

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF-078640
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator CONOCO INC. Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conoco.com		7. If Unit or CA Agreement, Name and No.
3a. Address 10 DESTA DR., ROOM 608W MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 915.686.5799 Ext: 5799	8. Lease Name and Well No. SAN JUAN 28-7 132F
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWNW ¹⁴⁴⁰ 1440 ⁰⁵⁵ 055 FNL 720 FWL At proposed prod. zone		9. API Well No. 30-039-26940
14. Distance in miles and direction from nearest town or post office*		10. Field and Pool, or Exploratory BLANCO MESAVERDE/BASIN DAKOTA
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in Lease	11. Sec., T., R., M., or Blk. and Survey or Area E Sec 15 T27N R7W Mer NMP
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 7770 MD	12. County or Parish RIO ARRIBA
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6737 GL - 6710 GL	22. Approximate date work will start	13. State NM
24. Attachments		17. Spacing Unit dedicated to this well 320.00 11/2
25. Signature (Electronic Submission) <i>Vicki Westby</i>		20. BLM/BIA Bond No. on file
Name (Printed/Typed) VICKI WESTBY		23. Estimated duration
Title AUTHORIZED SIGNATURE		
Approved by (Signature) <i>[Signature]</i>		
Name (Printed/Typed) AFM		
Title Office		
Office FFO		

THIS action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and 43 CFR 3165.4. The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

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

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

Application approval does not warrant or certify 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, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

Additional Operator Remarks (see next page)

Electronic Submission #10185 verified by the BLM Well Information System
For CONOCO INC., will be sent to the Farmington

WAMOCO

** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT **

UNITED STATES ~
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use form 3160-3 (APD) for such proposals.5. Lease Serial No.
NMSF078640

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.

SAN JUAN 28-7 132F

2. Name of Operator
CONOCO INCContact: VICKI WESTBY
E-Mail: Vicki.R.Westby@conoco.com

9. API Well No.

30-039-26940-00-X1

3a. Address

PO BOX 2197, DU 3084
HOUSTON, TX 77252-2197

3b. Phone No. (include area code)

Ph: 915.686.5799 Ext: 5799

10. Field and Pool, or Exploratory

BASIN DAKOTA
BLANCO MESAVERDE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 15 T27N R7W NWNW 1035FNL 720FWL

11. County or Parish, and State

RIO ARRIBA COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Conoco Inc. requests that the surface location for this well be moved to 1490' FNL & 755' FWL, Section 15, T27N-R7W (see attached plats). Conoco also will use produced water from the 28-7 Unit for drilling this well pursuant to the provisions outlined in Onshore Order No. 7. This well will be drilled and equipped in accordance with the attachments submitted herewith.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #13278 verified by the BLM Well Information System
For CONOCO INC, sent to the Farmington
Committed to AFMSS for processing by Adrienne Garcia on 07/31/2002 (02AXG0439SE)


Name (Printed/Typed) VICKI WESTBY

Title AUTHORIZED SIGNATURE

Signature (Electronic Submission)

Date 07/31/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By 	Title AFM	Date 9/18/02
Conditions of approval, if any, are attached. Approval of this notice 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.	Office FFS	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ******NMOCD**

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

District II
PO Drawer 00, 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 LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26940		*Pool Code 72319 / 71599	*Pool Name BLANCO MESAVERDE / BASIN DAKOTA
*Property Code 016608	*Property Name SAN JUAN 28-7 UNIT		*Well Number 132F
*OGRID No. 005073	*Operator Name CONOCO, INC.		*Elevation 6710'

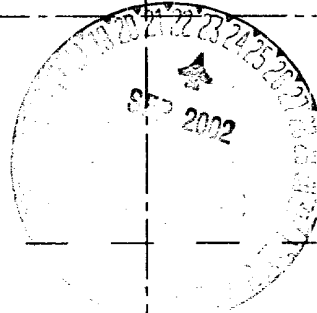

¹⁰ Surface Location

UL or lot no. E	Section 15	Township 27N	Range 7W	Lot Idn	Feet from the 1490	North/South line NORTH	Feet from the 755	East/West line WEST	County RIO ARriba
--------------------	---------------	-----------------	-------------	---------	-----------------------	---------------------------	----------------------	------------------------	----------------------

¹¹ Bottom Hole Location If Different From Surface

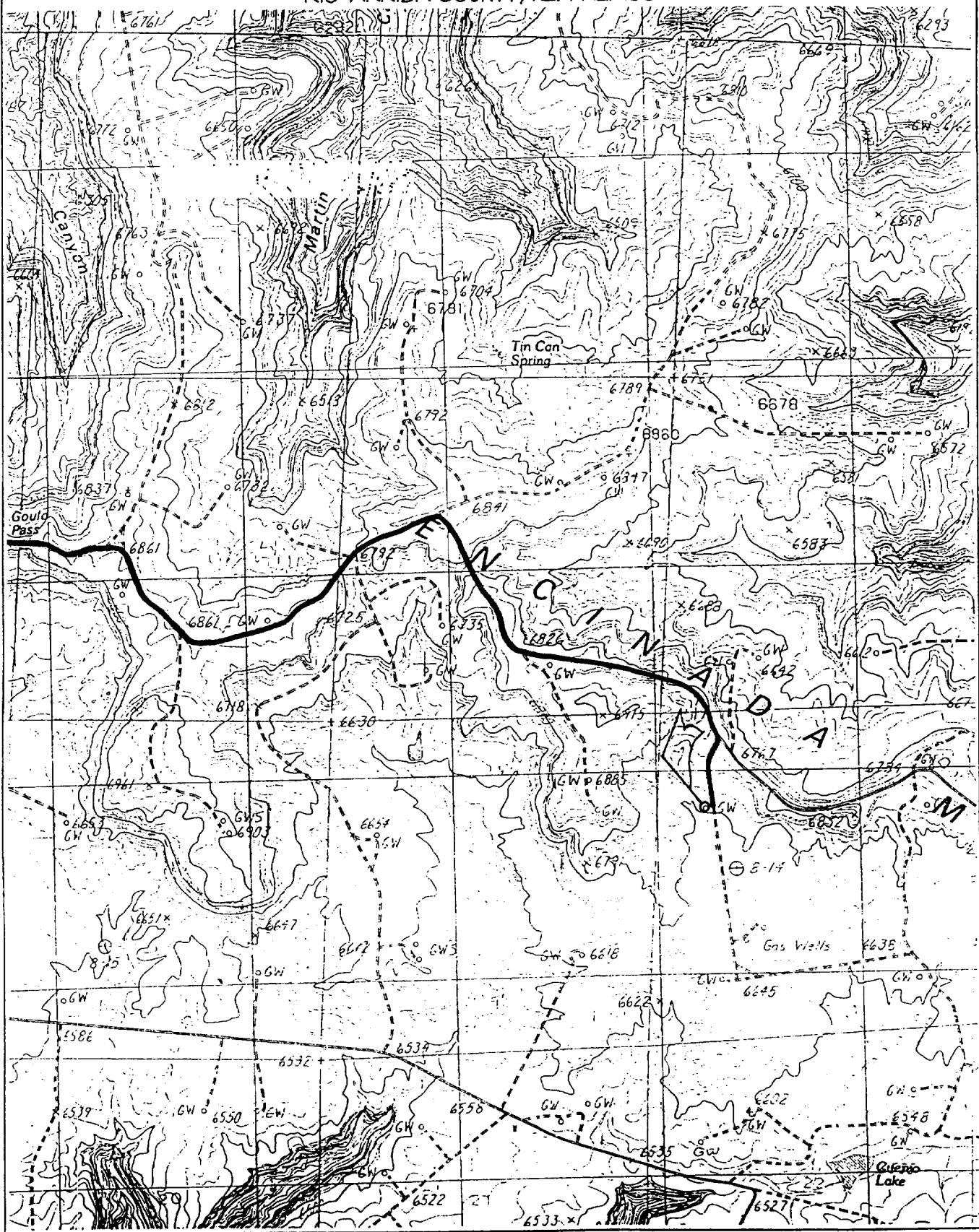
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320.0 Acres - (W/2)					¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.		

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 5324.22' 1490' 755' SF-078640 5381.64' 15 5283.30' 5218.62'		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Vicki Westby</i> Signature Vicki R. Westby Printed Name Sr. Title Analyst Title <i>July 31, 2002</i> 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. Date of Survey: JUNE 20, 2002 Signature and Seal of Professional Surveyor  <i>JASON C. EDWARDS</i> Certificate Number 15269

CONOCO, INC. SAN JUAN 28-7 UNIT #132F

1490' FNL & 755' FWL, SECTION 15, T27N, R7W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO



DRILLING PROGRAM - SAN JUAN 28-7 132F



San Juan Business Unit

Well: SAN JUAN 28-7 132F	Area: EAST	AFE #: 4276/4277		AFE \$: 341838.6	
Field EAST 28-7	Rig: Key 43	State: NM	County: Rio Arriba	API	
Location: Surface					
Lat. 36.577119	Long: -107.56794	Footage X: 755	FWL	Footage 1490	FNL
		Sec.: 15	Survey: 27N	Abstract: 7W	
ERA (Emergency Response Area):					
Lat:		Long:			

Formation Data Ground Level 6710 FT Assume KB 6723 FT

"Air Drilled"

Formation Call & Casing Points	Depth (TVD in Ft)	BHP (PSIG)	BHT	Remarks
Surface Casing	258			Severe lost circulation is possible. 12 1/4" Hole. 9 5/8", 36 ppf, J-55, STC casing. Circulate cement to surface. 100% Excess.
OJAM	2448			Possible water flows
KRLD	2548			
FRLD	3098			Possible gas
PCCF	3223			
LEWS	3423			
Intermediate Casing	3523			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface. 100% Excess.
CHRA	4163			
CLFH	4913	1300		Gas; possibly wet
MENF	4938			Gas
PTLK	5473			Gas
MNCS	5823			
GLLP	6713			
GRHN	7393			Gas possible, highly fractured
TWLS	7473			Gas
CBBO	7613			Gas
Total Depth	7743	3000		6 1/4" Hole. 4 1/2", 10.5 ppf, J-55, STC casing. Circulate cement a minimum of 100' inside the previous casing string. 50% Excess. No open hole logs. Cased hole TDT with GR to surface.

Logging Program:

Intermediate Logs:	<input type="checkbox"/> Log only if show <input type="checkbox"/> GR / ILD <input type="checkbox"/> Triple Combo <input type="checkbox"/> Other
TD Logs:	<input type="checkbox"/> Triple Combo <input type="checkbox"/> Dipmeter <input type="checkbox"/> RFT <input type="checkbox"/> Sonic <input type="checkbox"/> VSP <input checked="" type="checkbox"/> TDT <input type="checkbox"/> Other
Additional Information:	

Comments:

Printed On: 07/31/2002 1:26:38 PM



Well: San Juan 28-7 132F
County: San Juan
Area: East 28-1
Rig: Key Rig 43

Company: Conoco, Inc.
Engineer: Mr. Brett Thompson
Date: 20-Feb-02

Surface Casing:

139 sx Type III Cement + 2%bwoc Calcium Chloride + 0.25 lbs/sk Cello Flake + 59.2% H2O

Slurry Weight:	14.5	ppg
Slurry Yield	1.41	ct/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 1 553 sx Premium Lite Cement + 2% bwoc Calcium Chloride + 0.25 lbs/sc Cello Flake + 8% bwoc Bentonite + 115.5% H2O

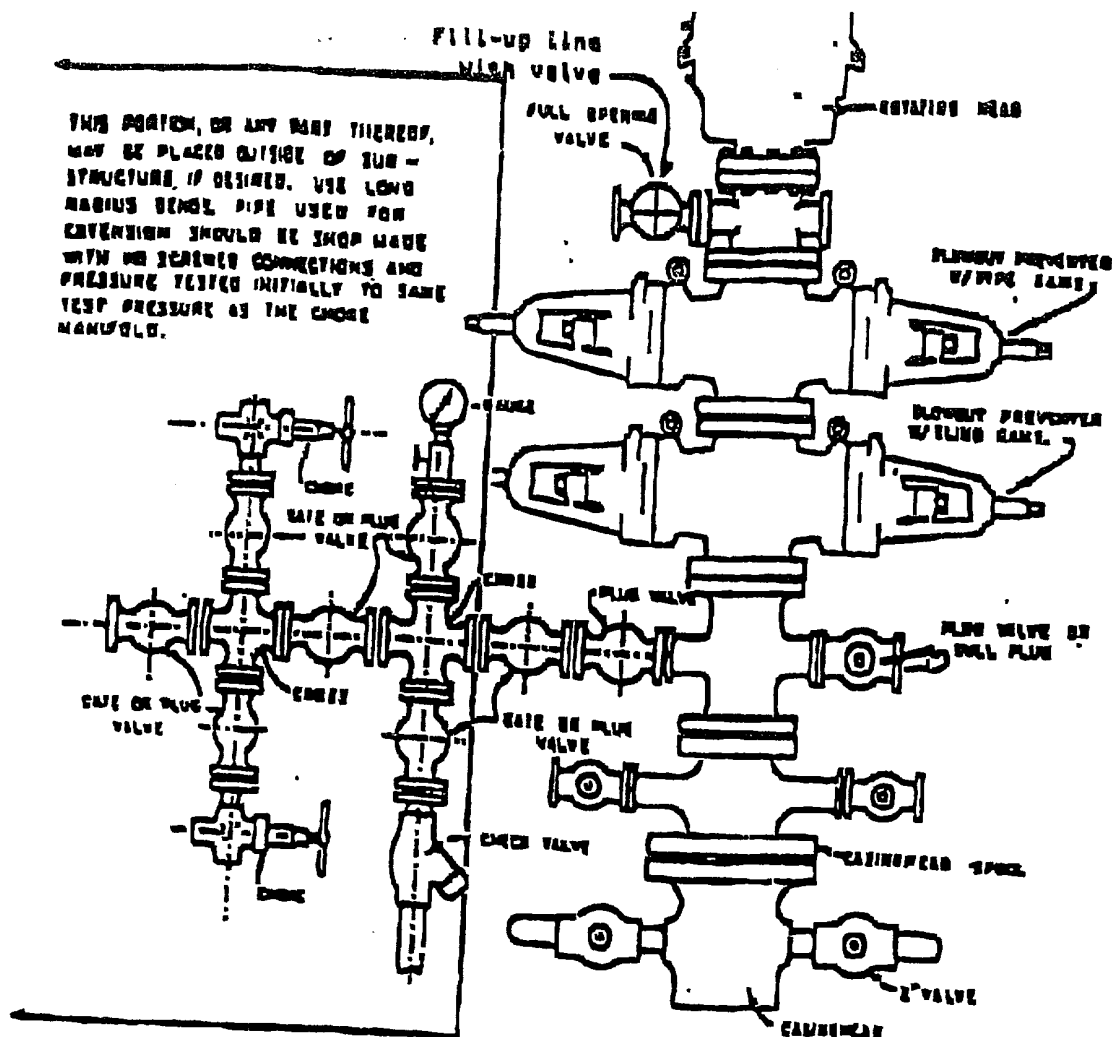
Slurry 2 89 sx Type III Cement + 2% bwoc Calcium Chloride + 0.25 lbs/sk Cello Flake + 59.2% H2O

Slurry 1			Slurry 2		
Slurry Weight:	12.1	ppg	Slurry Weight:	14.5	ppg
Slurry Yield	2.23	ct/sk	Slurry Yield	1.41	ct/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:

401 sx Premium Lite High Strength + 0.25 lbs/sk Cello Flake + .2% bwoc CD-32 + 0.85% bwoc FL-62 + 105.4% H2O

Slurry Weight:	12.5	ppg
Slurry Yield	2.02	ct/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 1000 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 delation of the annular preventor and fulfills your requirements (note diagram No. 1). In addition, the following equipment will comprise the 1000 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	Deep Well	
Hole Size	8"	
Hole Depth	200' - 500'	As required to place anodes below moisture and in low resistance strata.
Surface Casing	8" Diam., \geq 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 \geq 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 arroyos and streams. EXCEPTION: If trenching is in extremely hard substratum, depth will be 8 - 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.