

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 ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒ OTHER

SINGLE ZONE ☐

MULTIPLE ZONE ☒

2. NAME OF OPERATOR

Conoco Inc.

3. ADDRESS AND TELEPHONE NO.

10 Desta Drive, Suite 649W, Midland, TX 79705; 915/686-5515

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*)

At surface

1840' FNL & 755' FWL

At proposed prod. Zone

1840' FNL & 755' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and 43 CFR 3165.4.

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. Unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6206'

6. NO. OF ACRES IN LEASE

640+/-

9. PROPOSED DEPTH

7562'

5. LEASE DESIGNATION AND SERIAL NO.

SF 078500A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

San Juan 28-7 Unit

8. FARM OR LEASE NAME WELL NO.

243M

9. API WELL NO.

30-039-76450

10. FIELD AND POOL, OR WILDCAT

Blanco Mesaverde / Basin Dakota

11. SEC. T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 3N, T28N, R7W

12. COUNTY OR PARISH

Rio Arriba

13. STATE

NM

17. NO. OF ACRES ASSIGNED TO THIS WELL

W/301.23

19. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START*

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

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#	250 +/-	145 sxs, circ.
8-3/4"	J-55; 7"	20#	3108'	415 sxs, circ.
6-1/4"	J-55; 4 1/2"	10.5#	7262'	420 sxs, TOC @ 2908'

It is proposed to drill a vertical wellbore to be downhole commingled in the Blanco Mesaverde and Basin Dakota Pools. 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.
6. Production Facility Layout.
7. Temporary pipeline tie-in specifications.

APD/ROW

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

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

Jo Ann Johnson

TITLE Sr. Property Analyst

DATE 5/18/00

PERMIT NO.

APPROVAL DATE

10/2/00

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

TITLE

DATE 10/2/00

*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.

NMOCD

District I
PO Box 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-101
Revised February 21, 1991
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

203 VW 22 11/10/99
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26450		*Pool Code 72319 / 71599		*Pool Name BLANCO MESAVERDE / BASIN DAKOTA	
*Property Code 016608		*Property Name SAN JUAN 28-7 UNIT			*Well Number 243M
*OGRID No. 005073		*Operator Name CONOCO, INC.			*Elevation 6206'

10 Surface Location

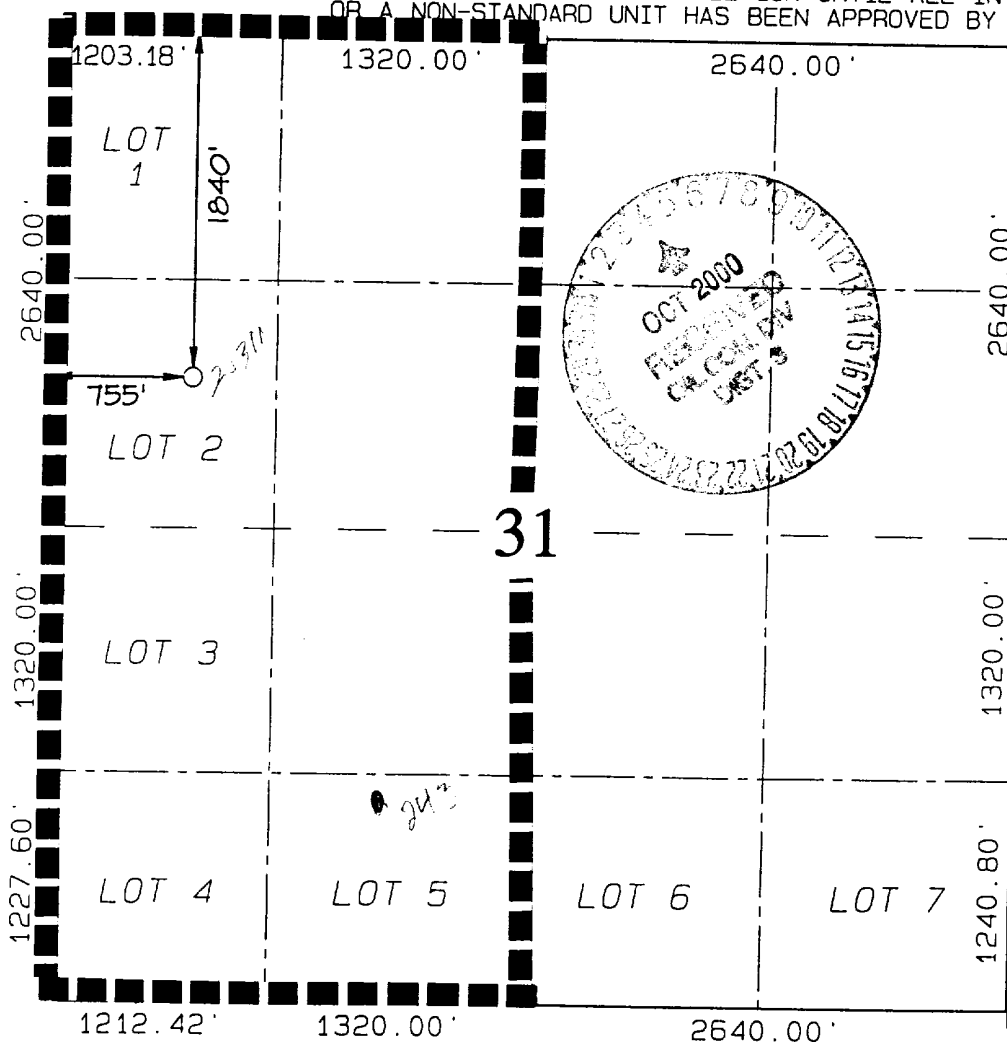
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	31	28N	7W		1840	NORTH	755	WEST	RIO ARriba

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 301.23				13 Joint or Infill I		14 Consolidation Code		15 Order No.	
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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



17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature
Mike L. Mankin
Printed Name
Right-Of-Way Agent
Title
4-12-00
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.

DECEMBER 10, 1999
Date of Survey
Signature and Seal of Professional Surveyor
NEALE C. EDWARDS
NEW MEXICO
6857
Certificate Number 6857

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

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

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

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

☐ AMENDED REPORT

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*GRID No. 005073	*Operator Name CONOCO, INC.		*Elevation 6206'

¹⁰ Surface Location

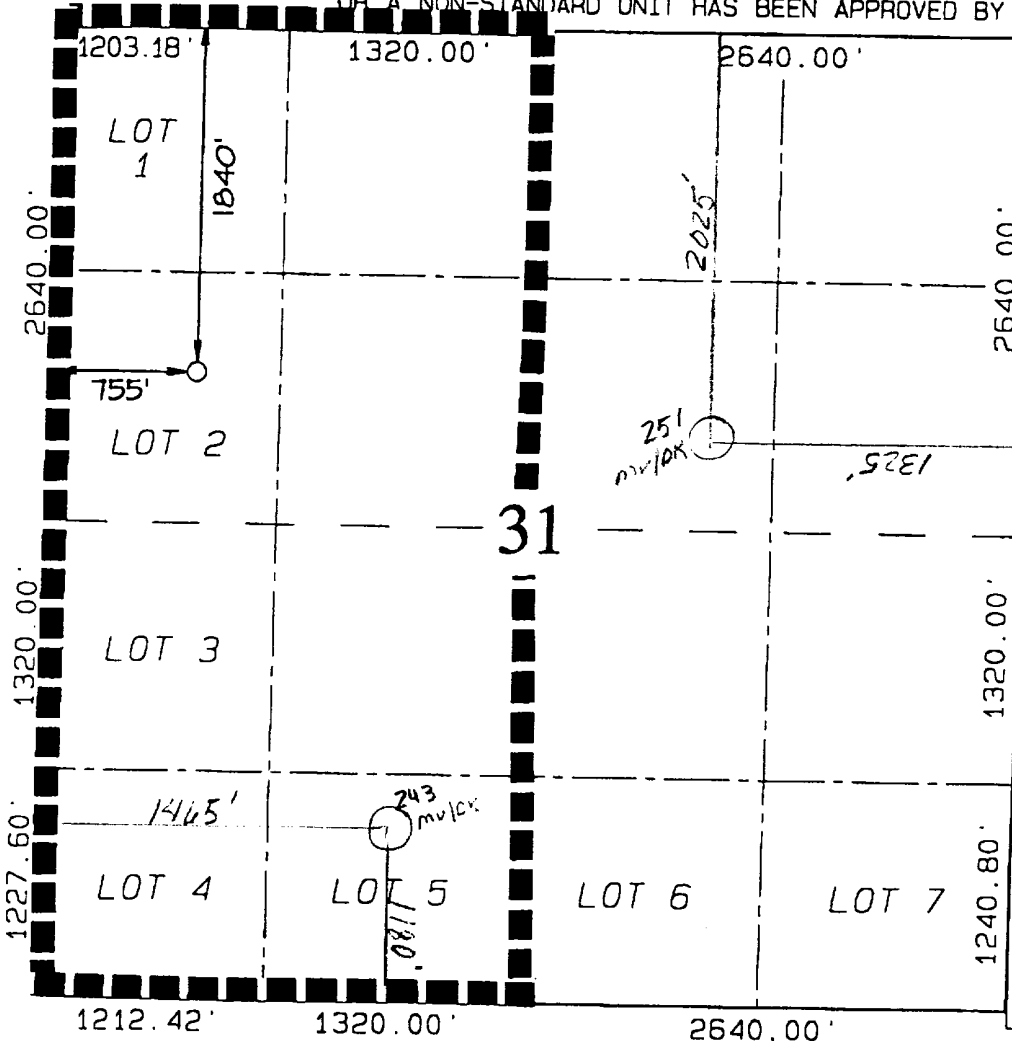
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¹¹ Bottom Hole Location If Different From Surface

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¹² Dedicated Acres 301.23	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Mike L. Mankin
Signature

Mike L. Mankin
Printed Name

Right-Of-Way Agent
Title

4-12-00
Date

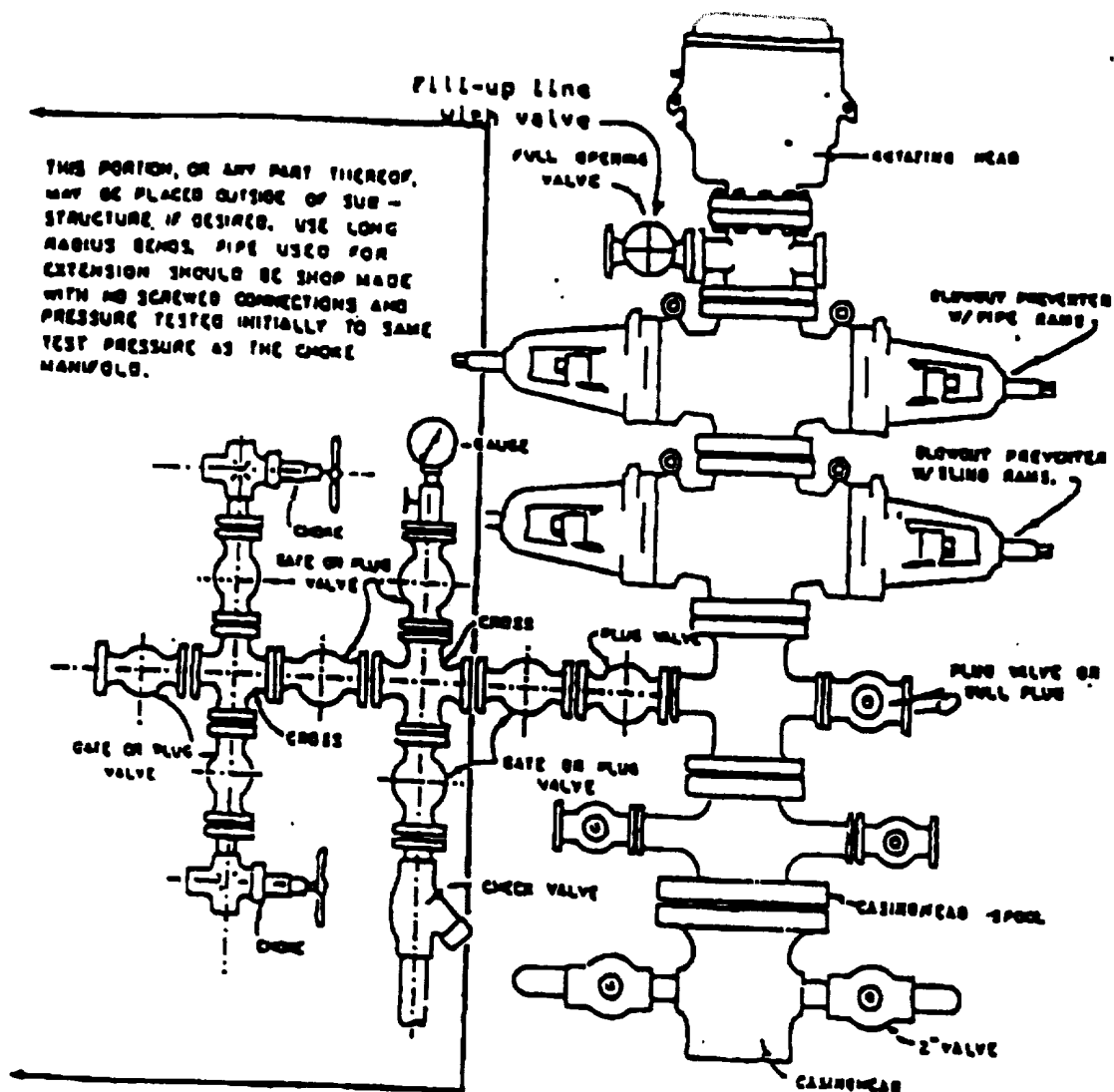
¹⁸ SURVEYOR CERTIFICATION

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.

DECEMBER 10, 1999
Date of Survey

Neale C. Edwards
Signature and Seal of Professional Surveyor

Certificate Number 6857



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.

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 arroyo's 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 <i>always</i> 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.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO.
1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator CONOCO, INC.		6. State Oil & Gas Lease No.
3. Address of Operator P.O. BOX 2197 HOUSTON, TX 77252		7. Lease Name or Unit Agreement Name SAN JUAN 28-7
4. Well Location Unit Letter <u>E</u> : <u>1840</u> Feet From The <u>NORTH</u> Line and <u>755</u> Feet From The <u>WEST</u> Line Section <u>31</u> Township <u>28N</u> Range <u>7W</u> NMPM <u>RIO ARRIBA</u> County		8. Well No. <u>243F</u>
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6206'		9. Pool name or Wildcat BLANCO MESAVERDE/BASIN DAKOT

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: DHC ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

In reference to Order #R-11363 Conoco proposes to drill this well and DHC in the Blanco Mesaverde and Basin Dakota.

Perforations are:
Blanco Mesaverde: 5350'-6050' (proposed)
Basin Dakota: 6920'-7175' (proposed)

Allocated by test

Commingling in this well will not reduce the value of the remaining production.

In reference to Order #R-10476B interest owners are not required notification.

The BLM has been sent Sundry Notice as notification.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Deborah Marberry TITLE REGULATORY ANALYST DATE 06/01/2000

TYPE OR PRINT NAME DEBORAH MARBERRY TELEPHONE NO. (281)293-1005

(This space for State Use)

Original Signed by STEVEN N. HAYDEN

DEPUTY OIL & GAS INSPECTOR, DIST. 3

APPROVED BY _____ TITLE _____ DATE JUN 15 2000

CONDITIONS OF APPROVAL, IF ANY: