

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

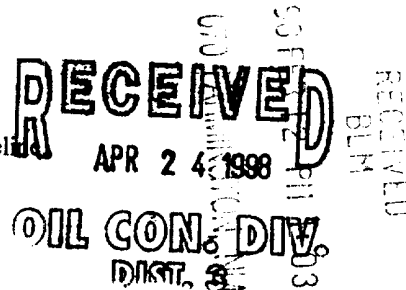
1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>				5. LEASE DESIGNATION AND SERIAL NO NM 03560	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>				6 IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Conoco Inc. 5073				7 UNIT AGREEMENT NAME 16608 San Juan 28-7 Unit	
3. ADDRESS AND TELEPHONE NO 10 Desta Dr. Ste 430E, Midland, Tx. 79705-4500				8 FARM OR LEASE NAME WELL NO 9998M	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements *) At surface 790' FSL & 1070' FEL At proposed prod. zone 790' FSL & 1070' FEL				9 API WELL NO 30-039-25847	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*				10. FIELD AND POOL, OR WILDCAT 72319 71549 Blanco MV/Basin Dakota	
5. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if Any)				11. SEC. T., R., M., OR BLK. AND SURVEY OR AREA P Sec. 29, T27N, R7W	
8. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.				12 COUNTY OR PARISH Rio Arriba	
16 NO OF ACRES IN LEASE				13. STATE NM	
17 NO. OF ACRES ASSIGNED TO THIS WELL				19. PROPOSED DEPTH 7499' 7799'	
20. ROTARY OR CABLE TOOLS Rotary				22. APPROX. DATE WORK WILL START* 3/15/98	
21. ELEVATIONS (Show whether DF, RT, GR, etc) 6644' GR and appeal pursuant to 43 CFR 3160.3				23. PROPOSED CASING AND CEMENTING PROGRAM	
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
12-1/4"	K-55, 9-5/8"	36#	250'	145 sxs, circ.	
8-3/4"	K-55, 7"	23#	3217'	425 sxs, circ.	
6-1/4"	K-55, 4-1/2"	9.5#	7499'	535 sxs, toc @ 3100'	

It is proposed to drill a vertical wellbore to the Blanco Mesaverde and Basin Dakota Pools. An NOS was filed 10/13/97. The well will be drilled and equipped according to the following additional attachments:

1. Well Location & Acreage Dedication Plat (C-102).
2. Proposed Well Plan Outline.
3. Cementing Plan.
4. Blowout Preventer Hookup.
5. Surface Use Plan with Production Facility layout.
6. Pipeline Tie Specifications with plat.

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

This application includes ROW's for the well pad, access road, cathodic protection and pipeline.



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED J. Ann Johnson TITLE Property Analyst DATE 2-11-98

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE APR 01 1998

Application approval 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.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY /S/ Duane W. Spencer TITLE _____ DATE APR - 1 1998

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

OK

NMCO

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

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

50 FEB 12 PM 1:03 AMENDED REPORT

070 PARKINGTON, NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-25847		*Pool Code 72319/71599	*Pool Name Blanco Mesaverde/Basin Dakota
*Property Code 016608	*Property Name SAN JUAN 28-7 UNIT		*Well Number 9988M
*GRID No. 005073	*Operator Name CONOCO INC.		*Elevation 6644'

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
P	29	27N	7W		790	South	1070	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

*Proposed Acres 98 1/2 DK 320	*Joint or Infill Y	*Consolidation Code U	*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

<div>5270.10'</div> <div>RECEIVED APR 24 1998 OIL CON. DIV. DIST. 3</div> <div>98</div> <div>5283.30'</div> <div>RECEIVED APR 2 1993 OIL CON. DIV. DIST. 3</div> <div>29</div> <div>5262.18'</div> <div>790'</div> <div>1070'</div>	<div>17 OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</div> <div><i>Jo Ann Johnson</i> Signature Jo Ann Johnson Printed Name Property Analyst Title 2/11/98 Date</div> <div>18 SURVEYOR CERTIFICATION</div> <div>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.</div> <div>OCTOBER 18, 1997 Date of Survey</div> <div><i>Neale C. Edwards</i> Signature and Seal of Professional Surveyor NEALE C. EDWARDS NEW MEXICO 6857 RECEIVED PROFESSIONAL SURVEYOR</div> <div>6857 Certificate Number</div>
---	--

PROPOSED WELL PLAN OUTLINE

EST. GL = 6644
EST. KB = 6657

WELL NAME: SJ 28-7 UNIT No. 98M

LOCATION: SEC 29, T-27N, R-7W, RIO ARRIBA CO., NM

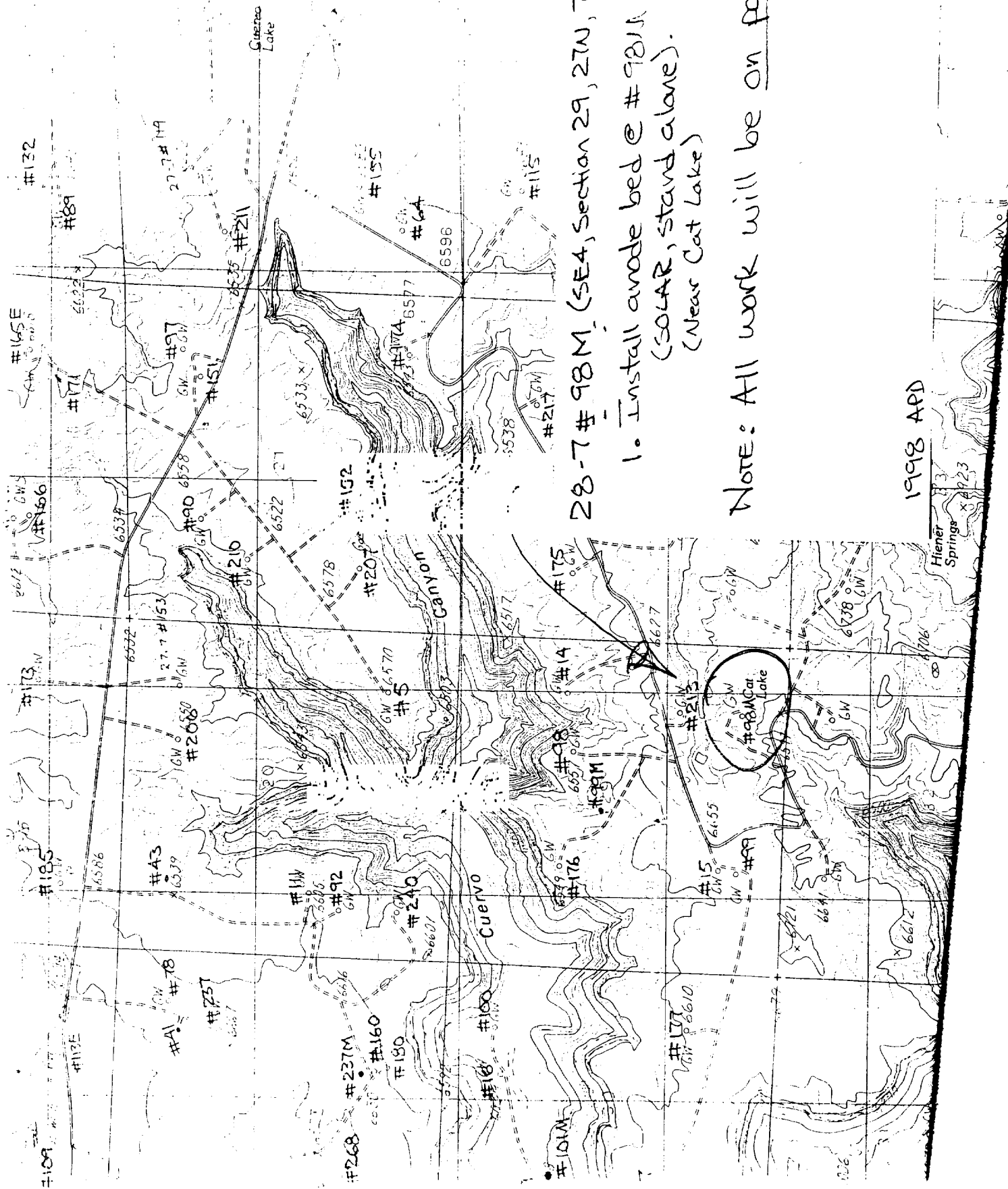
TVD IN	FORMATION TOPS & TYPE	DRILLING PROBLEMS	TYPE OF FORMATION EVALUATION	HOLE SIZE	CASING SIZE DEPTH	FRAC GRAD. psi/ft	FORMATION PRESSURE PSI	MUD WT TYPE	DAYS
0				12-1/4"	9-5/8" 36# K-55 ST&C @ 250'		NORMAL	8.4 - 8.8# SPUD MUD	1
1				8-3/4"	CRC CMT			8.4 - 9.0# GEL/WATER MAINTAIN MW AS LOW AS POSSIBLE	
2	OJAM @ 2066' KRI D @ 2296'	POSSIBLE WATERFLOW						CONTROL FLUID LOSS PRIOR TO OJAM	
	FRLD @ 2504'	POSSIBLE GAS FLOW					432 PSI		
	PCCF @ 2917'	POSSIBLE LOST RETURNS POSSIBLE DIFFERENTIAL STICKING					380 PSI		
3	LEAS @ 3061'			8-3/4"	7" 23# K-55 LTC at 3217' (special drift)				5
				8-1/4"	CRC CMT			AIR/AIR MIST/GAS	
4	CHFA @ 3822'						400 PSI		
	CLF/MV @ 4597' MEIF @ 4834'	PROBABLE LOST RETURNS IF FLUID IN HOLE				0.5	457 PSI		
5	PTLC @ 5189'								
	MNCS @ 5537'								
6	GLLP @ 8359'								
7	GRIN @ 7156' GRHS DKOT @ 7217' PAGU @ 7374'	POSSIBLE WATERFLOW POSSIBLE OVERPRESSURE IN DEEP DAKOTA	CASED HOLE LOGS	8-1/4"	4-1/2" 9.5# K-55 LTC @ 7499'	0.5	713 PSI	AIR/AIR MIST/GAS	10
	T.D @ 7499'				TOC @ 3100'		BHT = 175 deg F		
8	NOTE: PERMIT TO 7799'								

DATE 02/04/98
PREPARED BY: Ricky Joyce/Ted Kelly
DRILLING ENGINEER

APPROVALS:
RES. ENGINEER
PROD. ENGINEER

GEOLOGIST
DRILLING MGR.

10:59 AM



28-7 #98M (SE4, Section 29, 27N, 7W)

1. Install anode bed @ #98M (SOLAR, stand alone). (Near Cat Lake)

Note: All work will be on pad.

1998 APD

Hicner Springs