

APPLICATION FOR PERMIT TO DRIVE OR BE

1a. Type of Work: ☒ DRILL ☐ REENTER		7. If Unit or CA Agreement, Name and No.	
1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone		8. Lease Name and Well No. LINDRITH B UNIT 108 19017	
2. Name of Operator CONOCO INC.		9. API Well No. 30-039-26741	
3a. Address 10 DESTA DRIVE, SUITE 607W MIDLAND, TX 79705		10. Field and Pool, or Exploratory LINDRITH GALLUP-DAKOTA	
3b. Phone No. (include area code) Ph: 915.686.5565 Fx: 915.686.6503		11. Sec., T., R., M., or Blk. and Survey or Area 6 Sec 15 T24N R3W Mer NMP	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNE 2000FNL 2305FEL At proposed prod. zone		12. County or Parish RIO ARRIBA	
14. Distance in miles and direction from nearest town or post office*		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	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 7704 MD	20. BLM/BIA Bond No. on file	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6965 GL	22. Approximate date work will start 8/01	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:

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) KIM SOUTHALL	Date 06/08/2001
Title SUBMITTING CONTACT		
Approved by (Signature) 	Name (Printed/Typed) Steve W. Anderson	Date 8/16/01
Title Asst. Field Office Manager	Office Albuquerque Field 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 #4878 verified by the BLM Well Information System
For CONOCO INC., sent to the Rio Puerco
Committed to AFMSS for processing by Angie Medina-Jones on 06/14/2001 ()

* - ALL casing strings will be centralized
- Attached

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

Arel Monitoring

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 30-039-26791		*Pool Code 39189	*Pool Name LINDRITH GALLUP-DAKOTA, WEST
*Property Code 19017	*Property Name LINDRITH B UNIT		*Well Number 108
*GRID No. 005073	*Operator Name CONOCO, INC.		*Elevation 6965'

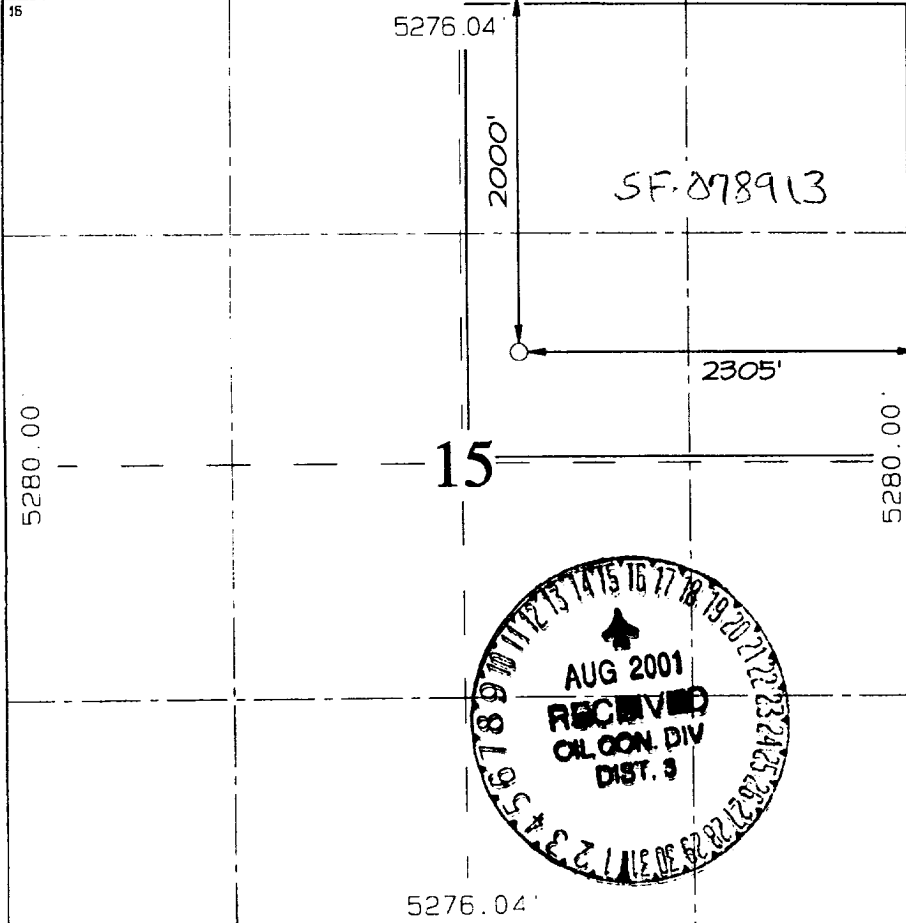
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	15	24N	3W		2000	NORTH	2305	EAST	RIO ARriba

¹¹ Bottom Hole Location If Different From Surface

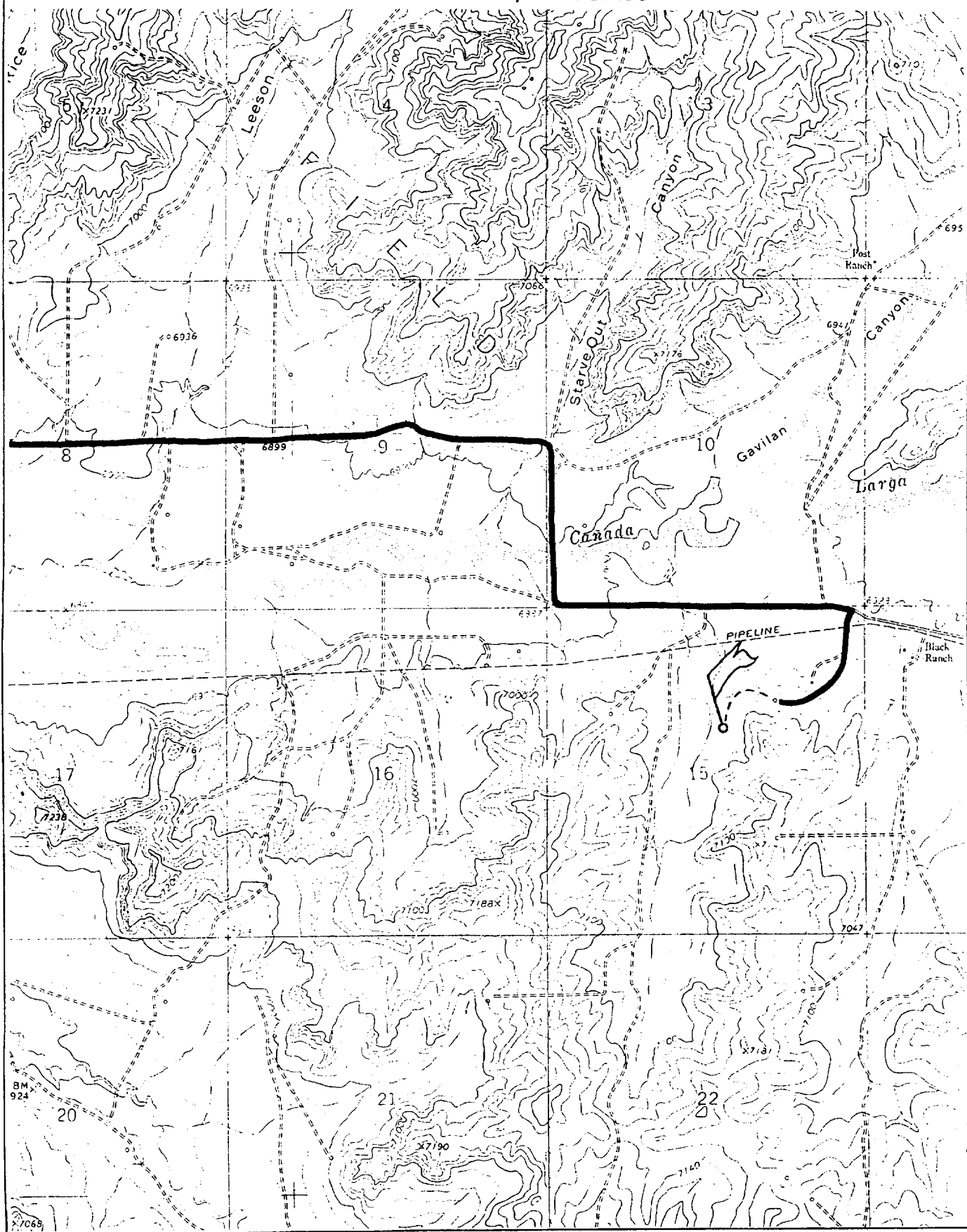
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 160.0 Acres - (NE/4)					¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.	

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>10 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. MAY 7, 2001 Date of Survey <i>Neale C. Edwards</i> Signature and Seal of Surveyor  Certificate 6857

CONOCO, INC. LINDRITH B UNIT #108

2000' FNL & 2305' FEL, SECTION 15, T24N, R3W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO



PROJECT PROPOSAL - New Drill / Sidetrack



Well : LINDRITH B UNIT 108 Lease : LINDRITH B UNIT AFE # : AFE \$:
 Field Name : LINDRITH Rig : Key 49 State : NM County : RIO ARRIBA API # :
 Geoscientist : Johnson, Tom B. Phone : (281) 293 - 6551 Prod. Engineer : Bergman, Pat W. Phone : (281) 293 - 6517
 Res. Engineer : Riley, Steve Phone : (281) 293-3967 Proj. Field Lead : Eric E. Fransen Phone :

Primary Objective (Zones):

Pool Pool Name
 KCB LINDRITH GALLUP-DAKOTA, WEST

Mud Well

Surface Location:

Latitude : 36.312225 Longitude : -107.1243 X : Y : Section : 15 Survey : 24N Abstract : 3W
 Footage X : 2305 FEL Footage Y : 2000 FNL Elevation: 6965 (FT)

Bottom Hole Location:

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

Location Type : Summer Only Start Date (Est.) : Completion Date : Date In Operation :

Formation Data : Assume KB = 6978 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	500	6478	☒			Severe lost circulation is possible. 9 5/8", 36 ppf, J-55, STC casing. Circulate cement to surface.
* Nacemulo	1550					
OJAM	2637	4341	☒			Possible water flows
KRLD/FRLD	2840	4138	☒			
PCCF	3102	3876	☒			
LEWS	3183	3795	☒			
HURF	3485	3493	☒			
CHRA	3980	2998	☒			
CLFH	4766	2212	☒			Gas; possibly wet
MENF	4783	2195	☒			Gas
PTLK	5265	1713	☒			Gas
MNCS	5605	1373	☒			
GLLP	6389	589	☒			Possible lost circulation
SNST	6977	1	☒			Possible lost circulation
GRHN	7258	-280	☒			Gas possible, highly fractured
GRRS	7322	-344	☒			
DKOT A	7347	-369	☒			
DKOT C	7443	-465	☒			

* Cover for 42. Data. I cannot see what data is for.

PROJECT PROPOSAL - New Drill / Sidetrack



DKOT D	7521	-543	☐		
OKCN	7554	-576	☐		
ENCN	7601	-623	☐		
BRRO	7623	-645	☐		
Total Depth	7704 -		☐	2325	100'

5 1/2", 17 ppf, L-80, LTC casing. Circulate cement a minimum of 100' inside the previous casing string or to previous DV tool.

Logging Program:

Intermediate Logs :

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

TD Logs :

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

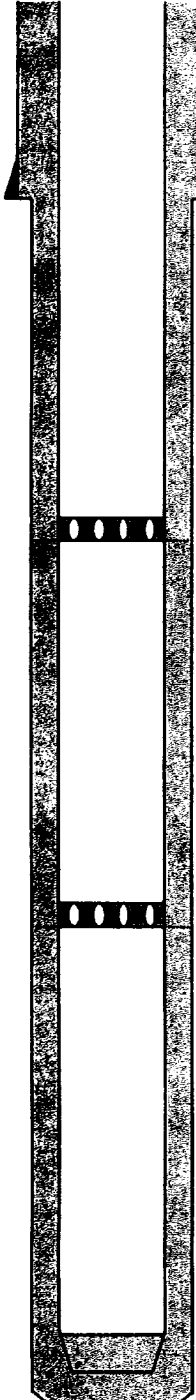
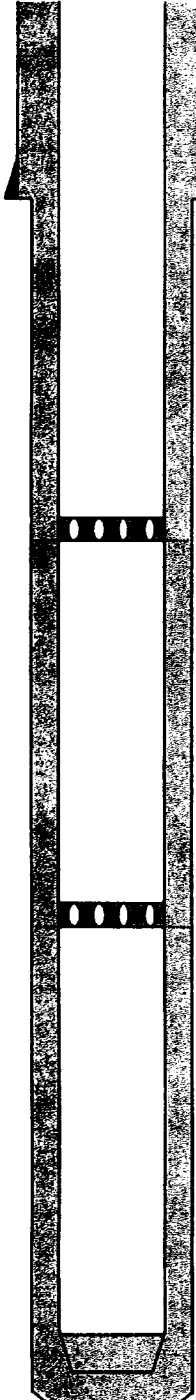
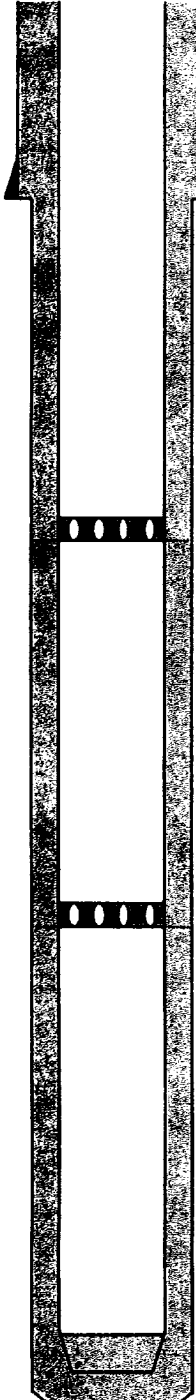
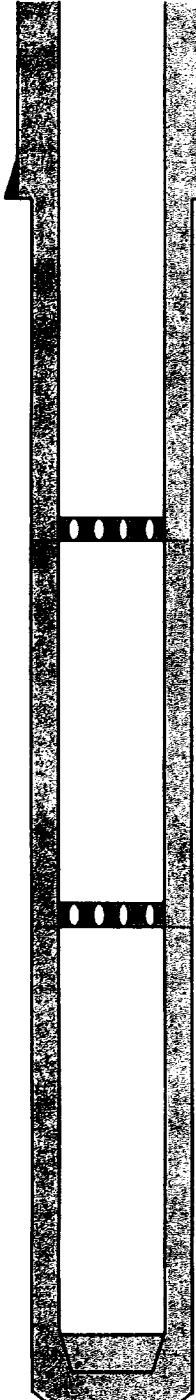
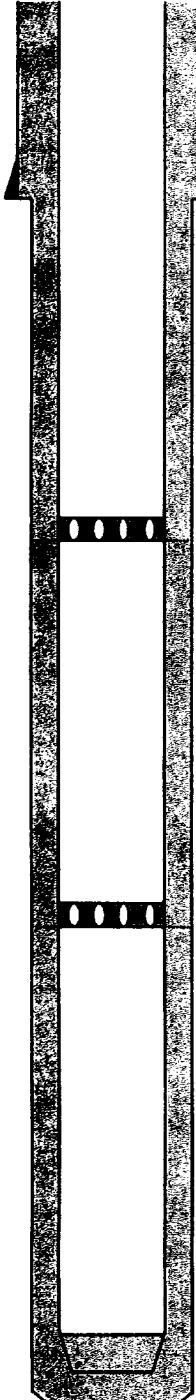
Additional Information :

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

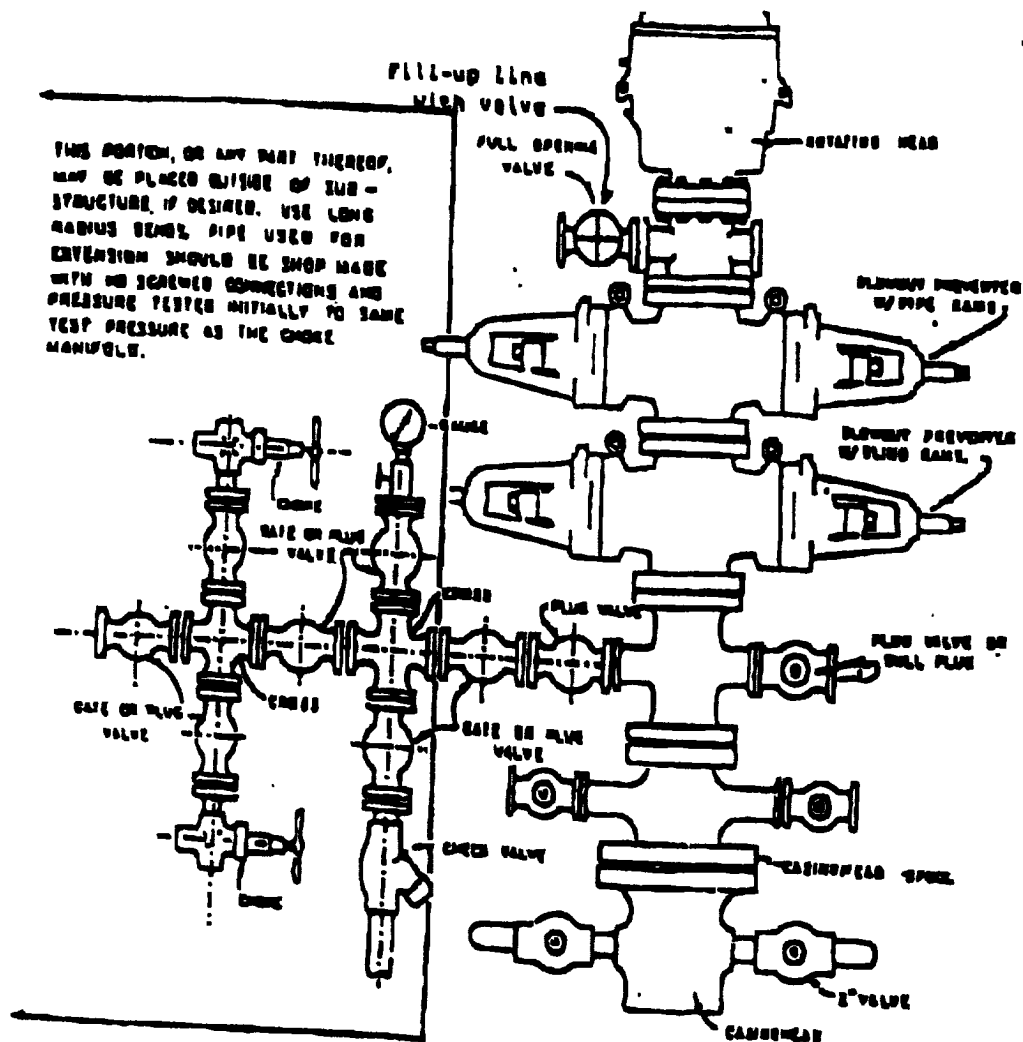
Cased hole TDT with GR to surface.

Comments : Need 5.5" Long String. Tops have been adjusted to final locaiton/elevation

Cementing Summary
Lindrith B Unit, Well #108

	OH						
	Depth	Excess					
	9-5/8" Sfc. Casing	0		Class 'H' Cement	313 sx	Slurry Volume	331.4 cu ft
				Flocele (if req'd)	0.25 lb/sk		59.0 bbl
				CaCl ₂	2.00% bwoc-db	Slurry Density	16.5 ppg
				Defoamer (if req'd)	0.05 gal/bbl	Slurry Yield	1.06 cu ft/sk
						Mix Fluid	4.2 gal/sk
	9-5/8" shoe	500	100%				
				Cement Blend	568 sx		
				Class 'H' Cement	84 lb/sk	Slurry Volume	1606.5 cu ft
				San Juan Poz	lb/sk		286.1 bbl
				Econolite	3.00% bwob	Slurry Density	11.4 ppg
				CaCl ₂	bwob	Slurry Yield	2.83 cu ft/sk
				CFR-3	bwob	Mix Fluid	17.29 gal/sk
				HR-5	bwob		
				Silicalite-blended	10 lb/sk		
				Flocele	0.5 lb/sk		
				Defoamer (if req'd)	0.05 gal/bbl		
	DV Tool #2 Stage #3	3,830	75%				
				Cement Blend	748 sx		
				Class 'H' Cement	47 lb/sk	Slurry Volume	1271.1 cu ft
				San Juan Poz	24 lb/sk		226.4 bbl
				Bentonite	3.00% bwob	Slurry Density	12.8 ppg
				Halad-344	0.40% bwob	Slurry Yield	1.70 cu ft/sk
				CFR-3	0.20% bwob	Mix Fluid	8.26 gal/sk
				HR-5	0.10% bwob		
				Silicalite-blended	20 lb/sk		
				Flocele	0.25 lb/sk		
				Defoamer (if req'd)	0.05 gal/bbl		
	DV Tool #1 Stage #2	6,875	60%				
				Cement Blend	227 sx		
				Class 'H' Cement	47 lb/sk	Slurry Volume	386.4 cu ft
				San Juan Poz	24 lb/sk		68.8 bbl
				Bentonite	3.00% bwob	Slurry Density	12.8 ppg
				Halad-344	0.40% bwob	Slurry Yield	1.70 cu ft/sk
				CFR-3	0.20% bwob	Mix Fluid	8.26 gal/sk
				HR-5	0.10% bwob		
				Silicalite-blended	20 lb/sk		
				Flocele	0.25 lb/sk		
				Defoamer (if req'd)	0.05 gal/bbl		
	5-1/2" Shoe Stage #1	7,704	60%				

Note: Conoco to verify DV depths



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 delation 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 preventer.
11. Rotating head.