

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: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

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

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

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

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface SENW 1935FNL 1860FWL

At proposed prod. zone

14. Distance in miles and direction from nearest town or post office*

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

18. Distance from proposed location to nearest well, drilling completed, applied for, on this lease, ft.

19. Proposed Depth

7725 MD

21. Elevations (Show whether DF, KB, RT, GL, etc.)
6652 GL

22. Approximate date work will start

5. Lease Serial No.
SF-078498

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
SAN JUAN 28-7 UNIT 192F

9. API Well No.

3003927059

10. Field and Pool, or Exploratory
BLANCO MESAVERDE/BASIN DAKO

11. Sec., T., R., M., or Blk. and Survey or Area

F Sec 33 T28N R7W Mer NMP

12. County or Parish
RIO ARRIBA

13. State
NM

17. Spacing Unit dedicated to this well

316.00

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
(Electronic Submission)

Name (Printed/Typed)
VICKI WESTBY

Date
08/02/2002

Title
AUTHORIZED SIGNATURE

Approved by (Signature)

/s/ Charlie Beecham

Name (Printed/Typed)

SEP - 9 2002

Title

ACTING

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 #13356 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 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

NMOCD

** 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 30-059-27059		*Pool Code 72319 / 71599	*Pool Name BLANCO MESAVERDE / BASIN DAKOTA
*Property Code 016608	*Property Name SAN JUAN 28-7 UNIT		*Well Number 192F
*OGRID No. 005073	*Operator Name CONOCO, INC.		*Elevation 6652'

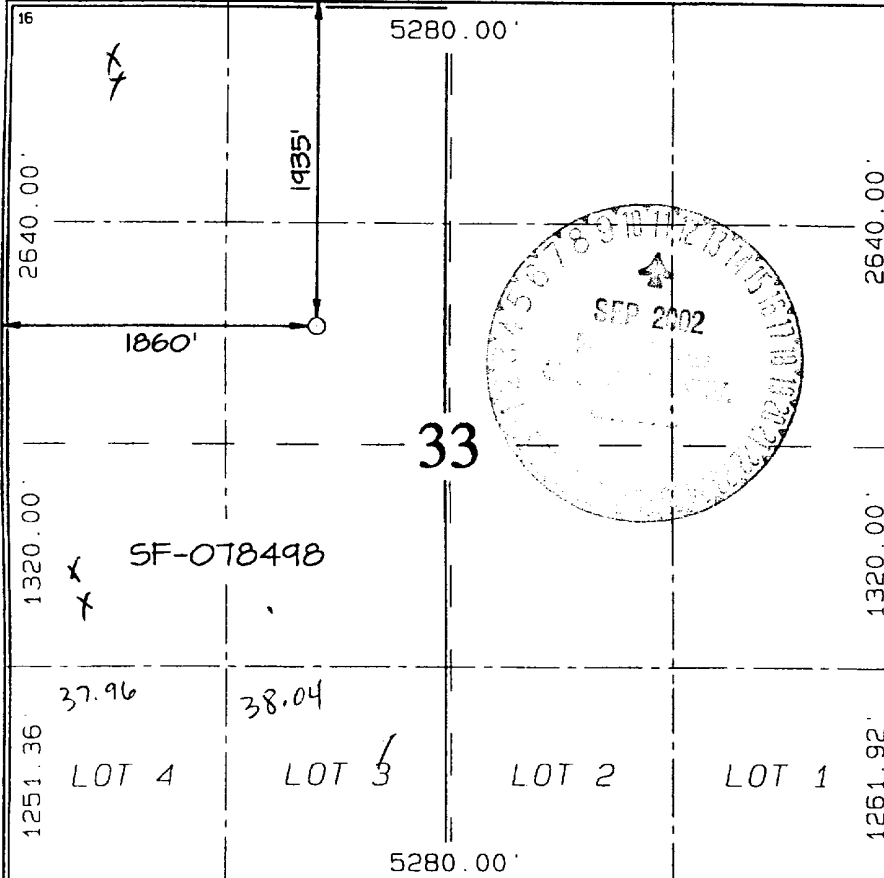
¹⁰ Surface Location

UL or lot no. F	Section 33	Township 28N	Range 7W	Lot Idn	Feet from the 1935	North/South line NORTH	Feet from the 1860	East/West line WEST	County RIO ARriba
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¹¹ Bottom Hole Location If Different From Surface

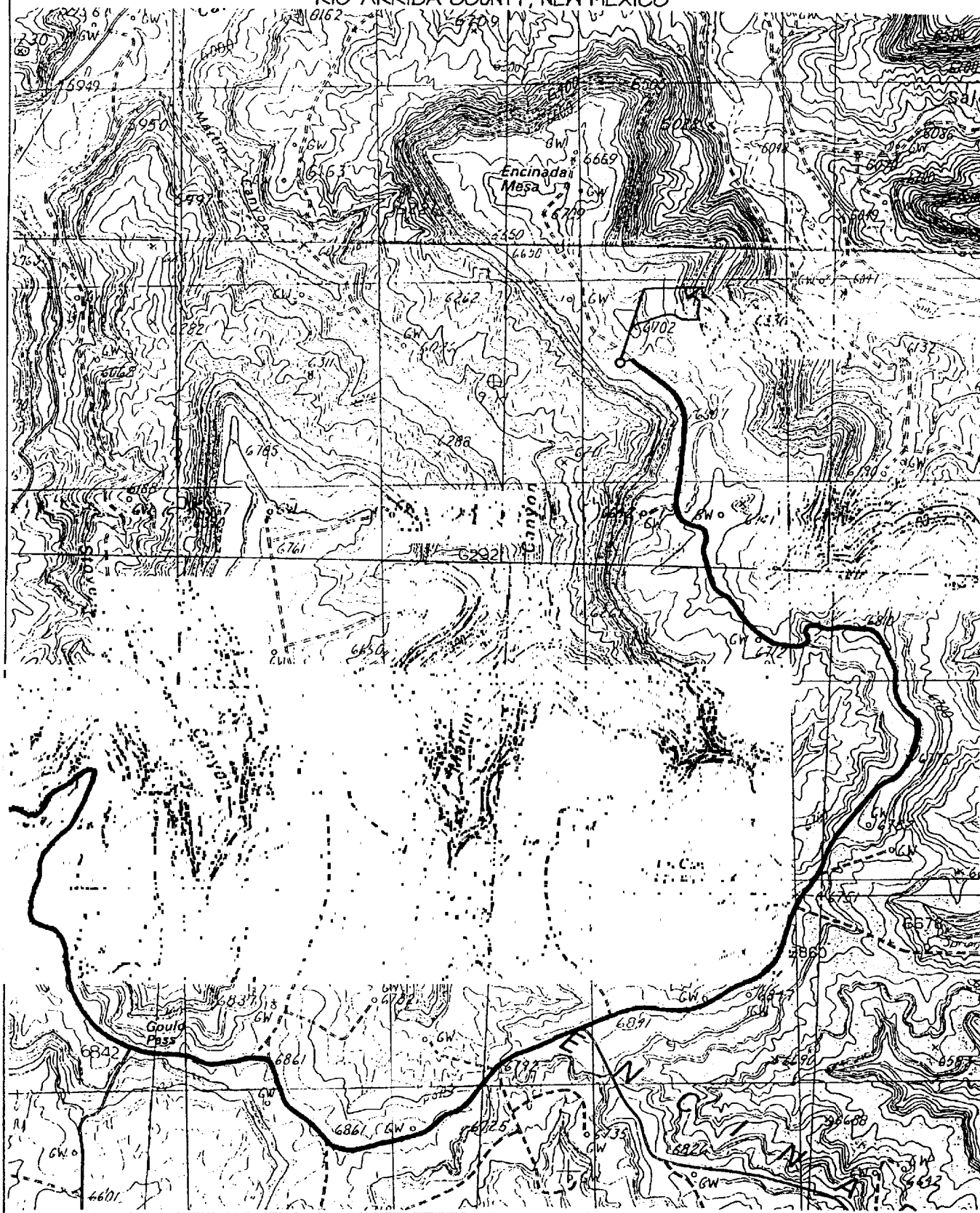
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 316.00 Acres - (W/2)					¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.		

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>Vicki R. Westby</i> Signature Vicki R. Westby Printed Name Sr. Title Analyst Title Date <i>July 31, 2002</i> 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. Date of Survey: JULY 4, 2002 Signature and Seal of Professional Surveyor  JASON C. EDWARDS Certificate Number 15269	
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CONOCO, INC. SAN JUAN 28-7 UNIT #192F

1935' FNL & 1860' FWL, SECTION 33, T28N, R7W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO



PROJECT PROPOSAL - New Drill / Sidetrack



SAN JUAN 28-7 192F

(Not
Assigned)

San Juan Business Unit

Lease :	AFE # :		AFE \$:	
Field Name : EAST 28-7	Rig :	State : NM	County : RIO ARRIBA	API # :
Geoscientist : Glosier, Terry J	Phone : (281) 293 - 6538	Prod. Engineer : Moody, Craig E.	Phone : (281) 293 - 6550	
Res. Engineer : Vaivatrie, Christine K.	Phone :	Proj. Field Lead : Bergman, Pat W.	Phone : (281) 293 - 6517	

Primary Objective (Zones):

Zone	Zone Name
FRR	BASIN DAKOTA (PRORATED GAS)
RON	BLANCO MESAVERDE (PRORATED GAS)

"Air Drilled"

Location : Surface		Straight Hole	
Latitude : 36.62	Longitude : -107.58	X :	Y :
Footage X : 1860 FWL	Footage Y : 1935 FNL	Elevation : 6652 (FT)	Survey : 28N
Tolerance		Section : 33	Abstract: 7W

Location Type : Year Round Start Date (Est.) Completion Date : Date In Operation :
Formation Data Assume KB 6665 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	200	6465	☐			Severe lost circulation is possible. 12 1/4" Hole. 9 5/8", 36 ppf, J-55, STC casing. Will test to 500 psi. Circulate cement to surface.
OJAM	2340	4325	☐			Possible water flows
KRLD	2490	4175	☐			
CHRA	2495	4170	☐			
FRLD	2980	3685	☐			Possible gas
PCCF	3230	3435	☐			Gas; possibly wet
LEWS	3430	3235	☐			
Intermediate Casing	3530	3135	☐			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface. Will test to 1500 psi.
CLFH	4865	1800	☐			Gas; possibly wet
MENF	5005	1660	☐			Gas
PTLK	5460	1205	☐			Gas
MNCS	5710	955	☐			
GLLP	6625	40	☐			
GRHN	7375	-710	☐			Gas possible, highly fractured
TWLS	7455	-790	☐			Gas
CBBO	7590	-925	☐			Gas
Total Depth	7725	-1060	☐			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.

Reference Wells:

Intermediate:	Well Name	Comments
Production:	Well Name	Comments

PROJECT PROPOSAL - New Drill / Sidetrack



SAN JUAN 28-7 192F

(Not
Assigned)

San Juan Business Unit

Logging Program :

Intermediate Logs : ☐ Log only if show ☐ GR / ILD ☐ Triple Combo

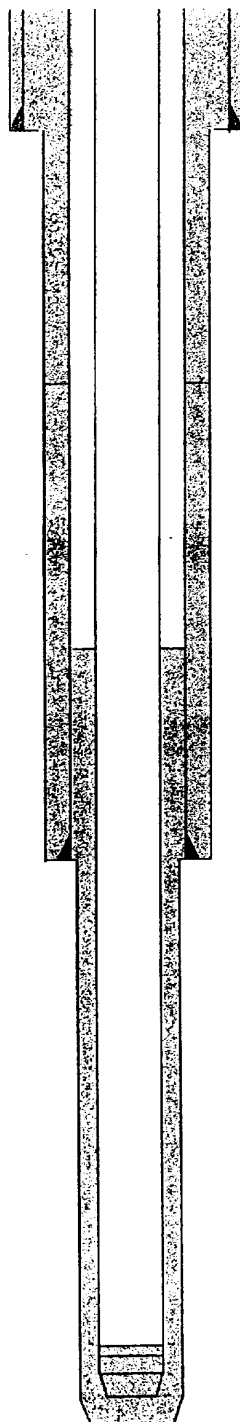
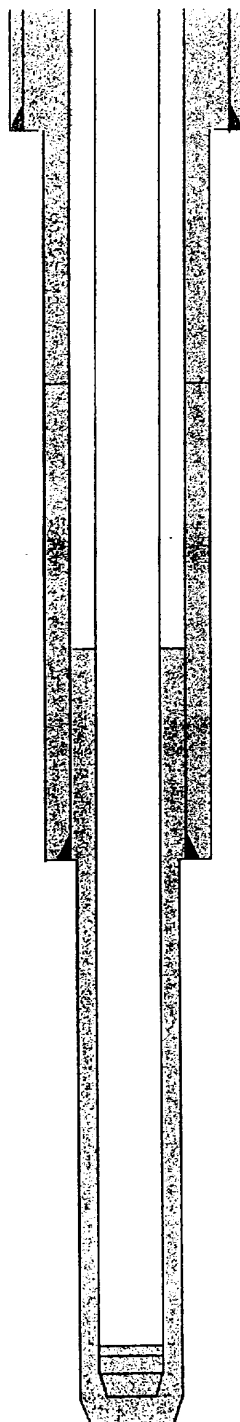
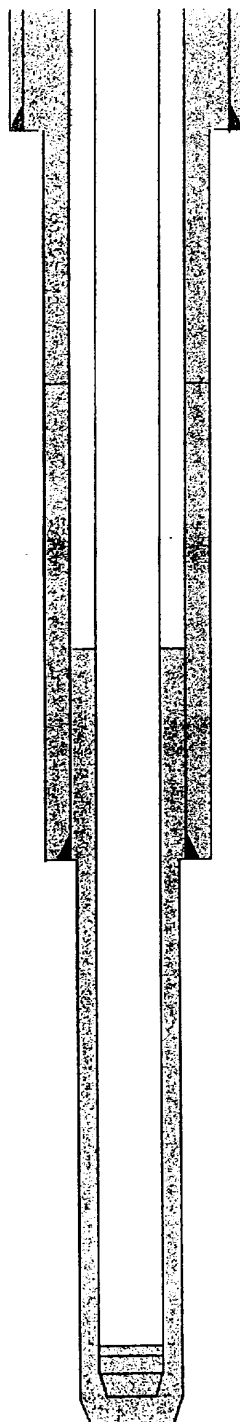
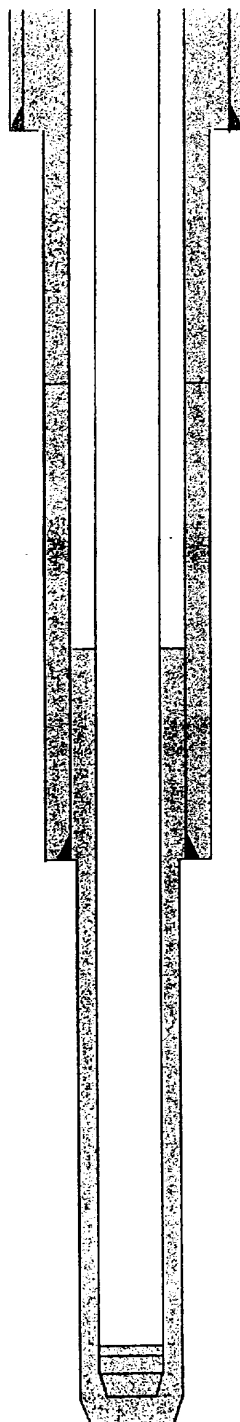
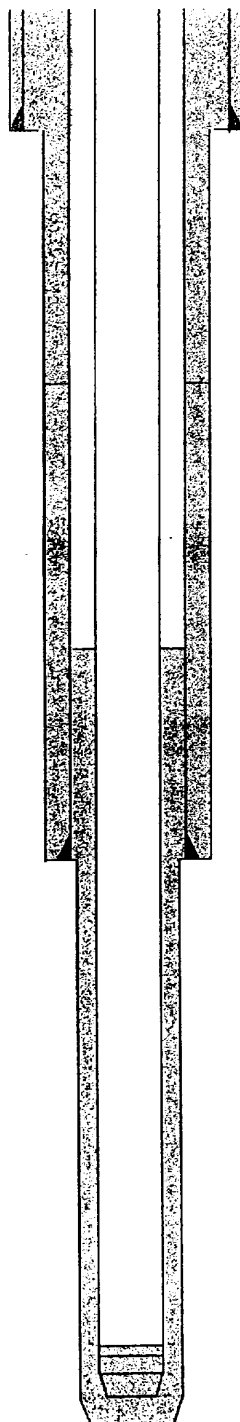
TD Logs : ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☒ TDT ☐ Other

Additional Information

Comments

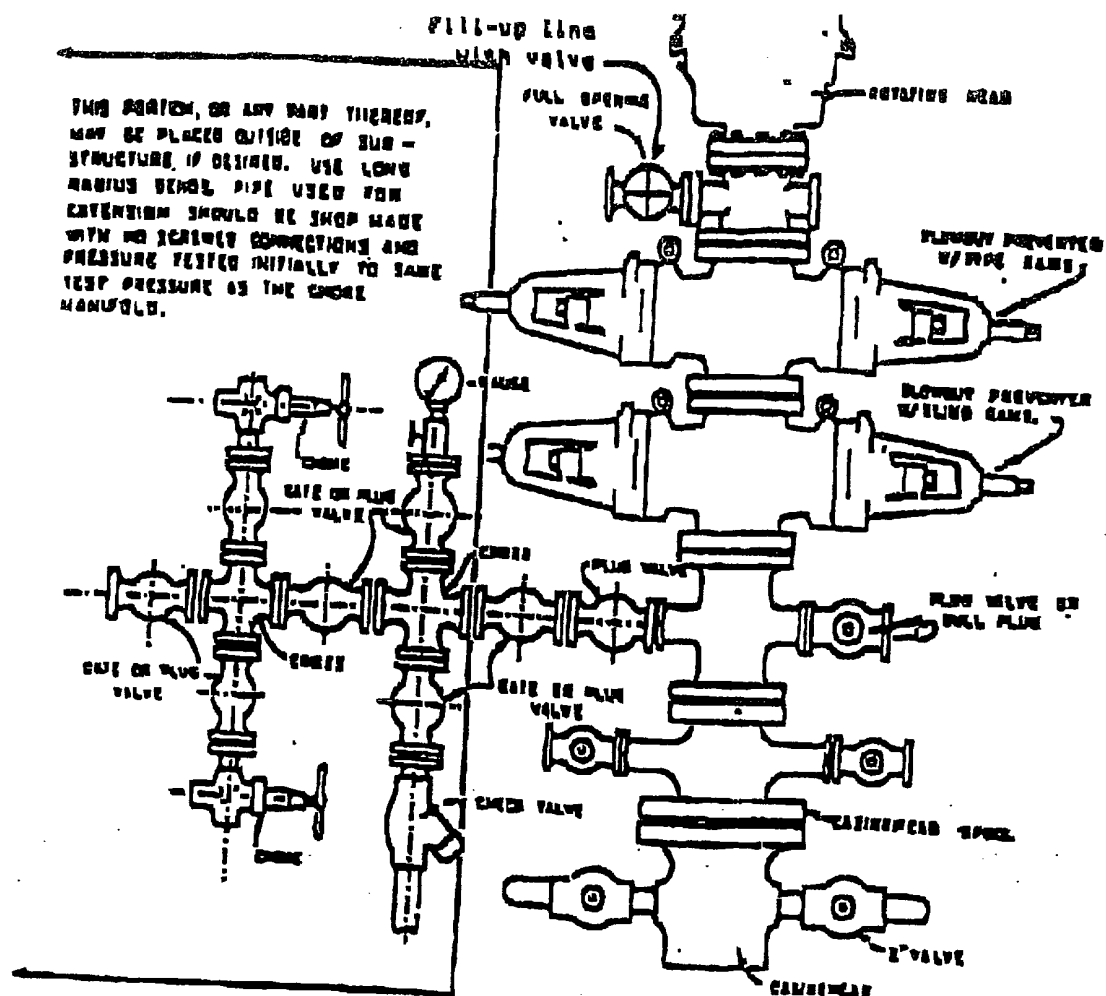
Cementing Summary

San Juan 28-7 192F (v1.0)

		OH				
		Depth	Excess			
	9-5/8" S/c Casing	0		50:50 Poz Standard	106.4 sx	Slurry Volume 142.6 cu ft
				Cement	47 lb/sk	25.4 bbl
				San Juan Poz	34 lb/sk	Slurry Density 13.5 ppg
				Gel (Bentonite)	2.0% bwoc-db	Slurry Yield 1.34 cu ft/sk
				Gilsonite	5.0 lb/sk	Mix Fluid 5.35 gal/sk
				CaCl2	3.0% bwoc-db	
				Flocele	0.25 bwoc-db	
				Defoamer (if req'd)	0.05 gal/bbl	
	9-5/8" shoe	200	100%			
	7" Lead Cement	150%		Standard Cement	378.26 sx	Slurry Volume 1096.9 cu ft
				Standard Cement	94 lb/sk	195.4 bbl
				San Juan Poz	lb/sk	Slurry Density 11.4 ppg
				Econolite	3.0% bwoc	Slurry Yield 2.9 cu ft/sk
				CaCl2	bwoc	Mix Fluid 16.78 gal/sk
				Bentonite-Gel	bwoc	
				Flocele	0.5 lb/sk	
				Gilsonite	10.0 lb/sk	
	7" Top of Tail	3,030		Defoamer (if req'd)	0.05 gal/bbl	
	7" Tail Cement	150%		50:50 Poz Standard	155.65 sx	Slurry Volume 207.0 cu ft
				Standard Cement	47.0 bwob	36.9 bbl
				San Juan Poz	34.0 lb/sk	Slurry Density 13.5 ppg
				Econolite	bwob	Slurry Yield 1.33 cu ft/sk
				CaCl2	2.00% bwob	Mix Fluid 5.32 gal/sk
				Bentonite-Gel	2.00% bwob	
				Flocele	0.25 lb/sk	
				Gilsonite	5.0 lb/sk	
	4.5" TOC	2,530		Defoamer (if req'd)	0.05 gal/bbl	
	7" Casing Intermediate	3,530	150%			
	4.5" Cement	50%		Blend	535.76 sx	Slurry Volume 782.2 cu ft
				Standard Cement	47 lb/sk	139.3 bbl
				San Juan Poz	37 lb/sk	Slurry Density 13.0 ppg
				Bentonite	3.00% bwob	Slurry Yield 1.46 cu ft/sk
				CFR-3	0.20% bwoc	Mix Fluid 6.42 gal/sk
				Halad-9	0.80% bwoc	
				HR-5	0.10% bwoc	
				Gilsonite	5.0 lb/sk	
				Flocele	0.25 lb/sk	
				Defoamer (if req'd)	0.05 gal/bbl	
	4-1/2" Casing Production	7,847	50%			

Conoco to verify casing depths.

Note:



BLOWOUT PREVENTER HOOKUP

Drilling contractors used in the San Juan Basing supply 1000 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 1000 psi. The 2000 psi system allows the deletion of the annular preventor and fulfills your requirements (note diagram No. 1). In addition, the following equipment will comprise the 1000 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

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., $\geq$ 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.
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 $\geq$ 20 years.
Anode Bed Backfill	Loreasco 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 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).
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.