## FORM APPROVED UNITED STATES OMB NO. 1004-0136 DEPARTMENT OF THE INTERIOR Expires February 28, 1995 5. LEASE DESIGNATION AND SERIAL NO. **BUREAU OF LAND MANAGEMENT** APPLICATION FOR PERMIT TO DRILL OR DEEPEN SF-078498A 1a. TYPE OF WORK 6. IF INDIAN, ALLOTTEE OR TRIBE NAME DRILL X DEEPEN 7. UNIT AGREEMENT NAME b. TYPE OF WELL San Juan 28-7 OIL WELL GAS WELL MULTIPLE ZONE 8. FARM OR LEASE NAME WELL NO 2. NAME OF OPERATOR Conoco Inc. 3. ADDRESS AND TELEPHONE NO 10 Desta Drive, Suite 649W, Midland, TX 79705; 915/686-5515 WELL (Report location clearly and in accordance with any State requirements\*) At surface South Blanco Pictured Cliffs 1370' FSL & 795' FEL 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 1370' FSL & 795' FEL Sec. 28, T28N, R7W 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 12. COUNTY OR PARISH 13. STATE Rio Arriba **NM** 15/ DISTANCE FROM PROPOSED\* 6. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED LOCATION TO NEAREST TO THIS WELL PROPERTY OR LEASE LINE, FT (Also to nearest drlg. Unit line, if any) 18. DISTANCE FROM PROPOSED LOCATION 160 9. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS TO NEAREST WELL, DRILLING, COMPLETED, 2947' OR APPLIED FOR, ON THIS LEASE, FT. Rotary 21 ELEVATIONS (Show whether DF, RT, GR, etc.) 22 APPROX. DATE WORK WILL START This action is subject to technical and 6037' GR 9/15/00 procedural review pursuant to 43 CFR S166.3 PROPOSED CASING AND CEMENTING PROGRAM and appeal pursuant to 43 CFR 3185.4 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# 2947' ~ 280 sxs, circ. to surface It is proposed to drill a vertical wellbore in the South Blanco Pictured Cliffs Pool. An NOS was filed 4/26/00. The well will be drilled and equipped according to the following additional attachments: **DRILLING** OPERA覆ONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED 1. Well Location & Acreage Dedication Plat (C-102). "GENERAL REQUIREMENTS" 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.

This application includes ROW's for the well pad, 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 Secret Page for Signature TITLE Sr. Property	y Analyst DATE 8/4/00
(This space for Federal or State office Use)	2.112 6.1100
PERMIT NO	APPROVAL DATE
CONDITIONS OF APPROVAL, IF ANY:	MAL 4 2000
/a/ Jim Lovato	NOV - 1 2000
APPROVED BY TITLE	DATE

\*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.

UNITED STATES  DEPARTMENT OF THE INTERIOR					FORM APPROVED OMB NO. 1004-0136 Expires Pabriary 28, 1995  1. LEASE DEEDWATEN AND SENIAL NO.		
EJUREAU OF LAND MANAGEMENT					DELIGNATION A	O BENTAL NO.	
APPLICATION FOR PERMIT TO DRILL OR DEEPEN					SF-078498A		
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DRILL D	₹ DE	EPEN IT		7.19.77	GREENENT NAME		
TYPE OF WELL	<u>-</u>	- 075 FARL					
					<u>an 28-7</u>		
					E PARM OR LEASE NAME WELL NO.		
NAME OF OPERATOR	oco Inc.			283			
ADDRESS AND TELEPHONE NO.				V. A.F. W.E.	± AQ.	·	
	esta Drive, Suite 649W.	Midland, TX 79705; 915/6	586-551S	100	115 4001 A- 55		
LOCATION OF WELL (Report focusion	n clearly and it accordance with any Si	me tadrijutaniky (b., )		-	AND POOL, OK W		
시 mellon 1370' FSL & 7	795' FEL			South I	Blanco Pictu	red Cliffs	
As proposed prod. Zone				11. SEC., T.	R. M. OR BLK.		
1370' FSL & 7	<del></del>				T28N, R7	V	
DISTANCE IN MILES AND DURECT	TON FROM NEAREST TOWN OR PO	ST OFFICE			Y OR PARISH	13. STATE	
				Rio An	riba	NM	
DISTANCE FROM PROPOSED <sup>3</sup> LOCATION TO NEAREST	1	S. NO. OF ACRES IN LEASE	17.	NO. OF ACRES		# 1876	
PROPERTY OR LEASE LINE, FT. (Also to nearest drig. Unit line, (If say)				TO THUS WELL	160		
DISTANCE FROM PROPOSED LOCA	ATTORY	PROPOSED DEPTH	20. 1	NOTARY OR CAL			
TO NEAREST WELL, DRILLING, CO. OR APPLIED FOR, ON THIS LEASE	LPr.	2947'			Rotary		
ELEVATIONS (Show whether OF, K				22.APPROX	ZZ.APPROX DATE WORK WILL START		
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- SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER POOT	SETTING	DEPTH	QUANT	ITY OF CEMENT	
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					70 sxs, circ.		
6 1/4"	J-55; 4 1/2"	10.5#	294	7.	280 sxs	. circ. to surface	
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District I PU Box 1980, Hobbs, NM 88241-1980

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

District III 1000 R<sub>10</sub> Brazos Rd., Aztec, NM 87410

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

State of New Mexico Energy, Minerals & Natural Resources Department

PO Box 2088 Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

Form C-102 Revised February 21, 1994 Instructions on back Submit to Appropriate District Office

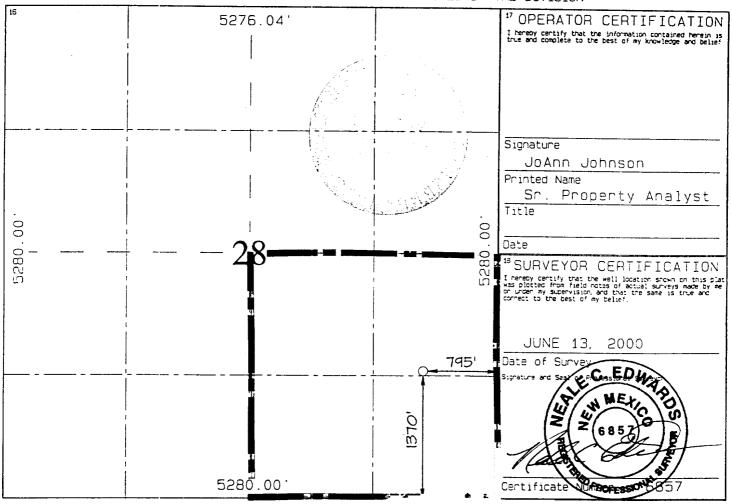
State Lease - 4 Copies Fee Lease - 3 Copies

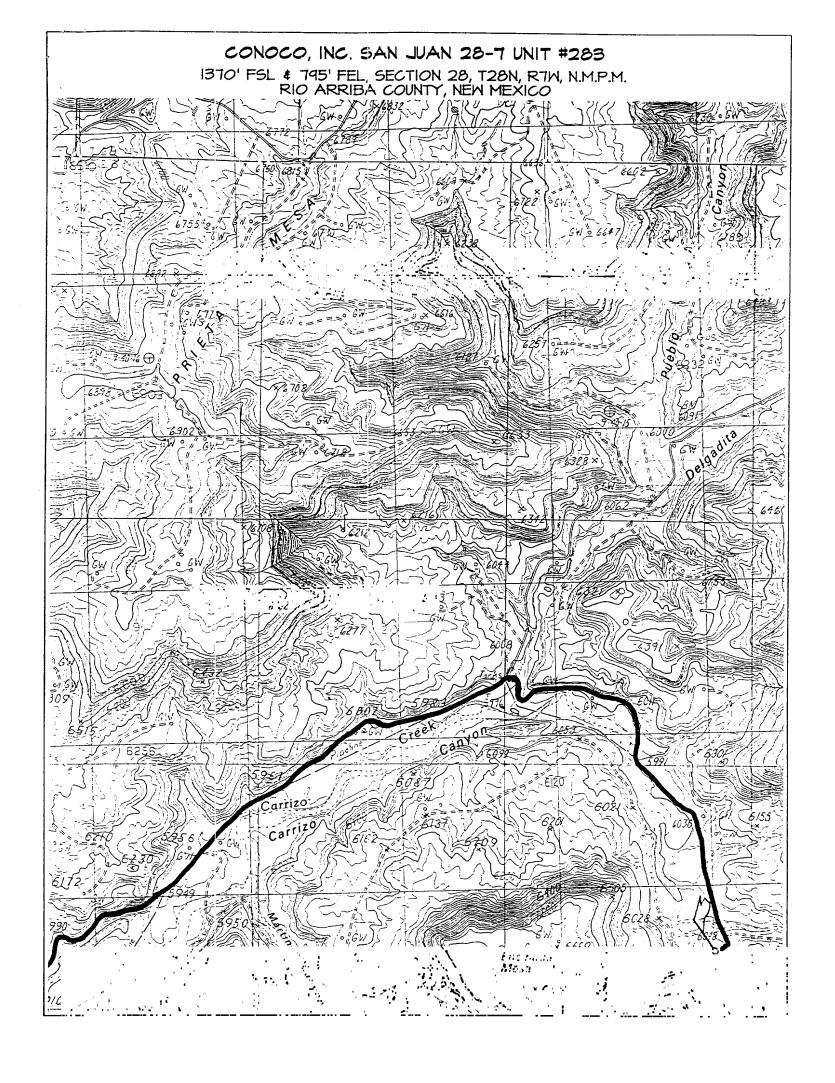
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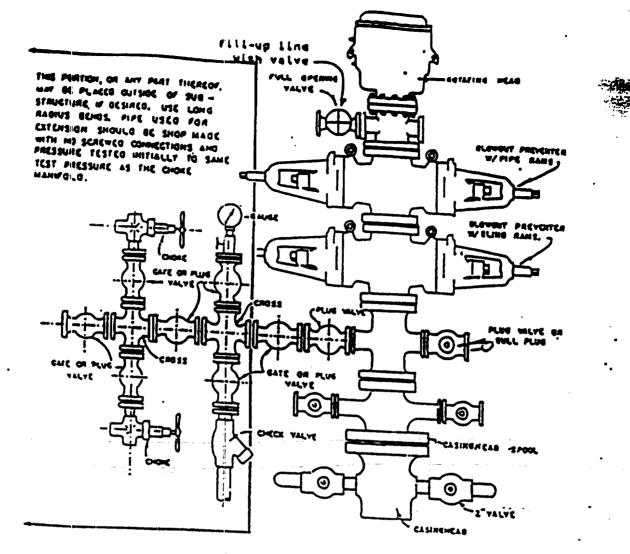
## WELL LOCATION AND ACREAGE DEDICATION PLAT

4	API Numbe	· ~/ >	Pool Code				'Pool Name			
30·03	9-24	054.5	72439 SOUTH BLANCO PICTURED CLIFFS				ED CLIFFS	<u>.                                    </u>		
Property 0166			'Property Name SAN JUAN 28-7 UNIT					* W	*Well Number 283	
'0GRID 0050			*Operator Name CONOCO, INC.				9	Elevation 6037 —		
				1	<sup>10</sup> Sunface	Location				
UL on lat no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
I	28	28N	7W		1370	SOUTH	795	EAST	RIO ARRIBA	
				Hole L	ocation I	f Different	From Surf	ace		
UL or lot ro.	Section	Township	Range	Lat Ion	F≘et from the	North/South line	Feet from the	East/West line	County	
Dedicated Acres	<u></u>	<del></del>		<u> </u>	13 Joint or Infil	11 14 Consalidation Code	15 Onder No.	L		
SE/16	0									
NO ALLOW	IABLE W	ILL BE	ASSIGNE	D TO THI	S COMPLETIC	ON UNTIL ALL	INTERESTS H	AVE BEEN CO	NSOLIDATED	

A NUN-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION







## 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 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. 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.
- Rotating head.

## Cathodic Protection System Description

Anada D. L.		
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., ≥ 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	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 ≥ 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 Cr 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 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.