

Date 10/10/01

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office FFO

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.

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NMOC

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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 30-045-30762		*Pool Code 72100 / 71599	*Pool Name OLMOS PICTURED CLIFFS, SOUTH / BASIN DAKOTA
*Property Code 18106	*Property Name HODGES		*Well Number 13E
*GRID No. 005073	*Operator Name CONOCO, INC.		*Elevation 6983'

¹⁰ Surface Location

UL or Lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	34	26N	8W		1950	SOUTH	660	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

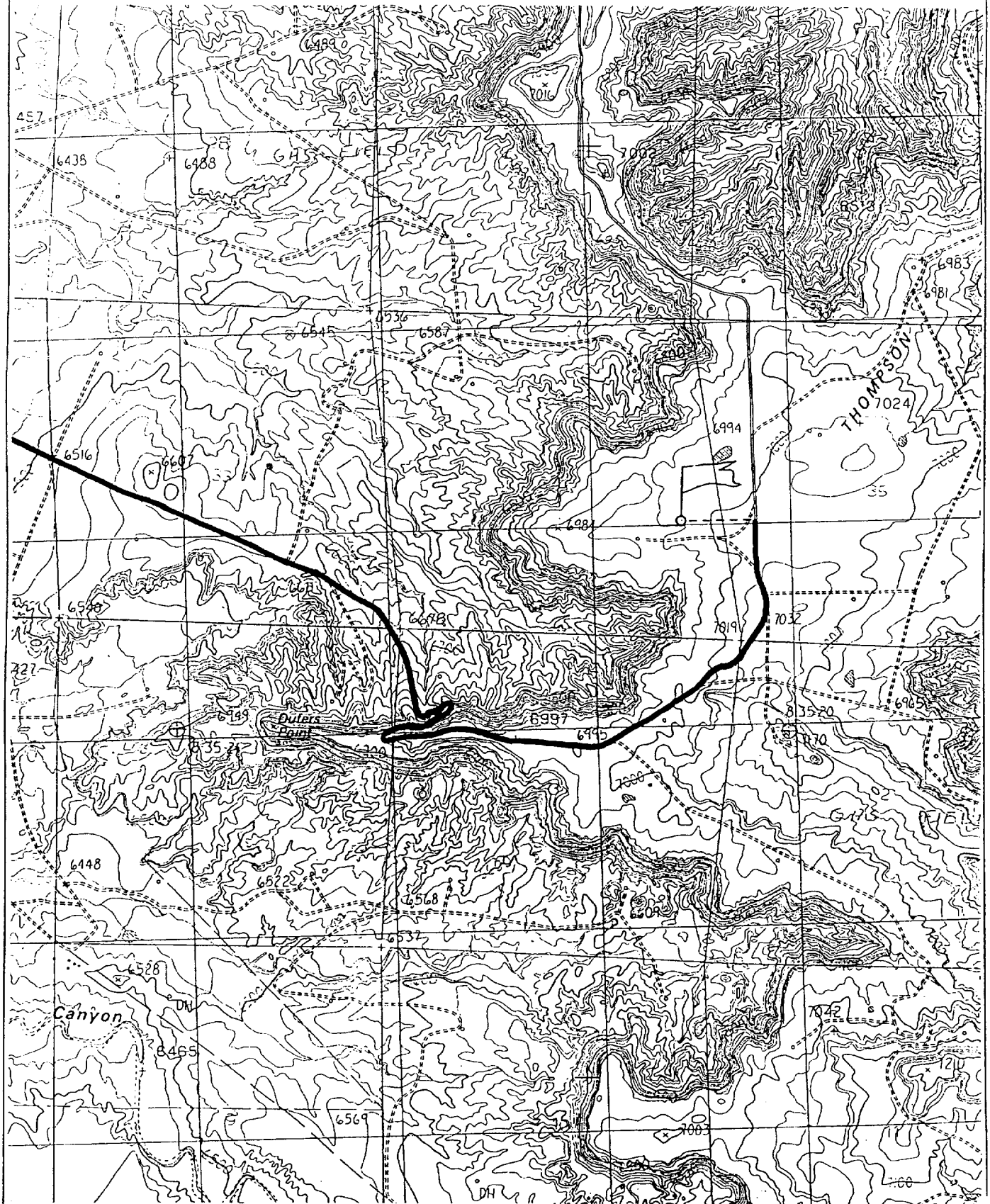
UL or Lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 100.0 Acres (PC) - 320.0 Acres (DK)	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

<div><p>¹⁶</p><p>5190.24'</p><p>5262.18'</p><p>34</p><p>SF-078432</p><p>5305.40'</p><p>1950'</p><p>660'</p><p>5511.00'</p></div>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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></p> <p>Signature</p> <p>Kim Southall</p> <p>Printed Name</p> <p>Property Analyst</p> <p>Title</p> <p><i>May 21, 2001</i></p> <p>Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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 25, 2001</p> <p>Date of Survey</p> <p><i>Neale C. Edwards</i></p> <p>Signature and Seal of Professional Surveyor</p>
	<p>NEALE C. EDWARDS NEW MEXICO 6857 REGISTERED PROFESSIONAL SURVEYOR</p>
	<p>Certificate Number 6857</p>

1950' FSL & 660' FEL, SECTION 34, T26N, R8W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO



PROJECT PROPOSAL - New Drill / Sidetrack



Well : HODGES 13E Lease : HODGES AFE # : AFE \$:
 Field Name : EAST NON 28-7 Rig : State : NM County : San Juan API # :
 Geoscientist : Glaser, Terry J Phone : (281) 293 - 6538 Prod. Engineer : Moody, Craig E. Phone : (281) 293 - 6559
 Res. Engineer : Shannon, Marc Phone : (281) 293 - 6564 Proj. Field Lead : Bergman, Pat W. Phone : (281) 293 - 6517

Primary Objective (Zones) :

Pool Pool Name
 FRR BASIN DAKOTA (PRORATED GAS)

New Drill

Surface Location :

Latitude : 36.441675 Longitude : -107.6614 X : Y : Section : 34 Survey : 26N Abstract : 8W

Footage X : 660 FEL Footage Y : 1950 FSL Elevation: 6983 (FT)

Bottom Hole Location :

Latitude : Longitude : X : Y : Section : Survey : Abstract :

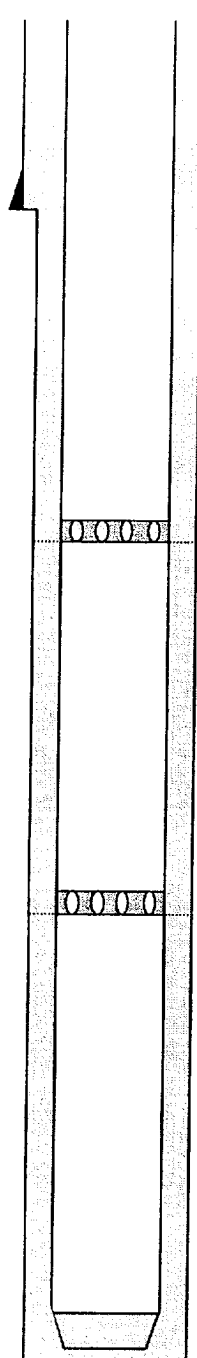
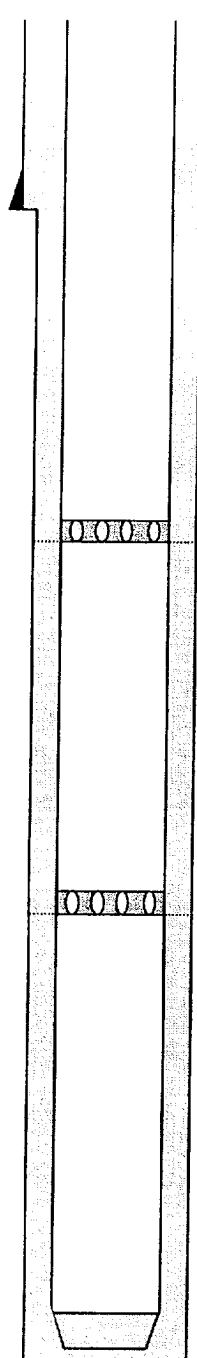
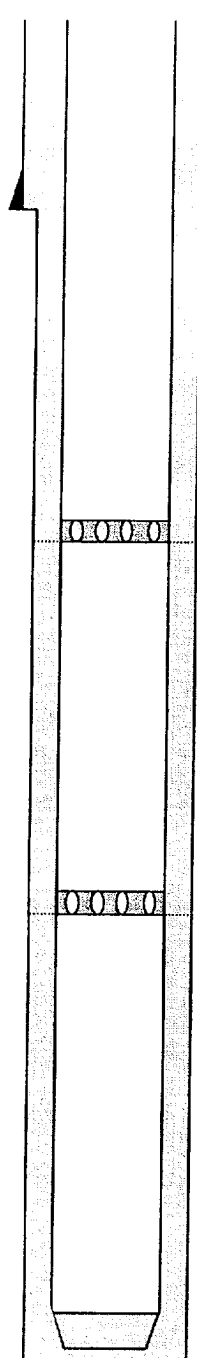
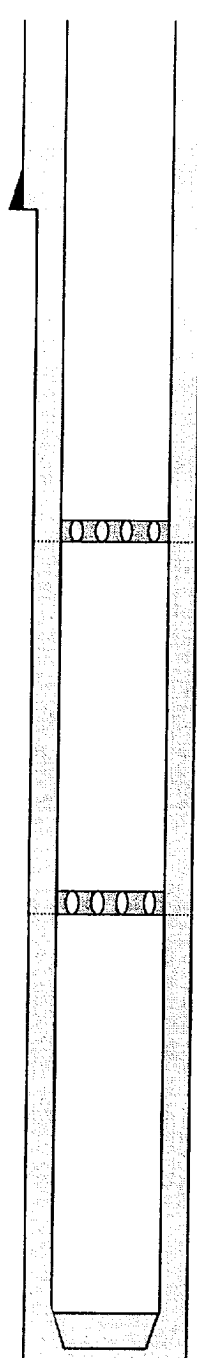
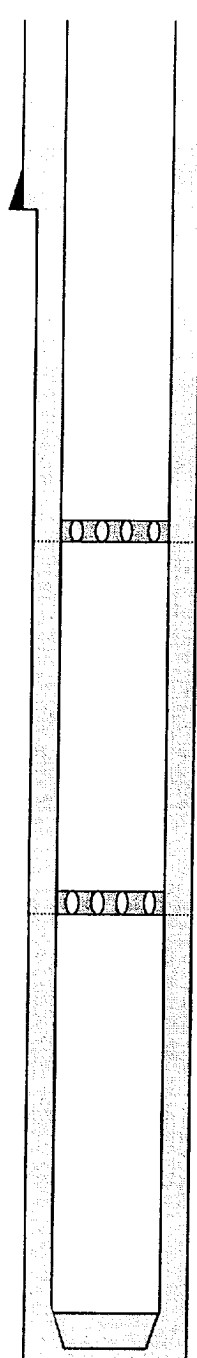
Location Type : Year Round Start Date (Est.) : Completion Date : Date In Operation :

Formation Data : Assume KB = 6996 Units = FT

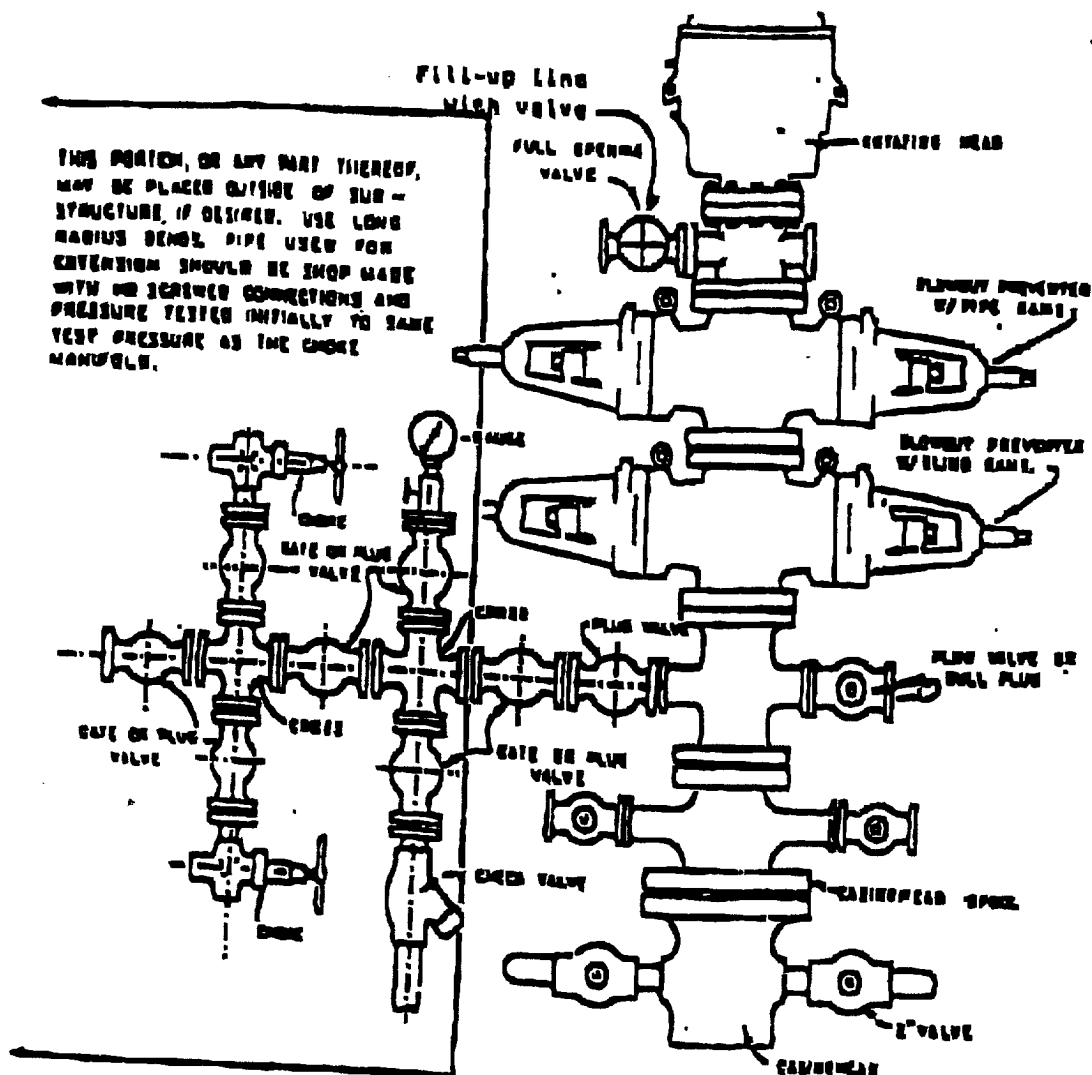
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	311 <i>320 min</i>	6685				Severe lost circulation is possible. 9 5/8", 36 ppf, J-55, STC casing. Circulate cement to surface.
OJAM	2036	4960				Possible water flows
KRLD	2076	4920				
FRLD	2452	4544				Possible gas
PCCF	2686	4310				
CHRA	3546	3450				
CLFH	4278	2718				Gas; possibly wet
MENF	4366	2630				Gas
PTLK	5056	1940		1300		Gas
GLLP	6185	811				
GRHN	6966	30				Gas possible, highly fractured
TWLS	7051	-55				Gas
PAGU	7126	-130				Gas
CBBO	7186	-190				Gas
Total Depth	7375	-379		3000		4 1/2", 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.

Cementing Summary

Hodges 13E

	Depth	OH Excess					
	9-5/8" Sfc Csg	0		Class 'A' Cement	184 sx	Slurry Volume	212.2 cu ft
				Flocele (if req'd)	0.25 lb/sk		37.8 bbl
				CaCl ₂	2.00% bwoc-db	Slurry Density	15.8 ppg
				Defoamer (if req'd)	0.05 gal/bbl	Slurry Yield	1.15 cu ft/sk
						Mix Fluid	5.0 gal/sk
	9-5/8" shoe	311	100%				
				Blend	1266 sx	Slurry Volume	2152.2 cu ft
				Class 'H' Cement	47 lb/sk		383.3 bbl
				San Juan Poz	24 lb/sk	Slurry Density	12.8 ppg
				Bentonite	3.00% bwoc	Slurry Yield	1.70 cu ft/sk
				Halad-344	0.40% bwoc	Mix Fluid	8.26 gal/sk
				CFR-3	0.20% bwoc		
				HR-5	0.10% bwoc		
				Silicalite-blended	20 lb/sk		
				Flocele	0.25 lb/sk		
	DV Tool #2 Stage #3*	4,128	75%				
				Blend	805.93 sx	Slurry Volume	1370.1 cu ft
				Class 'H' Cement	47 lb/sk		244.0 bbl
				San Juan Poz	24 lb/sk	Slurry Density	12.8 ppg
				Bentonite	3.00% bwoc	Slurry Yield	1.70 cu ft/sk
				Halad-344	0.40% bwoc	Mix Fluid	8.26 gal/sk
				CFR-3	0.20% bwoc		
				HR-5	0.10% bwoc		
				Silicalite-blended	20 lb/sk		
				Flocele	0.25 lb/sk		
	DV Tool #1 Stage #2	6,816	60%				
				Blend	194.92 sx	Slurry Volume	331.4 cu ft
				Class 'H' Cement	47 lb/sk		59.0 bbl
				San Juan Poz	24 lb/sk	Slurry Density	12.8 ppg
				Bentonite	3.00% bwoc	Slurry Yield	1.70 cu ft/sk
				Halad-344	0.40% bwoc	Mix Fluid	8.26 gal/sk
				CFR-3	0.20% bwoc		
				HR-5	0.10% bwoc		
				Silicalite-blended	20 lb/sk		
				Flocele	0.25 lb/sk		
	4-1/2" Csg St	7,375	60%				
	Stage #1			Defoamer (if req'd)	0.05 gal/bbl		

Note: Conoco to verify DV depths



BLOWOUT PREVENTER HOOKUP

Drilling contractors used in the San Juan Basing supply 1000 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 1000 psi. The 2000 psi system allows isolation 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).
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.