

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: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF-079321-A	
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.		7. If Unit or CA Agreement, Name and No.	
Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conoco.com		8. Lease Name and Well No. SAN JUAN 28-7 126F	
3a. Address 10 DESTA DR., ROOM 608W MIDLAND, TX 79705		9. API Well No. 30-039-26942	
3b. Phone No. (include area code) Ph: 915.686.5799 Ext: 5799		10. Field and Pool, or Exploratory BLANCO MESAVERDE/BASIN DAKOTA	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NESW 1715FSL 1930FWL At proposed prod. zone		11. Sec., T., R., M., or Blk. and Survey or Area Sec 1 T27N R7W Mer NMP	
14. Distance in miles and direction from nearest town or post office*		12. County or Parish RIO ARRIBA	13. State NM
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	17. Spacing Unit dedicated to this well 319.80 W/2	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 7307 MD	20. BLM/BIA Bond No. on file	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6169 GL	22. Approximate date work will start	23. Estimated duration	

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

24. Attachments

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

- 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 (Electronic Submission) <i>Vicki Westby</i>	Name (Printed/Typed) VICKI WESTBY	Date 02/15/2002
Title AUTHORIZED SIGNATURE		
Approved by (Signature) <i>Wayne Townsend</i>	Name (Printed/Typed) WAYNE TOWNSEND	Date 11/21/02
Title <i>Pet Eng</i>	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 #10185 verified by the BLM Well Information System
For CONOCO INC., will be sent to the Farmington

** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT **

NMOCD

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 30-039-26942		*Pool Code 72319 / 71599	*Pool Name BLANCO MESAVERDE / BASIN DAKOTA
*Property Code 016608	*Property Name SAN JUAN 28-7 UNIT		*Well Number 126F
*GRID No. 005073	*Operator Name CONOCO, INC.		*Elevation 6169'


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
K	1	27N	7W		1715	SOUTH	1930	WEST	RIO ARriba

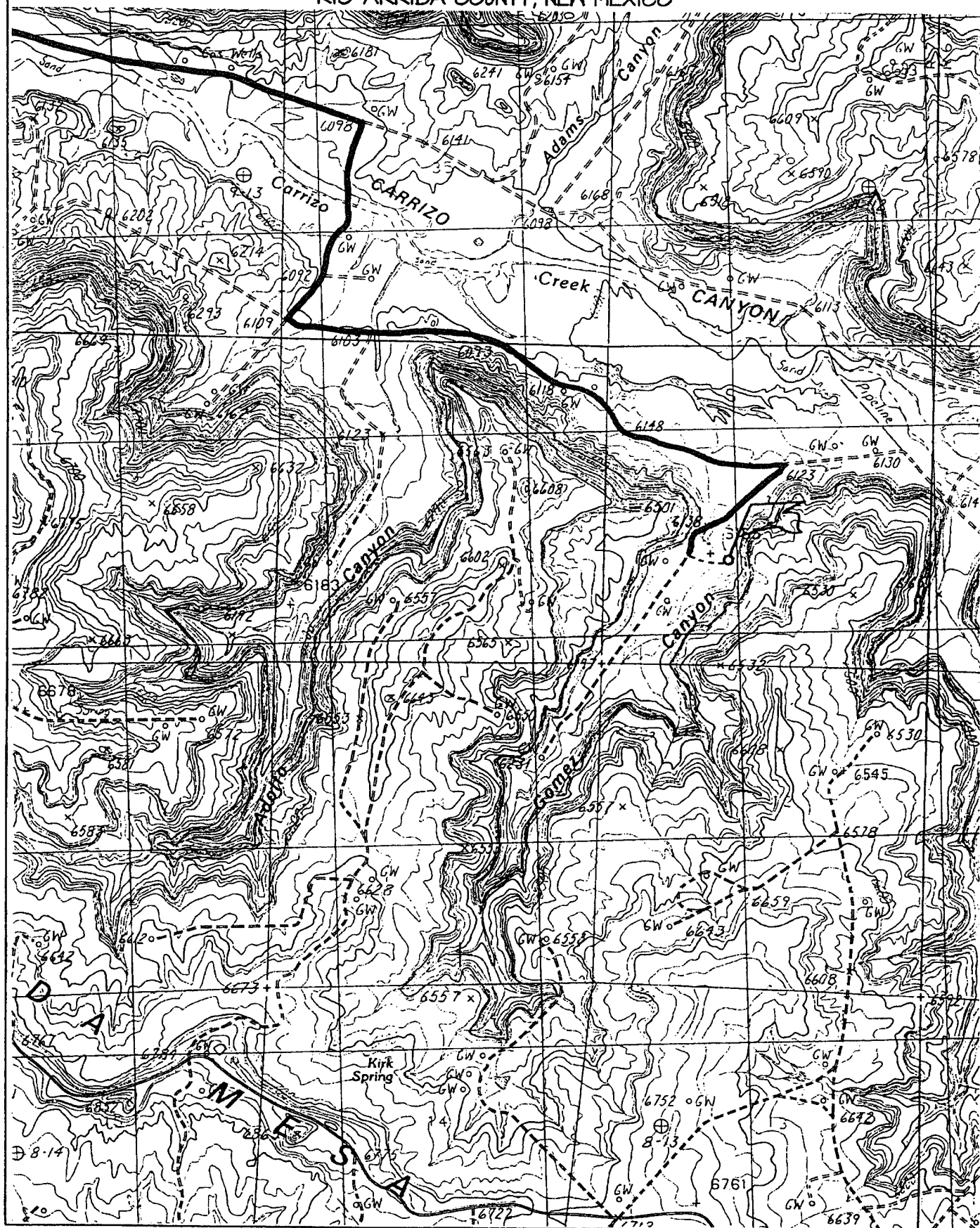
¹¹ Bottom Hole Location If Different From Surface

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 319.80 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

¹⁶ LOT 4 LOT 3 LOT 2 LOT 1 SF-079321-A 1 1930' 1715' 5291.88' 5293.20' 1263.90' 1277.10' 2553.54'				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>August 26, 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. Survey Date: OCTOBER 29, 2001 Signature and Seal of Professional Surveyor  <i>JASON C. EDWARDS</i> Certificate Number 15269	
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1715' FSL & 1930' FWL, SECTION 1, T27N, R7W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO



PROJECT PROPOSAL - New Drill / Sidetrack



Well : SAN JUAN 28-7 126F	Lease : SAN JUAN 28-7	AFE # :		AFE \$:
Field Name : EAST 28-7	Rig : Key 43	State : NM	County : RIO ARRIBA	API # :
Geoscientist : Glaser, Terry J	Phone : (281) 293 - 6538	Prod. Engineer : Moody, Craig E.	Phone : (281) 293 - 6559	
Res. Engineer : Valvatne, Christine K.	Phone :	Proj. Field Lead : Bergman, Pat W.	Phone : (281) 293 - 6517	

Primary Objective (Zones) :

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

"Air Drilled"

Surface Location :

Latitude : 36.600756	Longitude : -107.5270	X :	Y :	Section : 1	Survey : 27N	Abstract : 7W
Footage X : 1930 FWL	Footage Y : 1715 FSL	Elevation: 6169 (FT)				

Bottom Hole Location :

Latitude :	Longitude :	X :	Y :	Section :	Survey :	Abstract :
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Location Type : Year Round	Start Date (Est.) :	Completion Date :	Date In Operation :
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Formation Data : Assume KB = 6182 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion	BHP (PSIG)	BHT	Remarks
Surface Casing	205 200'	5897				Severe lost circulation is possible. 9 5/8", 36 ppf, J-55, STC casing. Circulate cement to surface.
OJAM	2032	4150				Possible water flows"
KRLD	2152	4030				
FRLD	2562	3620				Possible gas
PCCF	2812	3370				
LEWS	3012	3170				
Intermediate Casing	3112	3070				7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
CHRA	3767	2415				
CLFH	4447	1735		1300		Gas; possibly wet
MENF	4592	1590				Gas
PTLK	5060	1122				Gas
MNCS	5360	822				
GLLP	6282	-100				
GRHN	6957	-775				Gas possible, highly fractured
TWLS	7022	-840				Gas
CBBO	7162	-980				Gas

PROJECT PROPOSAL - New Drill / Sidetrack



Total Depth	7307	-1125		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.
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Logging Program :

Intermediate Logs :

☐ Log only if show ☐ GR / ILD ☐ Triple Combo

TD Logs :

☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☒ TDT

Additional Information :

Logging company to provide a sketch with all lengths, OD's & ID's of all tools prior to running in the hole.
Cased hole TDT with GR to surface.

Comments :

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**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.*5. Lease Serial No.
NMSF079321A

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 ☐ Other8. Well Name and No.
SAN JUAN 28-7 126F2. Name of Operator
CONOCO INCContact: VICKI WESTBY
E-Mail: Vicki.R.Westby@conoco.com9. API Well No.
30-039-26942-00-X13a. Address
PO BOX 2197, DU 3084
HOUSTON, TX 77252-21973b. Phone No. (include area code)
Ph: 915.686.5799 Ext: 579910. Field and Pool, or Exploratory
BLANCO MESAVERDE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 1 T27N R7W NESW 1715FSL 1930FWL

11. County or Parish, and State

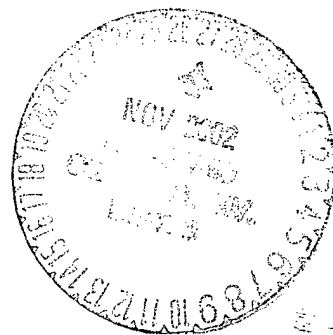
RIO ARriba COUNTY, NM

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"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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 recompleat 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 recompleat 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.)

Conoco Inc. requests that the access road and pipeline route for this well be moved according to the attached plats.



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

Electronic Submission #13845 verified by the BLM Well Information System**For CONOCO INC, sent to the Farmington****Committed to AFMSS for processing by Adrienne Garcia on 09/05/2002 (02AXG0593SE)**

Name (Printed/Typed) VICKI WESTBY

Title AUTHORIZED SIGNATURE

Signature (Electronic Submission)

Date 08/26/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Pet. Eng

Date

11/21/02

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.

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****

NMOCD

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

5. Lease Serial No.
NMSF079321A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
SAN JUAN 28-7 126F

9. API Well No.
30-039-26942-00-X1

10. Field and Pool, or Exploratory
BLANCO MESAVERDE

11. County or Parish, and State
RIO ARRIBA COUNTY, NM

☒ Gas Well ☐ Other

Operator
CONOCO INC

Contact: VICKI WESTBY
E-Mail: Vicki.R.Westby@conoco.com

BOX 2197, DU 3084
DUSTON, TX 77252-2197

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

Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 1 T27N R7W NESW 1715FSL 1930FWL

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

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<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"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Origin.
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

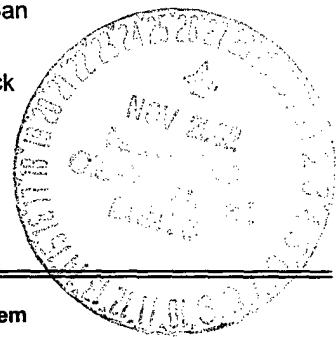
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths 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 recompletion 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.)

Conoco Inc. proposes to make changes to the surface casing on the above mentioned well. The wellbore changes proposed are as follows:

Raise Permitted Surface Casing Depth to 200' as per NMOCD Minimum Required Depth for wells in San Juan Basin, NM with intermediate casing set from 3001'-5000'.

For Surface Cement change to 13.5 ppg Type III Cement + 2% bwoc Calcium Chloride + 0.25 lbs/sack Cello Flake + 3% bwoc Bentonite + 80.7% Fresh Water.

Test Surface Casing to 500 psig.



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

Electronic Submission #12765 verified by the BLM Well Information System
For CONOCO INC, sent to the Farmington
Committed to AFMSS for processing by Adrienne Garcia on 07/17/2002 (02AXG0358SE)

Name (Printed/Typed) VICKI WESTBY

Title AUTHORIZED SIGNATURE

Signature (Electronic Submission)

Date 07/15/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Per. Eng.

Date

11/21/02

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

FPO

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**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****

NMOCD

MULTI-POINT SURFACE USE PLAN
Conoco Inc.

San Juan 28-7 Unit #126F

The following is required information concerning the possible effect, which the drilling of this well may have on the environment, existing road sites, and surrounding acreage. A copy will be posted on the derrick floor so all contractors and sub-contractors will be aware of all items on this plan.

1. Existing Roads

- A. The proposed well site is 1715' FSL & 1930' FWL, Sec. 1, T27N, R7W, Rio Arriba County, New Mexico. This is a Mesa Verde/Basin Dakota formation well. All existing roads used to access the proposed location shall continue to be maintained in the same or better condition than presently maintained.
- B. Directions to the location are provided as an attachment.

2. Planned Access Road

- A. There will be a new 600-feet long access road to the proposed well.
- B. Turnouts will be specified by Bureau of Land Management (BLM). None required.
- C. Culverts as specified by BLM. None required.
- D. Gates, cattleguards, or fences as specified by the BLM. None required.

3. Topographic Map and Well Location

A 7.5" quadrangle topographic map was filed with the NOS. The proposed project is located on the Gould Pass, New Mexico quadrangle topographic map in T27N, R7W, Section 1, 1715 FSL & 1930' FWL NE/SW. The proposed well pad is located in the bottom of Gomez Canyon. The proposed project area is approximately 0.5 mile south of Carrizo Canyon. The proposed well pad slopes toward the north and northwest at approximately 0-8 percent. No perennial water resources, wetlands, or riparian areas occur in the project area. The maximum cut would be 8-feet on corner #6, and the maximum fill of 9-feet on corner #3 of the proposed well pad (see attached Well Survey Plat). The first six inches of soil will be stockpiled on the north portion of the construction zone and used during reclamation. The well pad will be drained above the cut on the east and south draining west. The proposed project is located in a sage flat with weedy species (Russian thistle) and grasses (galleta and blue grama). There would be no loss of trees for the well pad and access road. Soils are Sparank-San Mateo silt loams, saline, sodic, 0-3 percent. Approximately 10 natural gas wells and 2.8-miles of dirt roads are located within a 0.5 mile radius (according to a revised 2000 map provided by the BLM/FFO) of the proposed project. The pipeline associated with this facility represents a further disturbance within the area. Approximately 25.18 acres of the land within a 0.5 mile radius of the proposed project area has been subject to oil and gas development.

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	Lorasco 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.