

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: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. CONTRACT 369
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input 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. 3225
Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conoco.com		8. Lease Name and Well No. NORTHEAST HAYNES 16
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. 30-039-26815
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNW 1830FNL 960FWL At proposed prod. zone		10. Field and Pool, or Exploratory BALLARD PICTURED CLIFFS
14. Distance in miles and direction from nearest town or post office*		11. Sec., T., R., M., or Blk. and Survey or Area E Sec 16 T24N R5W 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 RIO ARRIBA
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 2552 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6545 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well 160 NW
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:

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| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 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). | 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 07/17/2001
Title AUTHORIZED SIGNATURE		
Approved by (Signature) <i>S.W. Anderson</i>	Name (Printed/Typed)	Date SEP 18 2001
Title <i>Asst Field Manager</i>	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 #5695 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 07/18/2001 ()

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 30-039-26815		*Pool Code 71439	*Pool Name BALLARD PICTURED CLIFFS
*Property Code 3225	*Property Name NORTHEAST HAYNES		*Well Number 16
*GRID No. 005073	*Operator Name CONOCO, INC.		*Elevation 6545'

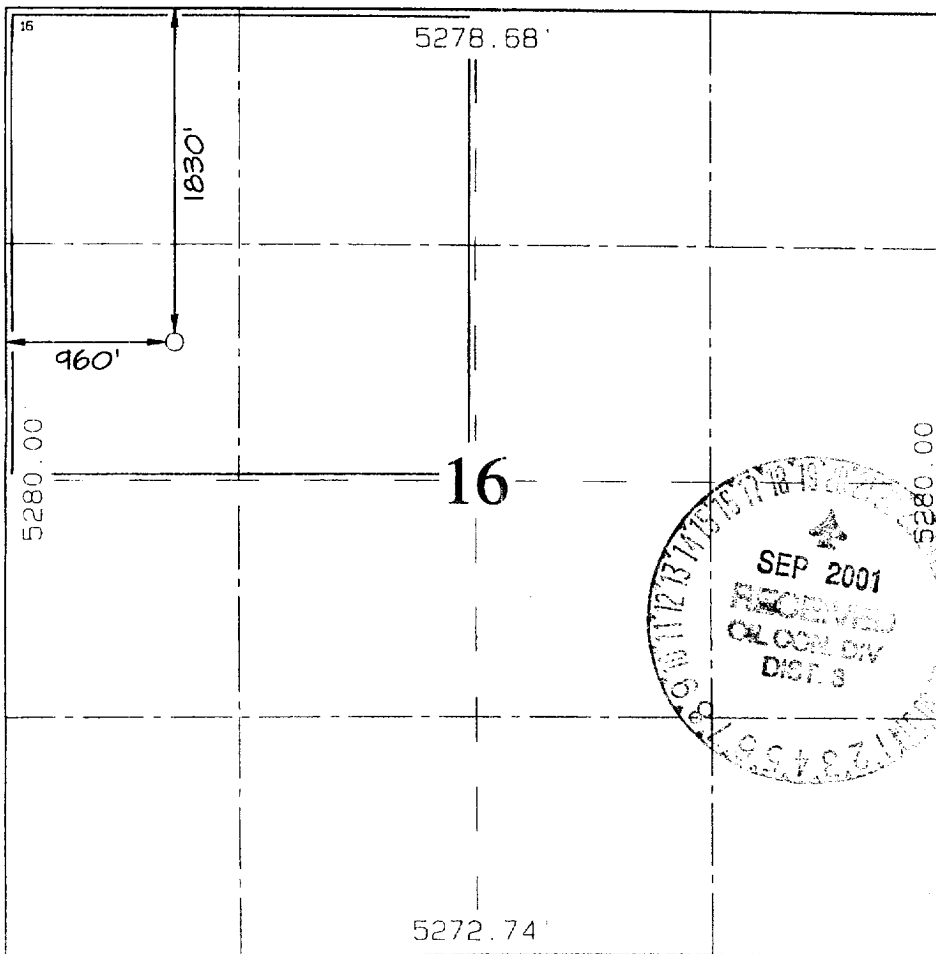

10 Surface Location

UL or lot no. E	Section 16	Township 24N	Range 5W	Lot Idn	Feet from the 1830	North/South line NORTH	Feet from the 960	East/West line WEST	County RIO ARriba
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11 Bottom Hole Location If Different From Surface

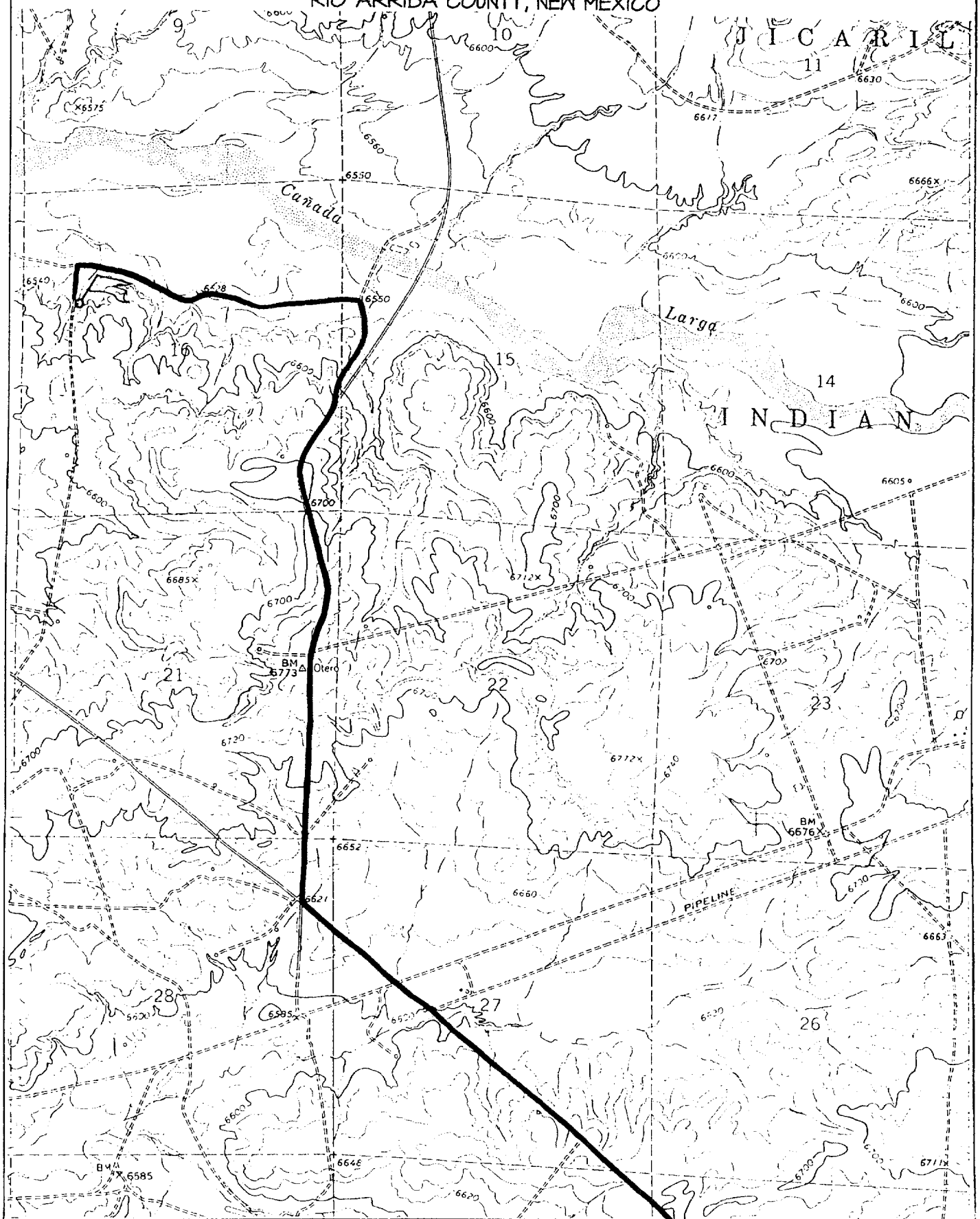
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 160.0 Acres - (NW/4)		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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

	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Kim Southall</i> Signature Kim Southall Printed Name Property Analyst Title <i>April 16, 2001</i> Date</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>APRIL 16, 2001 Date of Survey <i>Neale C. Edwards</i> Signature and Seal of Surveyor  Certification Number 6857</p>

CONOCO, INC. NORTHEAST HAYNES #16

1830' FNL & 960' FWL, SECTION 16, T24N, R5W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO



DRILLING PROGRAM - NORTHEAST HAYNES 16



Well: NORTHEAST HAYNES		Area: SOUTH	AFE #s: None Assigned		AFE \$: 107576.16	
Field Name JICARILLA		Rig: Aztec 433	State: NM	County: RIO ARriba		API #
Lat: 36.3150833 Long: -107.37109 Footage X: 1830' FNL Footage Y: 960' FWL Sec.: 16 Survey: 24N Abstract: 5W						

Lat:	Long:
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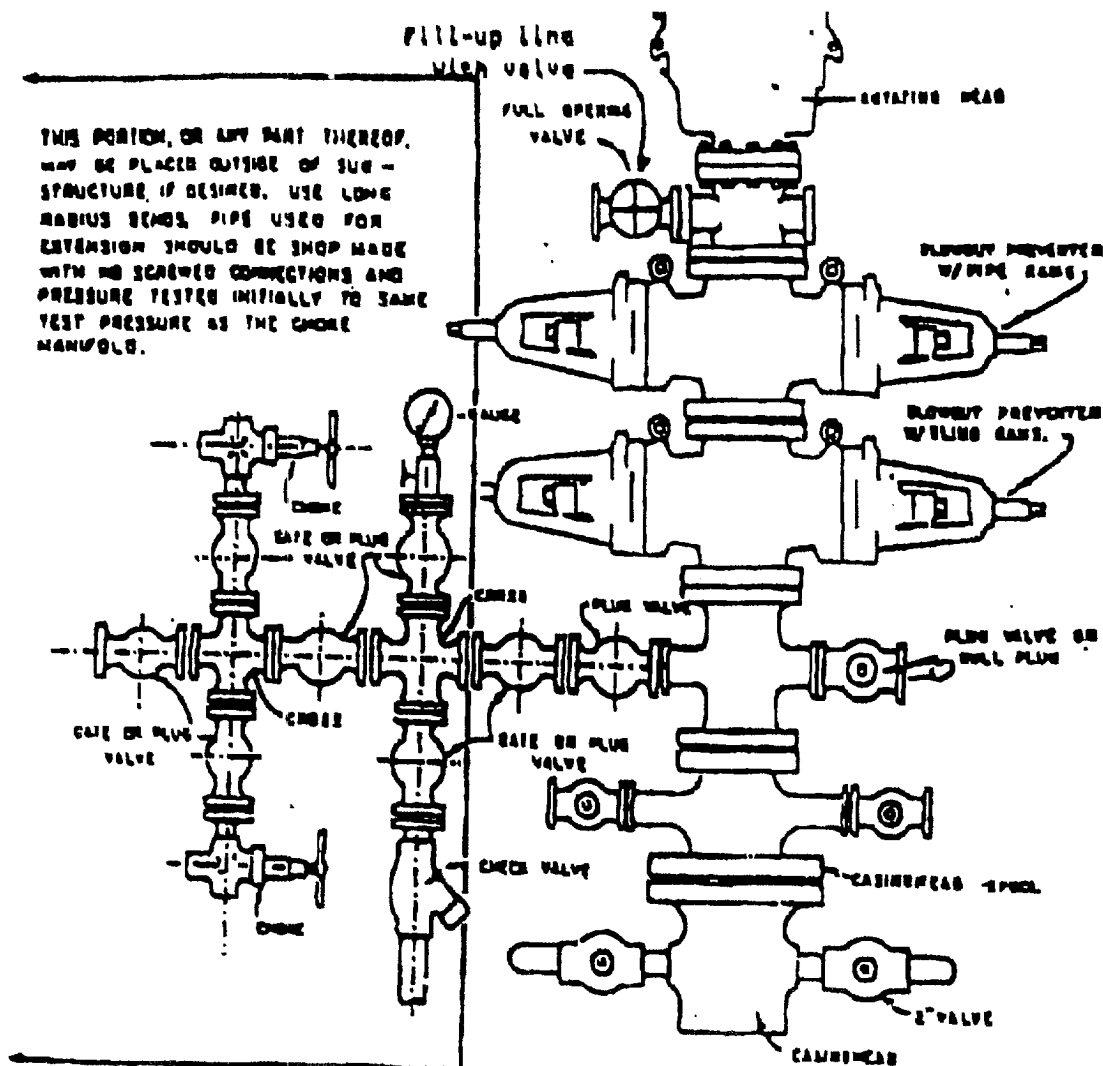
Formation Data : Ground Level = 6545 FT Assume KB = 6558 FT

Formation Call & Casing Points	Depth (TVD in Ft)	BHP (PSIG)	BHT	Remarks
Surface Casing	285			Severe lost circulation is possible. 9 5/8", 36 ppf, J-55, STC casing. Circulate cement to surface.
OJAM	1556			Possible water flows*
KRLD	1941			
FRLD	2149			Possible gas
PCCF	2270	325	110	Gas
LEWS	2387			
Total Depth	2552			4 1/2", 10.5 ppf, J-55, STC casing. Circulate cement a minimum of 100' inside the previous casing string. Will run open hole logs.

Intermediate Logs:	<input type="checkbox"/> Log only if show <input type="checkbox"/> GR / ILD <input type="checkbox"/> Triple Combo
TD Logs:	<input checked="" type="checkbox"/> Triple Combo <input type="checkbox"/> Dipmeter <input type="checkbox"/> RFT <input type="checkbox"/> Sonic <input type="checkbox"/> VSP <input type="checkbox"/> TDT
Additional Information:	

Comments

"Bud Drill"



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 deletion 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.