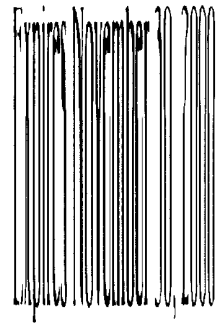


DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136



APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER		5. Lease Serial No. CONTRACT 106
1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator CONOCO INC.		7. If Unit or CA Agreement, Name and No. 18019
Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conoco.com		8. Lease Name and Well No. JICARILLA B 12A
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. 30-039-26837
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSE 1260FSL 1540FEL At proposed prod. zone		10. Field and Pool, or Exploratory BLANCO MESAVERDE
14. Distance in miles and direction from nearest town or post office*		11. Sec., T., R., M., or Blk. and Survey or Area 0 Sec 35 T26N R4W 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 6261 MD	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 6261 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 7223 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well 320.00
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:

- | | |
|---|--|
| 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 08/31/2001
Title AUTHORIZED SIGNATURE		
Approved By (Signature) [Signature]	Name (Printed/Typed)	Date OCT 5 2001
Title Asst. Field Mgr.	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 #6921 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 08/31/2001 ()

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

District II
PO Drawer 90, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 1980, 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 30-039-26837		*Pool Code 72319 / 72500	*Pool Name BLANCO MESAVERDE / BLANCO DAKOTA
*Property Code 18019	*Property Name JICARILLA B		*Well Number 12A
*Well ID No. 004073	*Operator Name CONOCO, INC.		*Elevation 7223

10 Surface Location

Section	Township	Range	Lot	Feet from the	North/South line	Feet from the	East/West line	County
35	26N	4W	1260	1260	SOUTH	1540	EAST	RIO ARriba

11 Bottom Hole Location If Different From Surface

Section	Township	Range	Lot	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedication Acres 320.0 Acres (E/2)	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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

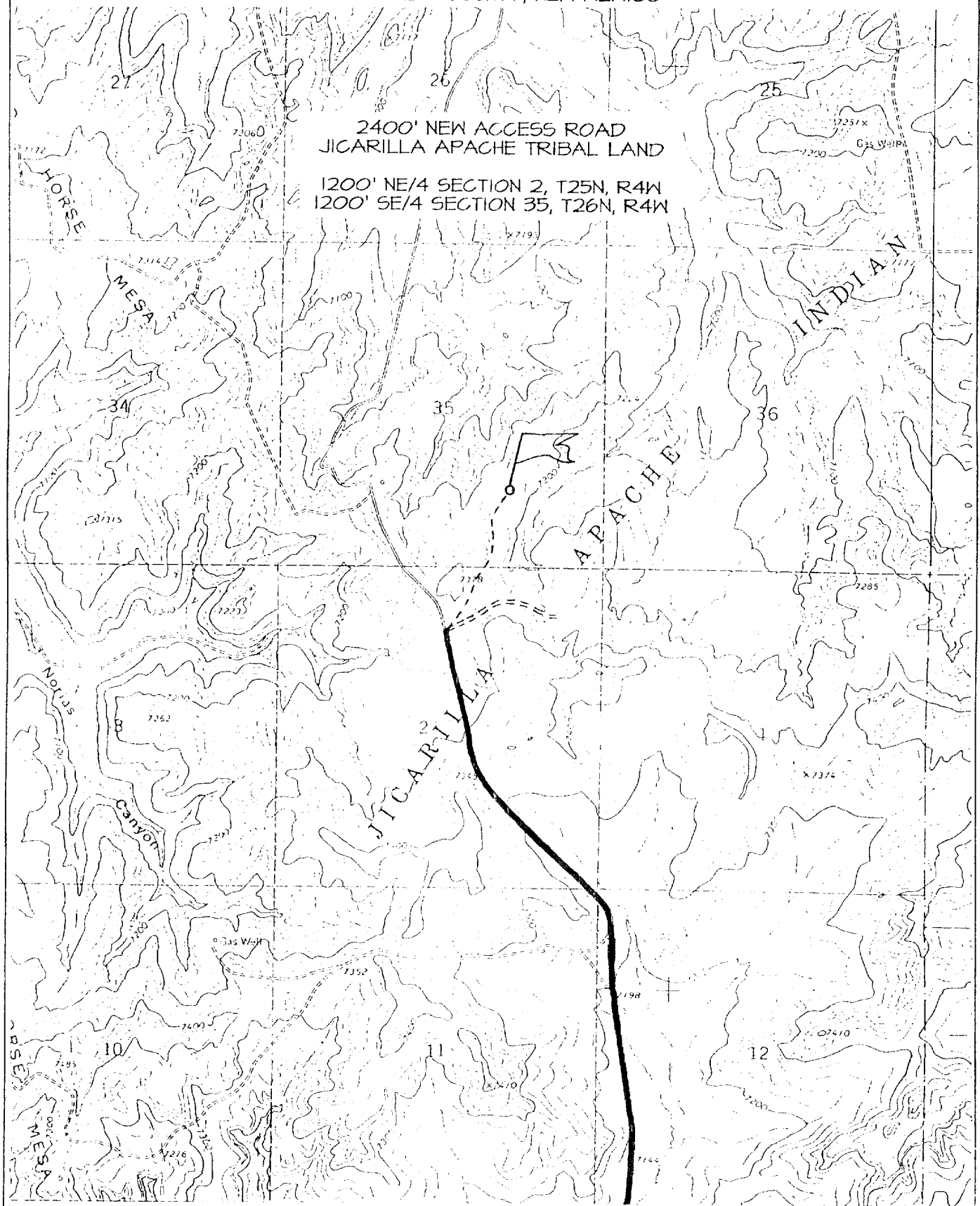
16	5291.88'	35	5280.00'	1260'	1540'	17 OPERATOR CERTIFICATION
						I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Kim Southall</i> Signature Kim Southall Printed Name Property Analyst Title 6-28-01 Date
18 SURVEYOR CERTIFICATION						
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 29, 2001 Date of Survey Signature and Seal of Professional Surveyor  Certificate Number 6857						

CONOCO, INC. JICARILLA B #12A

1260' FSL & 1540' FEL, SECTION 35, T26N, R4W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO

2400' NEW ACCESS ROAD
JICARILLA APACHE TRIBAL LAND

1200' NE/4 SECTION 2, T25N, R4W
1200' SE/4 SECTION 35, T26N, R4W



PROJECT PROPOSAL - New Drill / Sidetrack



Well : JICARILLA B 12A Lease : JICARILLA B AFE # : AFE \$:
 Field Name : JICARILLA Rig : State : NM County : RIO ARRIBA API # :
 Geoscientist : Johnson, Tom B. Phone : (281) 293 - 6551 Prod. Engineer : Jennye Pusch Phone : 281-293-5305
 Res. Engineer : Riley, Steve Phone : (281) 293-3967 Proj. Field Lead : Valdez, Judson Phone :

Primary Objective (Zones) :

Pool	Pool Name
RON	BLANCO MESAVERDE (PRORATED GAS)

"Good well"

Surface Location :

Latitude : 36.439222 Longitude : -107.2171 X : Y : Section : 35 Survey : 26N Abstract : 4W
 Footage X : 1540 FEL Footage Y : 1260 FSL Elevation : 7223 (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 = 7236 Units = FT

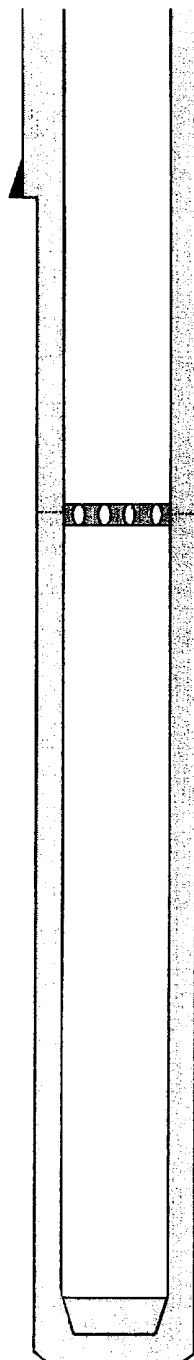
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	500	6736	☐			Severe lost circulation is possible. 9 5/8", 36 ppt, J-55, STC casing. Circulate cement to surface. <i>12.35" hole</i>
OJAM	3179	4057	☐			Possible water flows"
KRLD/FRLD	3514	3722	☐			
PCCF	3781	3455	☐	325	130	Gas: Possible lost circulation
LEWS	3927	3309	☐			
CHRA	4715	2521	☐			
CLFH	5438	1798	☐			Gas, possibly wet
MENF	5570	1666	☐			Gas
PTLK	5911	1325	☐	575		Gas
Total Depth	6261	975	☐		171	4 1/2", 10.5 ppt, J-55, STC casing. Circulate cement a minimum of 100' inside the previous casing string. No open hole logs. Cased hole IDT with GR to surface. <i>9.875" hole</i>

Logging Program :

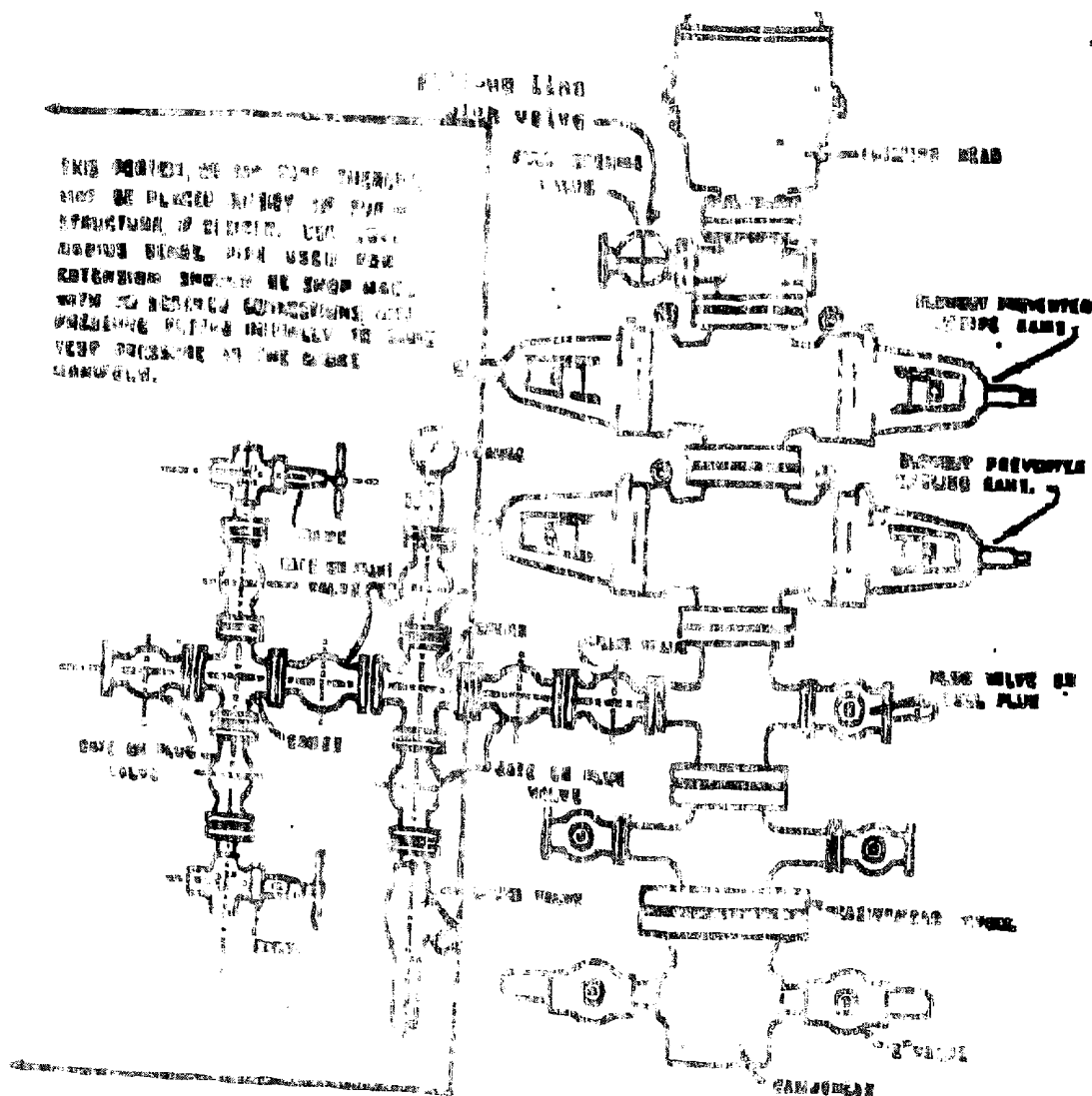
Intermediate Logs : ☐ Log only if show ☐ GR / ILD ☐ Triple Combo
 TD Logs : ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☒ TDT

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.

Cementing Summary
Jicarilla B 12A

		OH				
		Depth	Excess			
	9-5/8" Sfc Csg	0		Class 'A' Cement	287 sx	Slurry Volume 330.6 cu ft
				Flocele (if req'd)	0.25 lb/sk	58.9 bbl
				CaCl ₂	2.00% bwoc-db	Slurry Density 15.8 ppg
				Defoamer (if req'd)	0.05 gal/bbl	Slurry Yield 1.15 cu ft/sk
						Mix Fluid 5.0 gal/sk
	9-5/8" shoe	500				
	DV Tool #1	5,288				
	Stage #2	60%	Blend	1479 sx		
			Class 'H' Cement	47 lb/sk	Slurry Volume	2514.7 cu ft
			San Juan Poz	24 lb/sk		447.9 bbl
			Bentonite	3.00% bwoc	Slurry Density	12.8 ppg
	8-3/4" Open Hole		Halad-344	0.40% bwoc	Slurry Yield	1.70 cu ft/sk
			CFR-3	0.20% bwoc	Mix Fluid	8.26 gal/sk
			HR-5	0.10% bwoc		
			Silicalite-blended	20 lb/sk		
			Flocele	0.25 lb/sk		
			Defoamer (if req'd)	0.05 gal/bbl		
	Stage #1	60%	Blend	315 sx		
			Class 'H' Cement	47 lb/sk	Slurry Volume	534.8 cu ft
			San Juan Poz	24 lb/sk		95.3 bbl
			Bentonite	3.00% bwoc	Slurry Density	12.8 ppg
			Halad-344	0.40% bwoc	Slurry Yield	1.70 cu ft/sk
			CFR-3	0.20% bwoc	Mix Fluid	8.26 gal/sk
			HR-5	0.10% bwoc		
			Silicalite-blended	20 lb/sk		
			Flocele	0.25 lb/sk		
			Defoamer (if req'd)	0.05 gal/bbl		
	4-1/2" Csg	6,261				
	Shoe					

Notes: 1) Conoco to verify DV depth and hole sizes



BLOWOUT PREVENTER HOOKUP

Drilling contractors used in the San Juan Basin supply 3000 psi equipment, but cannot provide annular preventers because of sub-structure limitations. Maximum anticipated surface pressures for this well will not exceed the working pressure of the proposed BOP system. Please use the attached BOP diagram details 3000 psi equipment according to Onshore Order No. 2 even though the selection of the annular preventer and fulfills your requirements (note chapter No. 2). In addition, the following equipment will comprise the 3000 psi system:

1. Two rams with one blind and one pipe ram.
2. Kill line (2 inch minimum).
3. One kill line valve.
4. One choker line valve.
5. Two chokes (reference diagram No. 1).
6. Upper belly cock valve with handle.
7. Safety valve and sub 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.