#### FORM APPROVED UNITED STATES OMB NO. 1004-0136 DEPARTMENT OF THE INTERIOR Expires February 28, 1995 5. LEASE DESIGNATION AND SERIAL NO. BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL OR DEEPEN SF 078500 - A 6. IF INDIAN, ALLOTTEE OR TRIBE NAME la. TYPE OF WORK DRILL X DEEPEN 7. UNIT AGREEMENT NAME b. TYPE OF WELL San Juan 28-7 OIL WELL GAS WELL SINGLE ZONE MULTIPLE ZONE 8. FARM OR LEASE NAME WELL NO. 2. NAME OF OPERATOR #243M Conoco Inc. 9. API WELL NO 3. ADDRESS AND TELEPHONE NO 30-039-26590 10 Desta Drive, Suite 649W, Midland, TX 79705; 915/686-5515 10. FIELD AND POOL, OR WILDCAT 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements\*) At surface Basin Dakota 940' FSL & 740' FEL 11. SEC., T., R., M., OR BLK. 940' FSL & 740' FEL AND SURVEY OR AREA Sec. 31, T28N, R7W 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 12. COUNTY OR PARISH 13. STATE Rio Arriba NM DISTANCE FROM PROPOSED 6. NO. OF ACRES EN BEAS 17. NO. OF ACRES ASSIGNED TO THIS WELL LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT (Also to nearest drig. Unit line, if any) 18. DISTANCE FROM PROPOSED LOCATION® 339.73 9. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS TO NEAREST WELL, DRILLING, COMPLETED, APPLIED FOR, ON THIS LEASE, FT 7155' Rotary 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 22 APPROX. DATE WORK WILL START\* 6187 1/01/00 PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT 12 1/2" J-55; 9 5/8" 36# 285' 138 sxs. circ. -8 3/4" J-55; 7" 20# 3130 458 sxs, circ. 6 1/4" J-55, 4 1/2" 10.5# 7155' -TOC @ 3030' sxs. circ... It is proposed to drill a vertical wellbore in the Basin Dakota. An NOS was filed 05/26/00. The well will be drilled and equipped according to the following additional attachments: 1. Well Location & Acreage Dedication Plat (C-102). Proposed Well Plan Outline. 3. Cementing Plan. 4. Blowout Preventer Hookup. 5. Surface Use Plan including temporary pipeline tie specifications. DRULLING TOPELS I HAS FULLOWED ARE 6. Production Facility Layout. this author is enjoyed in themplass and procedural review pursuant to 45 CFR 3165.3 SUBJECT TO SUMPLIANCE WHILL ATTACHED and appeal pursuant to 43 CFR 3165.4. "GENERAL EEDUREMENTS" This application includes ROW's for the well pad, cathodic protection, and pipeline. The pipe-wall thickness is .156 and the pipewall strength is 42,000# yield. IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen give data on present productive zone and proposed new productive zone. If

proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

DATE 12/01/00 (This space for Federal or/State office Use) APPROVAL DATE Application approval 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 theron. CONDITIONS OF APPROVAL, IF ANY

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crive 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.



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

U. HODDS, 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

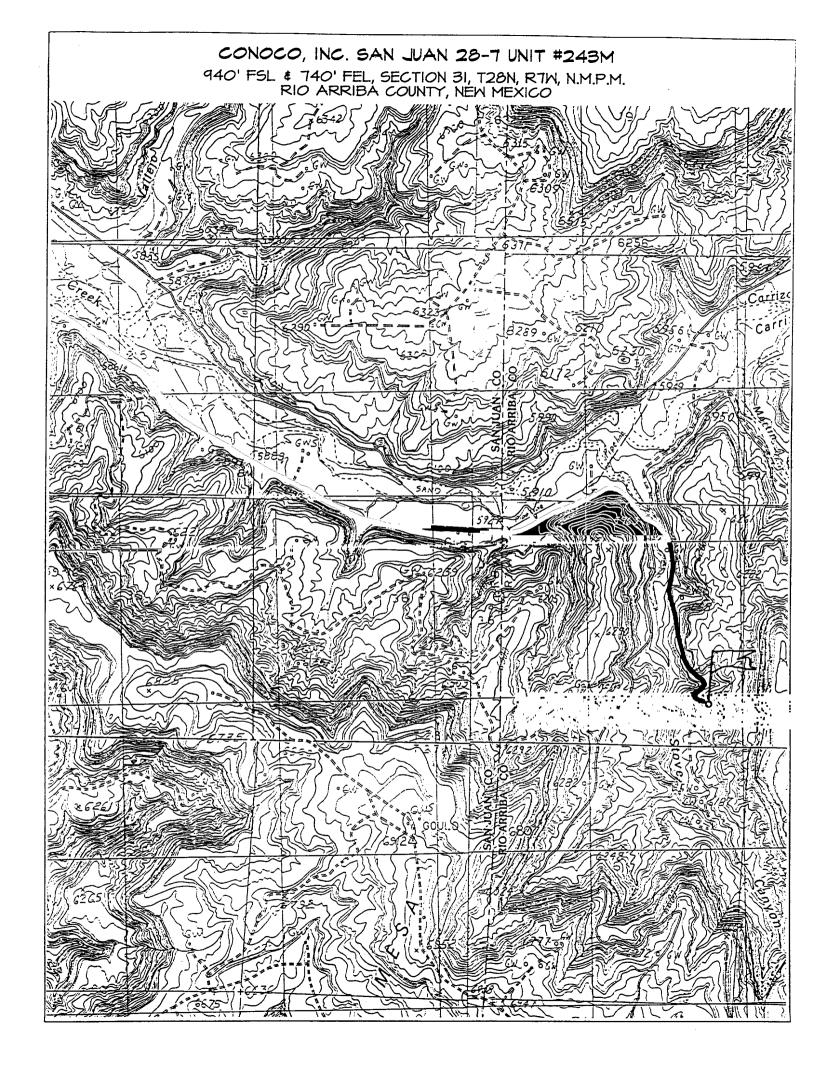
Form C-102 Revised February 21, 1994 Instructions on back Submit to Appropriate District Office

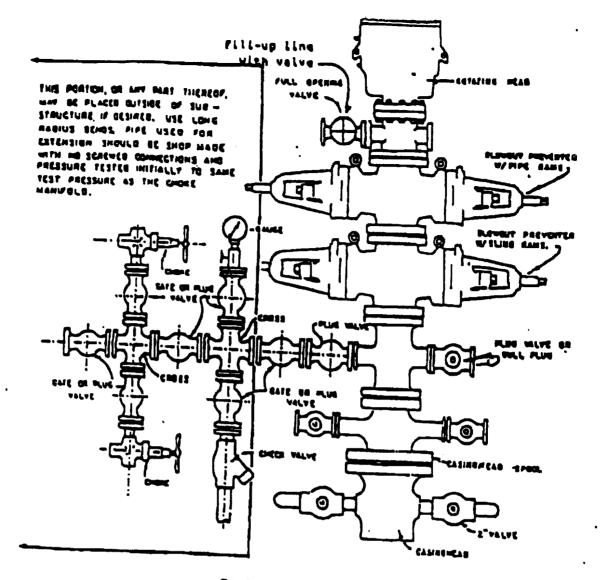
OIL CONSERVATION DIVISION PO Box 2088 Santa Fe. NM 87504-2088

ISION
State Lease - 4 Copies
Fee Lease - 3 Copies
2088
200 CEC -4 PM 12: FG AMENDED REPORT

OTO FARMINGTON, NM

### WELL LOCATION AND ACREAGE DEDICATION PLAT API Number \*Pool Code Pool Name 70 039-7. 71599 BASIN DAKOTA Property Name Well Number 016608 SAN JUAN 28-7 UNIT 243M 'OGRID No. \*Operator Name \*Elevation 005073 CONOCO, INC. 6187 <sup>10</sup> Surface Location UL or lot no Sect ion Lat Idn Feet from the North/South line Feet from the East/West line County Р 31 28N RIO 7W 940 SOUTH 740 EAST ARRIBA <sup>11</sup>Bottom Hole Location If Different From Surface UL or lot no. Section Feet from the North/South line Feet from the East/West line County 12 Dedicated Acres <sup>13</sup>Joint or Infill <sup>14</sup> Consolidation Code <sup>15</sup> Order No. 339.73 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 1203.18 1320.00 2640.00 17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief LOT 1 00 yu-8-00 40 Signature Joann Johnson Printed Name LOT, 2 Sr. Property <u>Analyst</u> 243F Title Date SURVEYOR CERTIFICATION 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. LOT 3 JUNE 13, 2000 Date of Surve EDW 740' 143 685 IOT 5 LOT 6 LOT 4 0 Non Presson ertificate





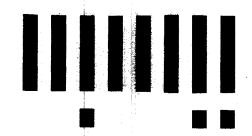
## BLOWOUT PREVENTER HOOKUP

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 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). ٦,
- One kill line valve.
- One choke line valve. 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. Two-inch minimum choke line. 8. 9.
- Pressure gauge on choke manifold. 10.
- Fill-up line above the upper most preventor. 11. Rotating head.

### **Cathodic Protection System Description**

Anode Bed Type	Ocep Well		
Hole Size	a-		
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.	



T LTR



Job separation sheet

Form 3160-5 (June 1990)

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

Expires:	March 31, 1993			
esse Designation and Serial No.				

		5. Lease Designation and Serial No.		
SUNDRY NOTICES A	SF 078500-A			
Do not use this form for proposals to dri	6. If Indian, Allottee or Tribe Name			
USE APPLICATION FOR	R PERMIT—" For such proposals			
		7. If unit or CA, Agreement Designation		
SUBMIT I	San Juan 28-7			
1. Type of Well	8. Well Name and No.			
Oil Well X Gas Well Other	Unit #243M			
2. Name of Operator	9. API Well No.			
CONOCO INC.	30-039-26590			
3. Address and Telephone	10. Field and Pool, or Exploratory Area			
10 DESTA DRIVE, SUITE 649	Blanco Mesaverde/Basin Dakota			
4. Location of Well (Footage, Sec., T. R. M. or Survey Description)		11. County or Parish, State		
	31, T28N, R7W	Rio Arriba County, NM		
940′ FS	L & 740' FEL	Rio Arrioa County, Nivi		
12 CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA				
TYPE OF SUBMISSION	TYPEOFACTIO	N		
Notice of Intent	Abandonment	Change of Plans		
Subsequent Report	Recompletion	New Construction		
заождает кероп	Plugging Back Casing Repair	Non-Routine Fracturing Water Shut-Off		
Final Abandonment Notice	Altering Casing	Conversion to Injection		
_	Other Pool Change to DK/MV	Dispose Water		
		(Note: Report results of multiple completion on Well		
13. Describe Proposed or Completed Operations (Clearly state all pertinent	t details, and give pertinent dates, including estimated date of starting any proposed we	Completion or Recompletion Report and og form.)		
and measured and true vertical depths for all markers and zones per	t details, and give pertinent dates, including estimated date or starting any proposed we inent to this work.	ork. If well is directionally drilled, give subsurface locations		
Conoco Ina originally submitted the Desir D	alloss manifests and anti-			
hole commingled pursuant to the terms and co	akota pool only, we propose to include the Mesawer	le Dakota. This well will be down		
note commission parsuant to the terms and or				
	. See Mi	AY 2001		
		<b>1</b> 200 - 200 - 500		
	OIL.	008.0W //		
	la de la companya de	Det.s		
		OCK Ser		
	~	the in the construction		
14. I hereby certify that the foregoing is true and correct				
Signed Kimberly Southall	Title Associate Property Assistant	Date 05/14/01		
15. (This space for Federal or State office use)	The Prosociate Property Assistant	Date 03/14/01		
Approved by Conditions of approval if any:	Title	Date 5/18/01		
Conditions of approval it any.		, , ,		
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly an	d willfully to make to any department or agency of the United States any false, fictition	NIS OF fraudulent statements or representations as to any matter		