FORM APPROVED

	UNITE	OMB NO. 1004-0136								
	DEPARTMENT	Expires February 28, 1995 5. LEASE DESIGNATION AND SERIAL NO.								
	BUREAU OF LA									
APPLIC	CATION FOR PER	SF 078496 640								
la. TYPE OF WORK		2001 MAR -7		6. IF INDIAN	, ALLOTTEE OR TRIBE NAME					
/ DDM	l 🛛 -	DEEPEN	111 1- 10							
/		DEEPEN		7. UNIT AGE	REEMENT NAME					
b. TYPE OF WELL	\square		abla	San Juar						
OIL WELL GAS W	ELL OTHER	SINGLE ZONE MUL	TIPLE ZONE 🔼 🛶	8. FARM OR	LEASE NAME WELL NO.					
2. NAME OF OPERATOR	"15 (B									
! 	Conoco Inc.	9. API WELL	30-037-26700							
3. ADDRESS AND TELEPHON		49W, Midland, TX 79705; 915/	686-5565	1	•					
LOCATION OF WELL (Repo	rt location clearly and in accordance wit		793	10. FIELD AT	ND POOL, OR WILDCAT					
// A surface				Blanco Mesaverde/ Basin Dakota						
At proposed prod. Zone	& 1180' FEL	MAR 2	001	11. SEC., T., R., M., OR BLK.						
	& 1180' FEL	S ALCOHOL	्रिक्र	Sec. 17, T27N, R7W						
14. DISTANCE IN MILES AND	DIRECTION FROM NEAREST TOW	N OR POST OFFICE	DIV 3	12. COUNTY	OR PARISH 13. STATE					
		to own.	5	D:- A						
15/ DISTANCE FROM PROPOS		6. NO. OF ACRES EN LEASE	17. NO	Rio Arri						
LOCATION TO NEAREST PROPERTY OR LEASE LIN		2000	TO TO	THIS WELL	E / 220					
(Also to nearest drig. Unit lin 18. DISTANCE FROM PROPOS		9. PROPOSED DEPTH	20 RO	E / 320 STARY OR CABLE TOOLS						
TO NEAREST WELL, DRIL OR APPLIED FOR, ON THI	LING, COMPLETED,	7583'	120.10	Rotary						
21. ELEVATIONS (Show wheth	ser DF, RT, GR, etc.)		22.APPROX. DATE WORK WILL START*							
	6595' —				05/06/01					
		OSED CASING AND CEMEN	TING PROGRA	M.						
SIZE OF HOLE	GRADE, SIZE OF C		SETTING D	ЕРТН	QUANTITY OF CEMENT					
12 1/2"	J-55; 9 5/8"		285'		141 sxs, circ. —					
8 3/4" 6 1/4"	J-55; 7"		20# 3518'		561 sxs, circ. —					
0 1/4	J-55, 4 1/2"	10.5#	7583!	_	TOC @ 3418', 329 sxs, circ.					
			<u> </u>							
NMOCD. An NOS attached will be ad	S was filed 09/30/98. The hered to. The well will be Acreage Dedication Ple Plan Outline. ter Hookup.	the Mesaverde/Dakota Pools. A tis well was previously approve be drilled and equipped accordinate at (C-102).	d. An on-site shag to the followi	ould not b	e required and the stipulations nal attachments:					
IN ABOVE SPACE DES	CRIBE PROPOSED PROGRA	oll pad, access road, cathodic pro AM: If proposal is to deepen give data on at data on subsurface locations and mea	on present productiv	e zone and n	roposed new productive zone. If ive blowout preventer program, if any.					
SIGNED Jane La Methel TITLE Analyst DATE 03/06/01										
(This space for Fed	eral or State office Use)			··- ·- ·- ·· ·· ·· ·						
PERMIT NO.	V	APF	PROVAL DATE _							
Application approval does	not warrant or certify that the applica	nt holds legal or equitable title to those rights in t	he subject lease which v	would entitle the	applicant to conduct operations theron.					

*See Instructions On Reverse Side

CONDITIONS OF APPROVAL, IF ANY:

tel Jim Lovato

Title 18 U.S.C. Section 1001, makes it a crive 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.

DATE _

District I PO 80x 1980, Hobbs, NM 88241-1980

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

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

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised February 21, 1994 Instructions on back

OIL CONSERVATION DIVISION RECEIVED State Lease - 4 Copies
PO ROY 20RR Fee Lease - 3 Copies PO Box 2088

Submit to Appropriate District Office BLM

District IV PO Box 2088, Santa Fe, NM 87504-2088

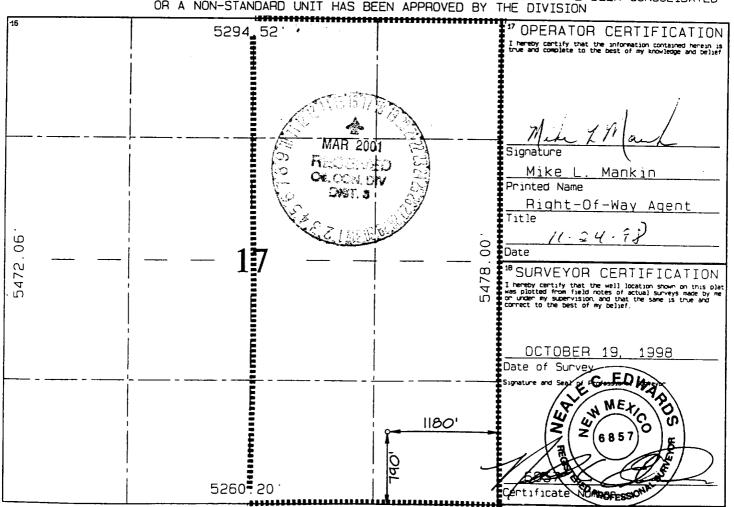
2001 MAR -7 PM 1: 10

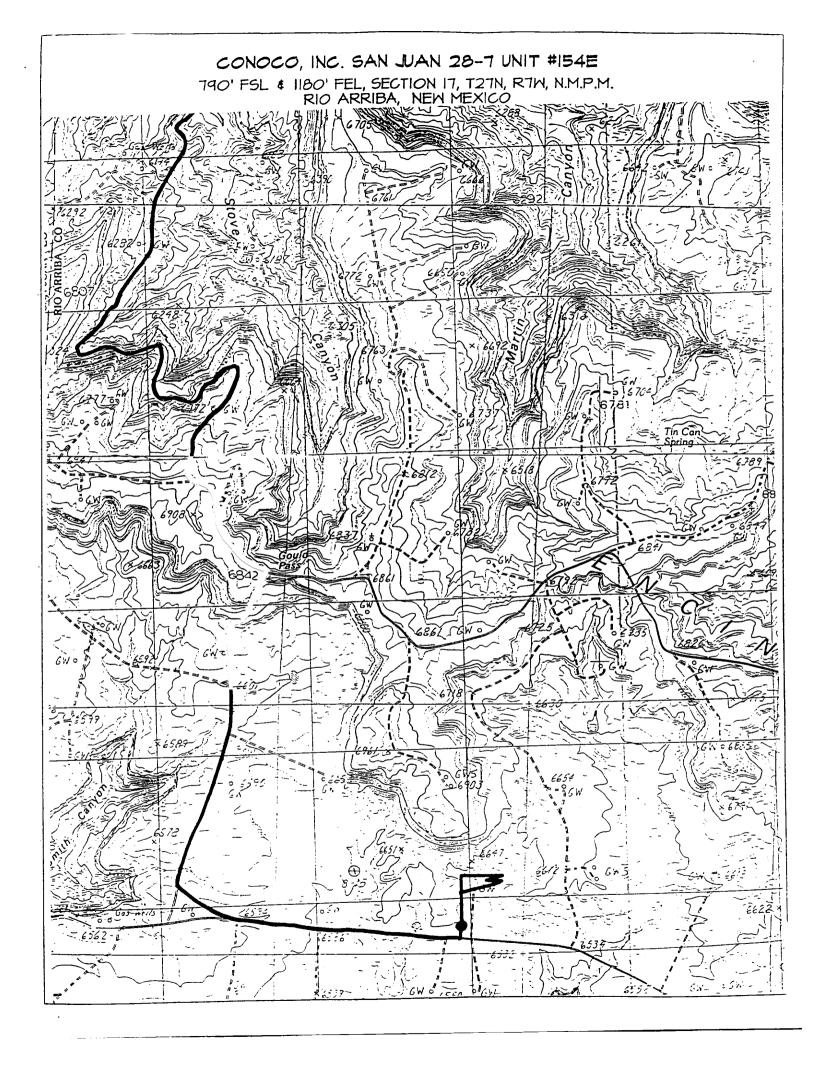
Santa Fe, NM 87504-2088 99 MAR -8 PM 1:50 MENDED REPORT

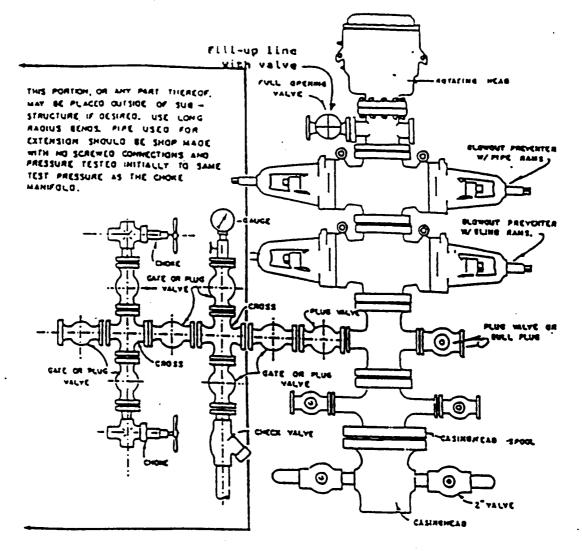
WELL LOCATION AND ACREAGE DEDICATION, NM

	API Numbe			*Pool Co	M1714		'Pool Nam	ne ///	(6)	
30-03		0700		71599	192319	BASIN DAKOTA Blanco Mosavele				
'Property		Property Name							Nell Number	
01660	8	SAN JUAN 28-7 UNIT							154E	
'OGRID	NO .	*Operator Name							Elevation	
00507	3	CONOCO, INC.							6595 -	
					¹⁰ Surface l	_ocation			· · · · · · · · · · · · · · · · · · ·	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
Р	17	27N	7W		790	SOUTH	1180	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	
2 Dedicated Acres					¹³ Joint or Infil	1 ¹⁴ Consolidation Code	¹⁵ Order No.			
East 320)									
NO ALLOW			201015) TO THE	C COMPLETTO					

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







BLOWOUT PREVENTER HOOKUP

Drilling contractors used in the San Juan Basing supply 3000 psi equipment, but cannot provide annular preventors because of substructure 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 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.

Cathodic Protection System Description

Anode Bed Type	Onep Well	
	a-	
Hole Size	3	
Hole Depth	200' - 500'	As required to place anodes below moisture and in low resistance strata.
Surface Casing	8" Diam., ≥ 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 ≥ 20 years.
Anode Bed Backfill	Loresco 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 arroyo's and streams. EXCEPTION: If trenching is in extremely hard substratum, depth will be 6 - 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	Rectifier Solar Power Unit 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.