District I 1625 N. French Dr., Hobbs, NM 88240 District II 311 South First, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101 Revised March 17, 1999

Oil Conservation Division
2040 South Packeto FEB 2002
Santa Fe, NM \$7505 RECEIVED

mit to appropriate District Office
State Lease - 6 Copies

Fee Lease - 5 Copies

APPLI	CATIO	N FOR I	PERMIT T	O DR	ILL. RE-E	NTER	R. Dig	EPEN.	DIST. 3 PLUGBAS	\\ \alpha \!		A ZONE	
111 121	<u></u>		Operator Name an					<b>E</b> (9)	OGRID Number				
	Cone	oco Inc., 10 De	esta Drive, Suite 6	508W, Mio	iland, TX 79705			4	30 - 034	3 APH	Number 2 6 93	,0	
<sup>3</sup> Propert	y Code 16608				<sup>5</sup> Property N San Juan 28-					-	6 Well ! 130F		
	10008				<sup>7</sup> Surface I		n				1.701		
UL or lot no.	Section	Township	Range	Lot I		om the		outh line	Feet from the	East/	West line	County	
N	2	27N	7W	54			South		1485'	V	Vest	Rio Arriba	
<sup>8</sup> Proposed Bottom Hole Location							iffere	nt Fro	n Surface	E			
UL or lot no.	Section				om the	North/S	North/South line Feet from the East/West line County						
Proposed Pool 1  Basin Dakota								<sup>to</sup> Propo	sed Pool	12			
il Work T	11 Work Type Code 12 Well Type Code			le 13 Cable/Rotary				14	14 Lease Type Code S			Ground Level Elevation 6565'	
16 Mu	ltiple	7688' -		th 18 Formati		rmation	<sup>19</sup> Contractor		~		<sup>20</sup> Spud Date 4/12/02		
-				ropose	d Casing an			rogram					
Hole Si	ze	Casir	ng Size	Casing weight/foot		s	Setting Depth		Sacks of Cement		Estimated TOC		
12 1/4	**	J-55#,	9 5/8"	36#			285'		139		Surface		
8 3⁄4'	, 		5, 7"	20#			3468'		628			Surface	
6 1/4'	, 	J-55,	4 1/2"	10.5#			7688' -		401		TC	OC @ 3368'.	
							- <del></del>						
			this application					ta on the p	present productive	zone and	d proposed	new productive	
					akota formation.	The well	will be	drilled an	d equipped accordi	ng to th	e following	attachments:	
			tion Plat (C-102	)									
•	Well Plan	Outline											
	g Program oke Diagrai	n										1	
•			iven above is tru-	e and com	plete to the		(	OIL C	ONSERVAT	ION I	DIVISIO	ON	
best of my kno	wledge and	belief.	) . 10/1	,		Approv	ed by		- Vluly				
Signature:	Violei Wast	thu	every			Title:		98. 1	SAS INSPECTO	X. EHN	. <b>E</b> 5		
Printed name: Title: Sr. Anal							al Date:	B 1			n Date	3 1 9 2003	
Date: 02/13/02	2		Phone: 915/6	86-5799		Conditions of Approval:							
						Attached —							

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

District IV PO Box 2088. 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	LOCAT	ION AND A	ACREAGE DEDI	ICA <sup>-</sup>	TION PL	.АТ		
ـ ا	API Numbe	930		*Pool Coo							
1900 Property 01660	Code	*Property Name *Well Num SAN JUAN 28-7 UNIT 130F									11 Number 130F
'0GRID										levation 5565	
<sup>10</sup> Surface Location											
UL on lot no.	Section 2	Township 27N	Pange 7W	Lot Idn	Feet from the	North/South line SOUTH		et from the 1485	East/He WE		County RIO ARRIBA
	-	11 E	<sup>11</sup> 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/We		st line	County
<sup>12</sup> Dedicated Acres  318.96 Acres - (W/2)				/2)	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Orde	r No.			<u> </u>
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											
1585. C85. C07.		). 44     LO	Т З		263 .OT 2	14.72 LOT 1	1263.90	I hereby contained to the the Signature	certify to describe the description of my est	that the is true an knowledge	FICATION information d complete and belief
					74. 18 18 18 18 18 18 18 18 18 18 18 18 18	(G)	,		name itle A	nalyst	

1277 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. Survey Date: OCTOBER 31, 2001 E-290-28 Signature and Seal of Professional Surveyor C. EDWARDS 32 Ď 2608  $\mathcal{C}$ 2553 ADFESSIONAL 14851 5264.821 Certificate Number

### PROJECT PROPOSAL - New Drill / Sidetrack



AFE\$: Lease: SAN JUAN 28-7 AFE#: 3436 (MV) Well: SAN JUAN 28-7 130F API#: State: NM County: Rio Arriba Field Name: EAST 28-7 Rig: Key 43 Geoscientist: Glaser, Terry J Phone: (281) 293 - 6538 Prod. Engineer: Moody, Craig E. Phone: (281) 293 - 6559 Phone: Proj. Field Lead: Bergman, Pat W. Phone: (281) 293 - 6517 Res. Engineer: Valvatne, Christine K. Primary Objective (Zones) : Pool Pool Name BASIN DAKOTA (PRORATED GAS) FRR

"Fier priced

Surface Location :			I.			an your stands of the stands				
Latitude: 36.597611	Longtitude :	-107.5466	X :		Υ:	Section: 2	Survey:	27N	Abstract :	7 <b>W</b>
Footage X: 1485 FWL	Footage Y:		Elevation:		6565 (FT)					
Bottom Hole Location :			-							. •
Latitude :	Longtitude :		X:	<b>.</b>	Υ:	Section :	Survey :		Abstract :	
Location Type: Year Ro	ound St	art Date (Es	st.):		Comp	oletion Date :	Date In	Operation	:	
Formation Data: Assum	ie KB = 6578	Units =	FT							
Formation Call & Casing Points	Depth (TVD in Fl	SS (Ft)	Depletio n	BHP (PSIG)	BHT		Remarks			
Surface Casing	285	6293	· • • • • • • • • • • • • • • • • • • •			Severe lost circulation is casing. Circulate cemer			f, J-55, STC	
OJAM	2378	4200				Possible water flows"				
KRLD	2498	4080								
FRLD	2918	36 <b>6</b> 0				Possible gas				
PCCF	3168	3410								
LEWS	3368	3210	邁					<del></del>		
Intermediate Casing	g 3468	3110				7", 20 ppf, J-55, STC Casir	ng. Circulate	cement	to surface.	
CHRA	4138	2440	繼		<u>.</u>					
CLFH	4838	1740	<u>#</u>	1300		Gas; possibly wet				,
MENF	4963	1615				Gas				
PTLK	5428	1150	28			Gas		<del></del>		
MNCS	5678	900	· <u> </u>							
GLLP	6648	-70	<u>.</u>							
GRHN	7338	-760	4.00			Gas possible, highly fract	ured			
TWLS	7428	-850	<u>.</u>			Gas				
СВВО	7568	-990	<u> </u>			Gas				

## **PROJECT PROPOSAL - New Drill / Sidetrack**



Total Depth

7688

-1110

įs:

3000

4 1/2", 10.5 ppf, J-55, STC casing. Circulate cement a minimum of 100'inside the previous casing string. No open hole logs. Gased hole TDT with GR to surface.

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.	
Comments :		



Well: San Juan 28-7 130F

County: San Juan Area: East 28-1 Rig: Key Rig 43

Company: Conoco, Inc.

Engineer: Mr. Brett Tthompson

Date: 13-Feb-02

#### Surface Casing:

		139 sx	Type III Cement + 2%bwoc Calcium Chloride + 0.25 lbs/sk Cello Flake + 59.2% H20
'			
Slurry Weight:	14.5	ppg	
Slurry Yield	1.41	cf/sk	
Amount of Mix Water	6.67	gps	
Pump Time	2:30		
Compressives			
8 hrs @ 80 F	800	psi	
24 hrs @ 80 F	2150	psi	
48 hrs @ 80 F	3625	psi	

#### Intermediate Casing:

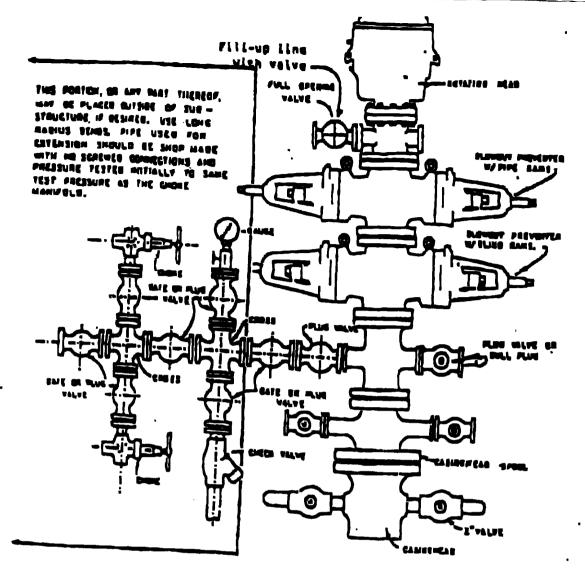
Slurry 1 539 sx	Premium Lite Cement + 2% bwoc Calcium Chloride + 0.25 lbs/sc Cello Flake +
	8% bwoc Bentonite + 115.5% H20

Slurry 2 89 sx Type III Cement + 2% bwoc Calcium Chloride + 0.25 lbs/sk Cello Flake + 59.2% H20

Slur	ry 1		Slurry 2			
Slurry Weight:	12.1	ppg	Slurry Weight:	14.5	ppg	
Slurry Yield	2.23	cf/sk	Slurry Yield	1.41	cf/sk	
Amount of Mix Water	12.05	gps	Amount of Mix Water	6.67	gps	
Pump Time	3:00		Pump Time	2:15		
Compressives			Compressives			
8 hrs @ 80 F		psi	8 hrs @ 80 F	800	psi	
24 hrs @ 80 F	250	psi	24 hrs @ 80 F	2150	psi	
48 hrs @ 80 F	525	psi	48 hrs @ 80 F	3625	psi	

#### **Production Casing:**

	40	01 sx	Premium Lite High Strength + 0.25 lbs/sk Cello Flake + .2% bwoc CD-32 +
·	-		0.65% bwoc FL-62 + 105.4% H20
Slurry Weight:	12.5	ppg	
Slurry Yield	2.02	cf/sk	
Amount of Mix Water	11	gps	
Pump Time	3:00		
Compressives			
8 hrs @ 140 F		psi	
24 hrs @ 140 F	1600	psi	
48 hrs @ 140 F	2000	psi	



# 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 Please see the attached Bop diagram details 2000 psi equipment according to Onshore Order No. 2 even though the equipment will test to Jooo psi. The 2000 psi system allows deletion of the test to Jooo psi. 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. Mili line (2 inch maximum).
- 3. One kill line valve.
- One choke line valve. 4. 5,
- 7.
- Two chokes (reference diagram No. 1). Upper kelly cock valve with handle. Safety valve and subs to fit all drill strings in use. 8, Two-inch minimum choke line.
- 9.
- 10.
- Pressure gauge on choke manifold. Fill-up line above the upper most preventor. 11.