

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER		5. Lease Serial No. SF-078431
1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator CONOCO INC. 5073		7. If Unit or CA Agreement, Name and No. 18110
Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conoco.com		8. Lease Name and Well No. NICKSON 12E
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. 30-045-30860
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWSW 1965FSL 900FWL 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 Sec 35 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	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 7447 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 7007 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well 320 W/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:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature	Name (Printed/Typed) VICKI WESTBY	Date 09/24/2001
Title AUTHORIZED SIGNATURE		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) David J. Maniewicz	Date 10/15/01
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 #7359 verified by the BLM Well Information System
For CONOCO INC., sent to the Farmington
Committed to AFMSS for processing by Maurice Johnson on 09/27/2001 ()This action is subject to technical and
procedural review pursuant to 43 CFR 3105.3
and appeal pursuant to 43 CFR 3105.4.

** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL **

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

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 30-045-30860		Pool Code 71599	Pool Name BASIN DAKOTA
Property Code 18110	Property Name NICKSON		Well Number 12E
GRID No. 005073	Operator Name CONOCO, INC.		Elevation 7007'

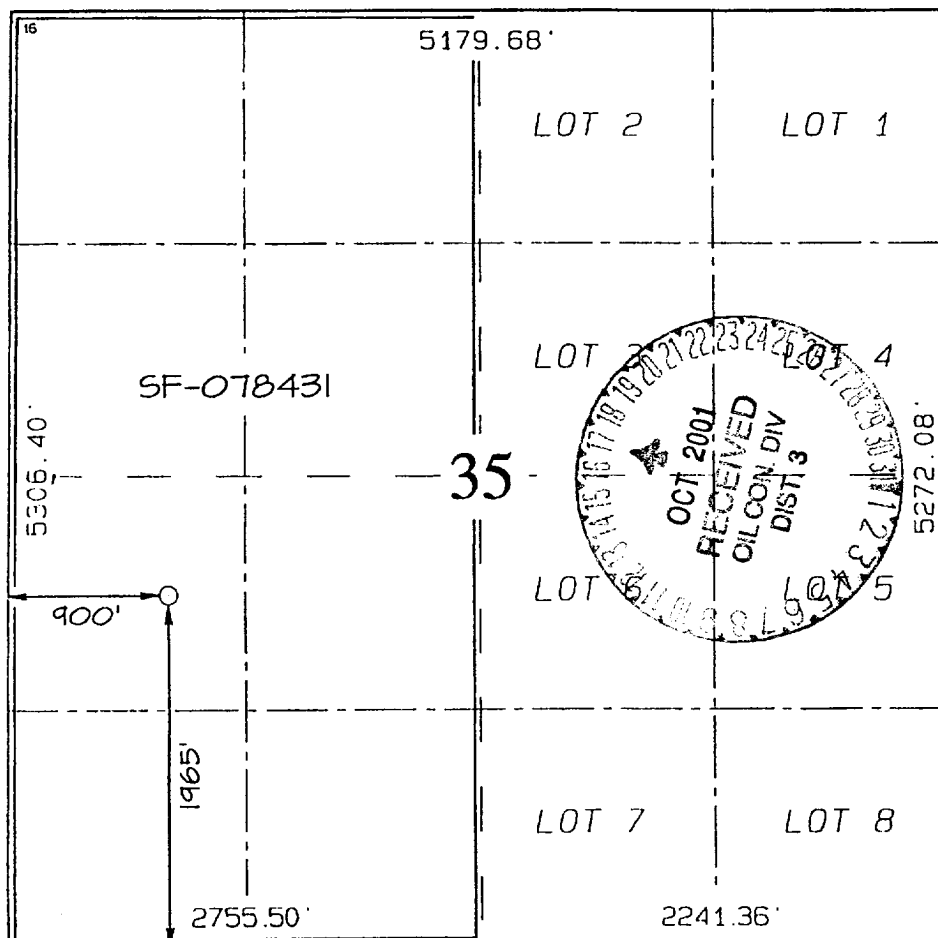
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	35	26N	8W		1965	SOUTH	900	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

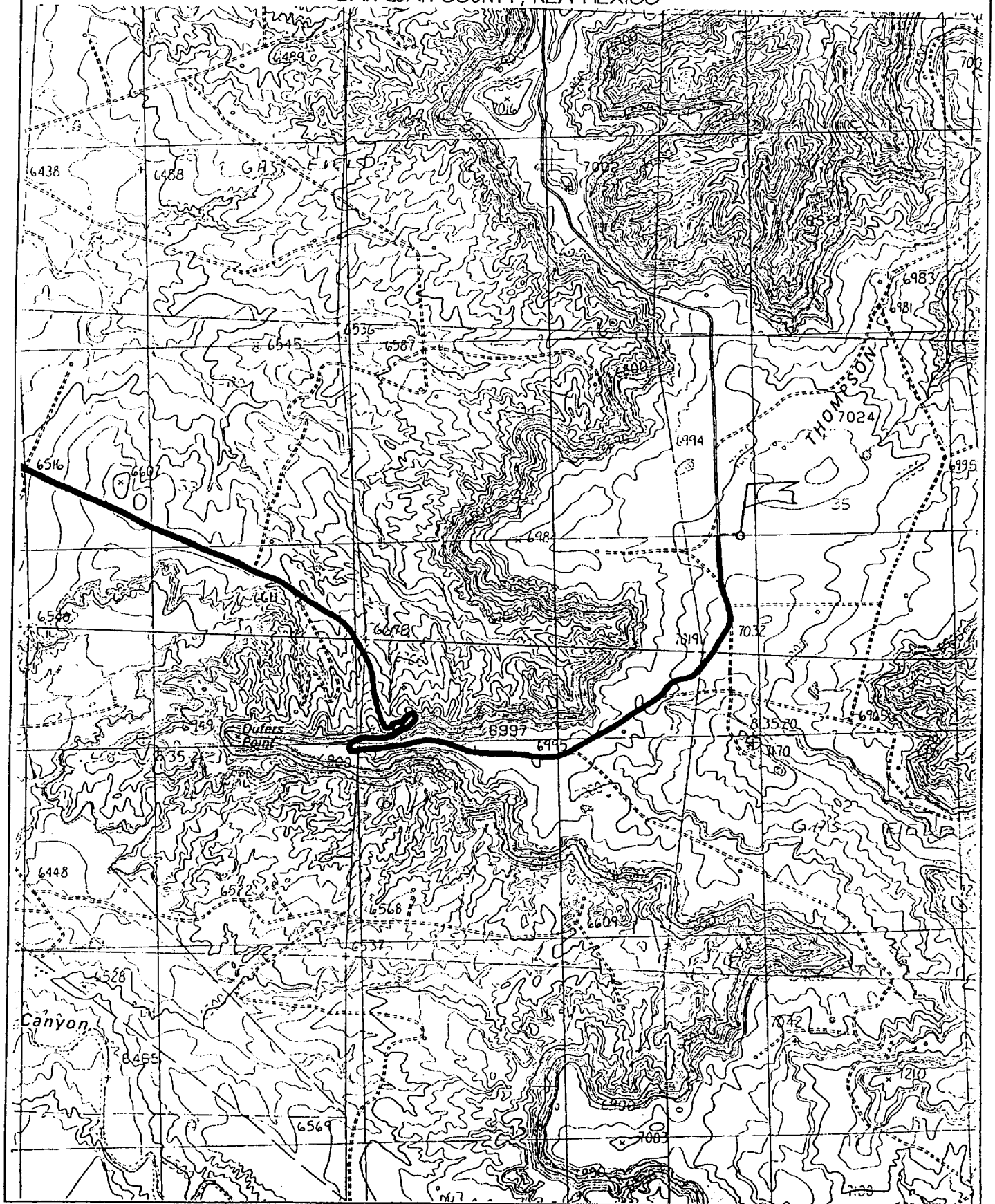
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320.0 Acres (W/2)					¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.		

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

	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Kim Southall</i> Signature Kim Southall Printed Name Property Analyst Title <i>May 21, 2001</i> 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. APRIL 25, 2001 Date of Survey <i>Neale C. Edwards</i> Signature and Seal of Professional Surveyor  Certificate Number 6857

CONOCO, INC. NICKSON #12E

1965' FSL & 900' FWL, SECTION 35, T26N, R8W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO



PROJECT PROPOSAL - New Drill / Sidetrack



Well : NICKSON 12E Lease : NICKSON AFE # : AFE \$:
 Field Name : EAST NON 28-7 Rig : Key 43 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 : 36.441572 Longitude : -107.6561 X : Y : Section : 35 Survey : 26N Abstract : 8W
 Footage X : 900 FWL Footage Y : 1965 FSL Elevation : 7007 (FT)

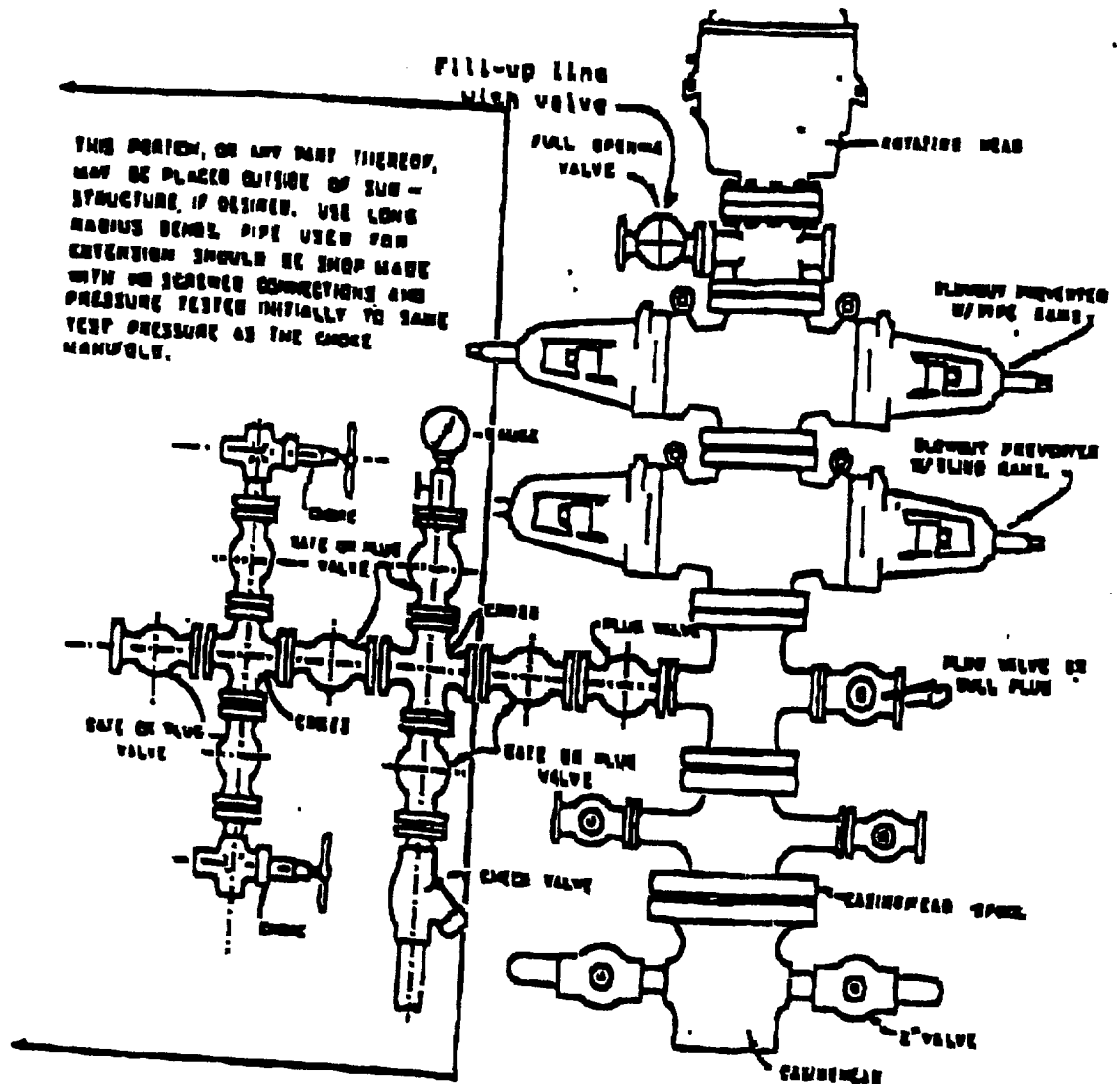
Bottom Hole Location :

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

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

Formation Data : Assume KB = 7020 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	497	6523	☒			Severe lost circulation is possible. 9 5/8", 36 ppf, J-55, STC casing. Circulate cement to surface.
OJAM	2110	4910	☒			Possible water flows*
KRLD	2170	4850	☒			
FRLD	2419	4601	☒			Possible gas
PCCF	2740	4280	☒			
CHRA	3612	3408	☒			
CLFH	4310	2710	☒			Gas; possibly wet
MENF	4397	2623	☒			Gas
PTLK	5046	1974	☒	1300		Gas
GLLP	6146	874	☒			
GRHN	7010	10	☒			Gas possible. highly fractured
TWLS	7090	-70	☒			Gas
PAGU	7163	-143	☒			Gas
CBBO	7217	-197	☒			Gas
Total Depth	7447	-427	☒	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.



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 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.