

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0136
Expires February 28, 1995

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. SF 078570	
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 San Juan 28-7	
2. NAME OF OPERATOR Conoco Inc.		7. UNIT AGREEMENT NAME #273	
3. ADDRESS AND TELEPHONE NO. 10 Desta Drive, Suite 649W, Midland, TX 79705; 915/686-5515		8. FARM OR LEASE NAME WELL NO. 30-039-26447	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*) At surface: 1325' FSL & 1560' FEL At proposed prod. Zone: 1325' FSL & 1560' FEL		9. API WELL NO. 30-039-26447	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*		10. FIELD AND POOL, OR WILDCAT So. Blanco PC/Basin FC	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. Unit line, if any)		11. SEC. T. R. M. OR BLK. AND SURVEY OR AREA Sec. 4, T27N, R7W	
16. NO. OF ACRES IN LEASE 640		12. COUNTY OR PARISH Rio Arriba	
17. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3420		13. STATE NM	
18. ELEVATIONS (Show whether DF, RT, GR, etc.) 6672'		19. NO. OF ACRES ASSIGNED TO THIS WELL E/320.17	
20. ROTARY OR CABLE TOOLS Rotary		21. APPROX. DATE WORK WILL START* 08/06/00	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 3/4"	J-55; 7"	20#	250'	70 sxs, circ.
6 1/4"	J-55; 4 1/2"	10.5#	3420'	310 sxs, circ.

It is proposed to drill a vertical wellbore to be downhole commingled in the Blanco Pictured Cliff and Basin Fruitland Coal Pools following the acquisition of sufficient production test data for allocation purposes. A downhole commingling application will be filed with the BLM and OCD. An NOS was filed 03/10/00. 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 including temporary pipeline tie specifications.
6. Production Facility Layout.

APD/ROW

This application includes ROW's for the well pad, access road, cathodic protection, and pipeline. The pipe-wall thickness is .156 and the pipe-wall strength is 42,000# yield.

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 [Signature] TITLE Sr. Property Analyst DATE 07/07/00
(This space for Federal or State office Use) KS

PERMIT NO. _____ APPROVAL DATE _____
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/ Jim Lovato TITLE _____ DATE SEP 12 2000

*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.

NMOC

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

District II
PO Drawer 00, Artesia, NM 88211-0719

Instructions on back
Submit to Appropriate District Office

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

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

State Lease - 4 Copies
Fee Lease - 3 Copies

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

7/7/2000 10:34 AM ☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26449		*Pool Code 72439 / 71629		*Pool Name SOUTH BLANCO PICTURED CLIFFS/BASIN FRUITLAND COAL	
*Property Code 016608		*Property Name SAN JUAN 28-7 UNIT			*Well Number 273
*GRID No. 005073		*Operator Name CONOCO, INC			*Elevation 6672'

10 Surface Location

U. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	4	27N	7W		1325	SOUTH	1560	EAST	RIO ARriba

11 Bottom Hole Location If Different From Surface

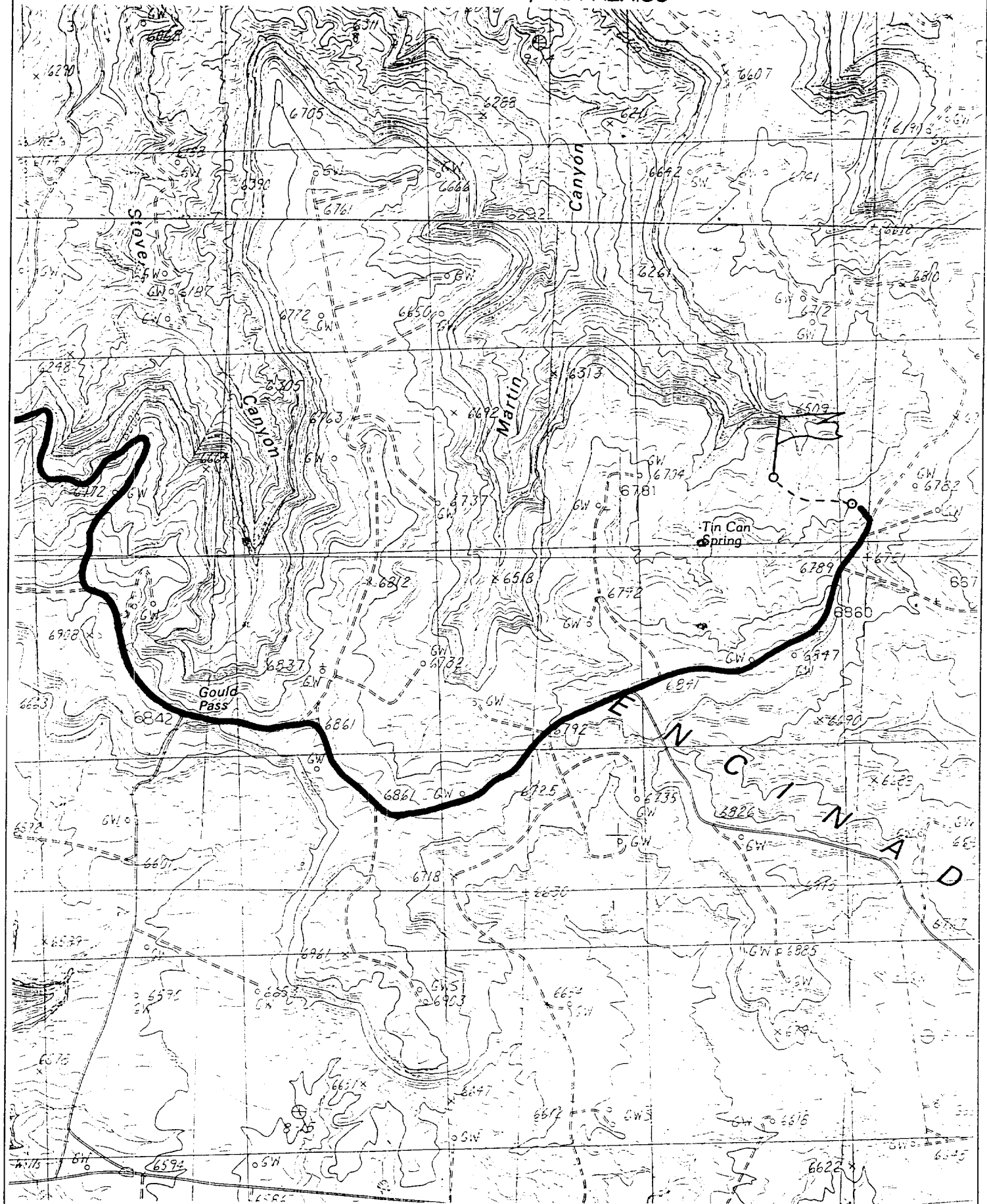
U. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

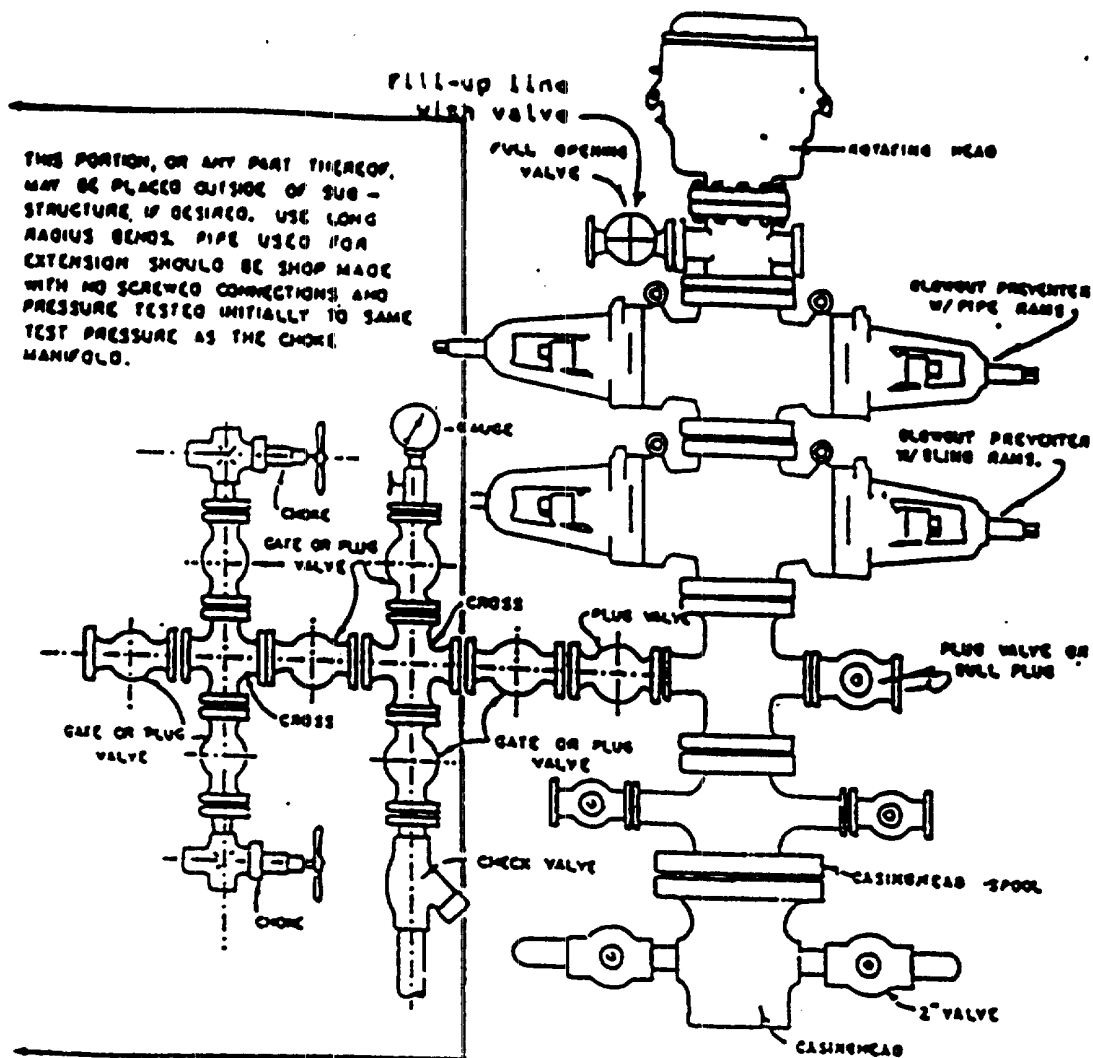
*Dedicated Acres 160.00 PC- 320.17 FC	*Joint or Infill	*Consolidation Code	*Order No.
---	------------------	---------------------	------------

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

16 2635.38' 1364.22' LOT 4 LOT 3 LOT 2 LOT 1 1371.48' 2742.96' 5292.54'				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. JoAnn Johnson Signature JoAnn Johnson Printed Name Sr. Property Analyst Title 7/7/2000 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. JULY 3, 2000 Date of Survey NEALE C. EDWARDS Signature and Seal of Professional Surveyor 6857 Certificate Number 6857			
---	--	--	--	---	--	--	--

CONOCO, INC. SAN JUAN 28-7 UNIT #273
1325' FSL & 1560' FEL, SECTION 4, T27N, R7W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO





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 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.