FORM APPROVED UNITED STATES OMB NO. 1004-0138 **DEPARTMENT OF THE INTERIOR** Expires February 28, 1995 5. LEASE DESIGNATION AND SERIAL IX BUREAU OF LAND MANAGEMENT SF-078835-A APPLICATION FOR PERMIT TO DRILL OR DEEPEN 6. IF INDIAN, ALLOTTEE OR TRIBE NAM I I. TYPE OF WORK DRILL X DEEPEN 7. UNIT AGREEMENT NAME b. TYPE OF WELL San Juan 28-7 Unit OIL WELL GAS WELL MULTIPLE ZUNE 8. FARM OR LEASE NAME WELL NO. NAME OF OPERATOR Conoco Inc. 9. API WELL NO 3 ADDRESS AND TELEPHONE NO 30-03 10 Desta Drive, Suite 649W, Midland, TX 10. FIELD AND POOL, OR 4 LOCATION OF WELL (Report location clearly and in accordance with any State requir Blanco Mesaverde / Basin E akota 1510' FSL & 1245' FEL FEB 2001 d prod. Zone U. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 1510' FSL & 1245' FEL Sec. 6, T27N, R7W RECEIVED ကြ 14 DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE CO CHECOON: DIV 13 STATE DIST. 3 Rio Arriba NM 15/ DISTANCE FROM PROPOSED NO. OF ACRES ASSIGNED LOCATION TO NEAREST TO THIS WELL PROPERTY OR LEASE LINE, FT. 320.ზ (Also to nearest drig. Unit line, if any) 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, 320.6 PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS 7450' Rotary OR APPLIED FOR, ON THIS LEASE, FT. 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 22. APPROX. DATE WORK WILL START 6448' ---1/04/00 PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT 12-1/2" J-55; 9-5/8" 36# 285 141 sxs., circ. 8-3/4" J-55; 7" 20# 3480 555 sxs, circ. 6-1/4" J-55, 4 1/2" 10.5# 7450 321 sxs, TOC (c) 3380'

It is proposed to drill a vertical wellbore to the Blanco Mesaverde and Basin Dakota Pools. DHC application will be filed with the BLM and NMOCD. An NOS was filed 05/25/00. The well will be drilled and equipped according to the following additional attachments:

This action is applied to passed the ex-

and appear personal at the area and an about

procedural consecutions to the ASILL RESIDENCE

- 1. Well Location & Acreage Dedication Plat (C-102).
- 2. Proposed Well Plan Outline.
- 3. Cementing Plan.

APPROVED BY

- 4. Blowout Preventer Hookup.
- 5. Surface Use Plan.
- 6. Production Facility Layout.
- 7. Temporary pipeline tie-in specifications.

This application includes ROW's for the well pad,	cathodic protection and pineline.
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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.

*See Instructions On Reverse Side

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.

District I 70 Box 1980, Hobbs, NM 88241-1980

Oistrict II PO Drawer DO, 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

Revisec February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

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

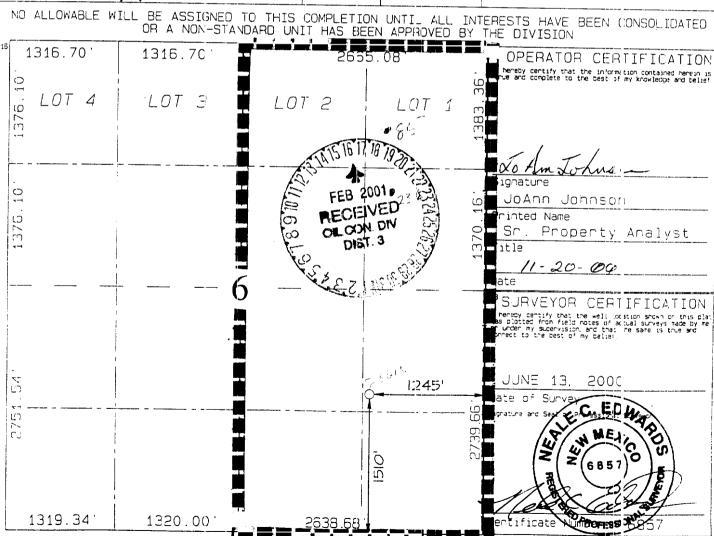
AMENDED REPORT

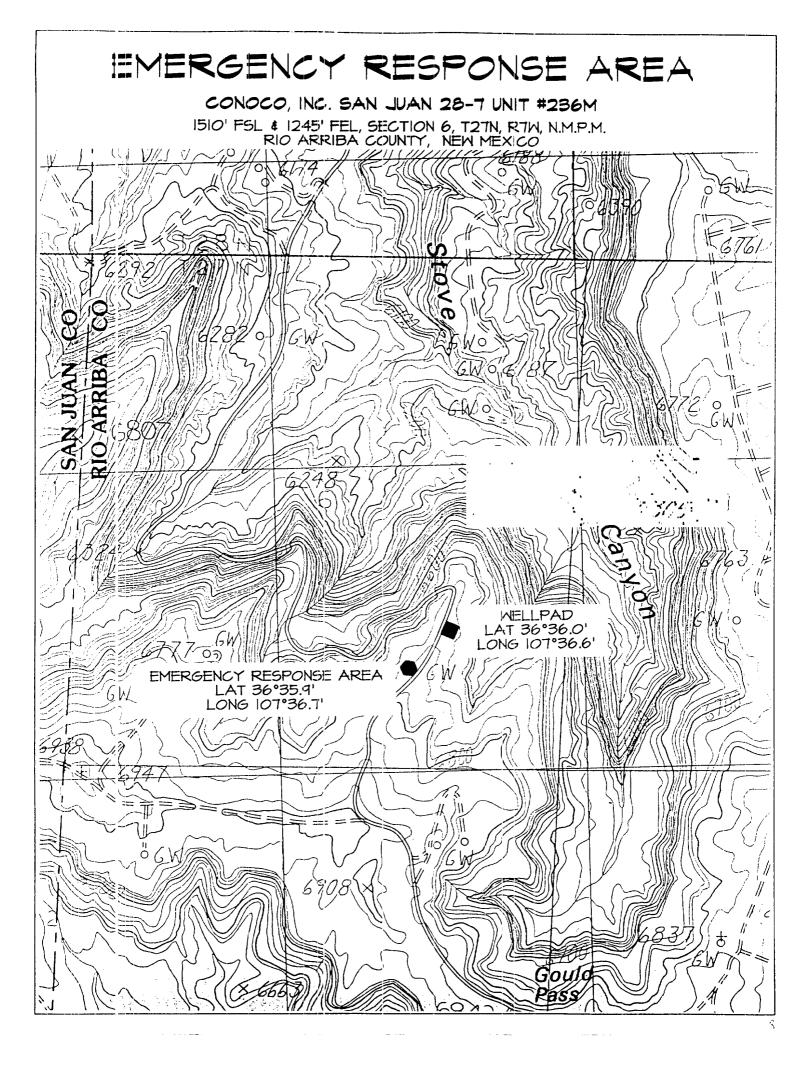
Form C-102

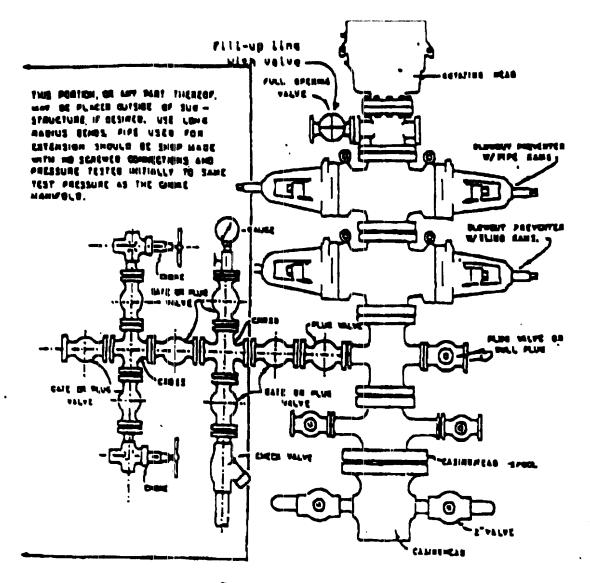
270 PTC -7 PM 12: 16

WELL LOCATION AND ACREAGE DEDICATION PLAT. 'API Number 'Pool Coce 72319 / 71599 BLANCO MESAVERDE / BASIN DAKOTA Property Cade Property Name •Wall Number 016608 SAN JUAN 28-7 UNIT 236_M 'CGRID Na. *Cperator Name Elevation 005073 CONOCO. INC.

00307	<u> </u>	[CO1				CONOCO, INC.			6443
					¹⁰ Sunface	Location			
U. on lating.	Sect ion	Township	Parge	Lot Icn	Feet from the	North/South line	Feet from the	East/West line	County
I	6	27N	7W		1510	SOUTH	1245	EAST	RIO ARRIBA
		11 E	ottom	Hole L	ocation II	Different	From Sunf	200	1 ADDIDA
Ut, on lating.	Sect ion	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Pedicated Acres		Eb			Upoint or Infil	1 ¹⁴ Consolication Code	is Order No.		







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:

- Two rams with one blind and one pipe ram. 2. Kill line (2 inch maximum).
- 3. One kill line valve.
- One choke line valve. 4.
- 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.
- Fill-up line above the upper most preventor. 10.

11. Rotating head.

Cathodic Protection System Description

Anode Bed Type	Deep Wall			
Hole Size	8"			
Hole Depth	200' - 500'	As required to place anodes below moisture and in low resistance strata.		
Surface Casing	8° Diam., ≥ 20° Length, Camented 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	I * 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. A.C: #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	1) Rectifier 2) Solar Power Unit 3) 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.		