

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 ☐

2001 MAR -7 PM 1:14

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 79705-915686-5565

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

At surface

2460' FNL & 2280' FEL

At proposed prod. Zone

2460' FNL & 2280' FEL

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

15. DISTANCE FROM PROPOSED*

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.)

6115'

16. NO. OF ACRES IN LEASE

19. PROPOSED DEPTH

7255' —

17. NO. OF ACRES ASSIGNED
TO THIS WELL

327.70 (MV) & 320 (DK)

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START*

03/17/01

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#	3270'	523 sxs, circ. —
6 1/4"	J-55; 4 1/2"	10.5#	7255'—	TOC @ 3170', 322 sxs, circ.

It is proposed to drill a vertical wellbore to the Mesaverde/Dakota Pools. A DHC application will be filed with the BLM and NMOCD. An NOS was filed 01/17/01. 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.

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

APD/ROW
ENTIRE APPLICATION AS SUBMITTED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

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.

25.

SIGNED

(This space for Federal or State office Use)

TITLE Analyst

DATE 02/16/01

PERMIT NO.

APPROVAL DATE

4/20/01

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:

/s/ Joel Farrell

APPROVED BY

TITLE

DATE

APR 20

*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-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

2001 MAR -7 PM 1:44 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26692		*Pool Code 72319 / 71599		*Pool Name BLANCO MESAVERDE / BASIN DAKOTA	
*Property Code 016608		*Property Name SAN JUAN 28-7 UNIT			*Well Number 189F
*GRID No. 005073		*Operator Name CONOCO, INC.			*Elevation 6115'

10 Surface Location

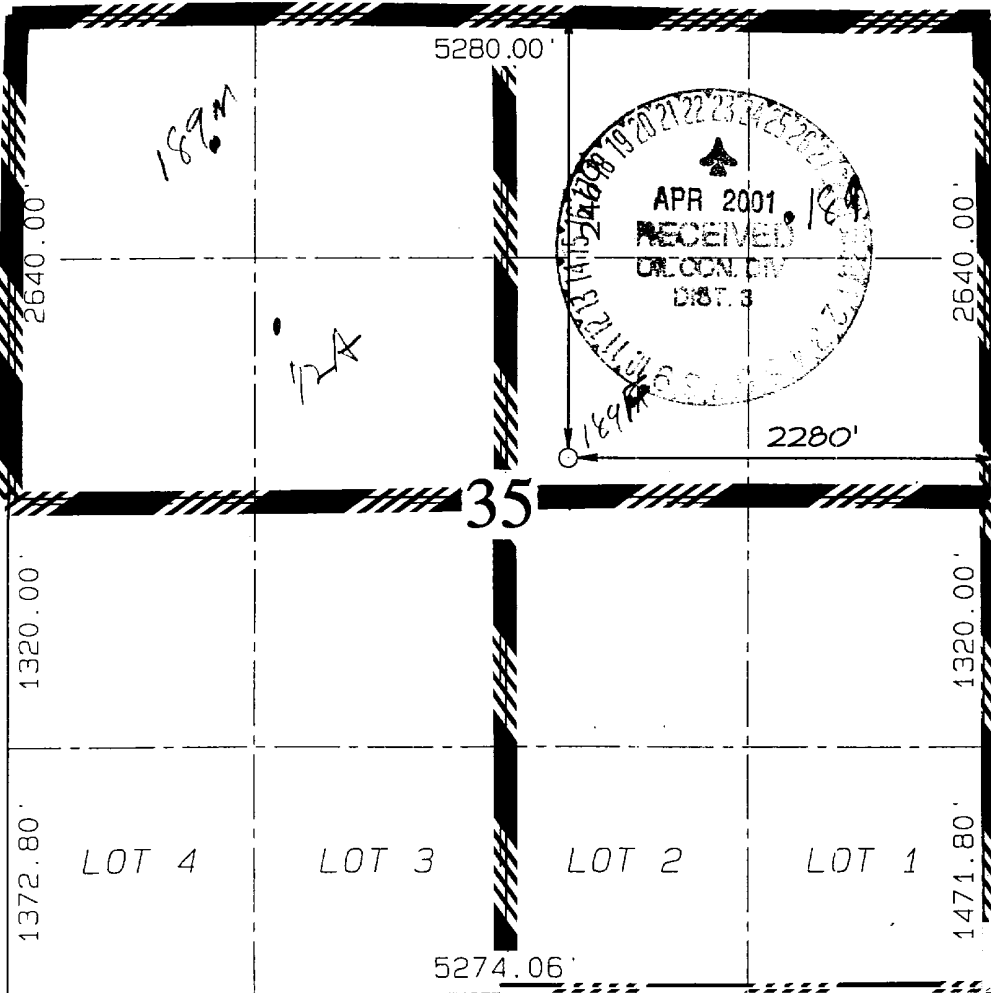
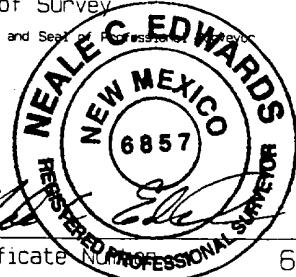
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	35	28N	7W		2460	NORTH	2280	EAST	RIO ARriba

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

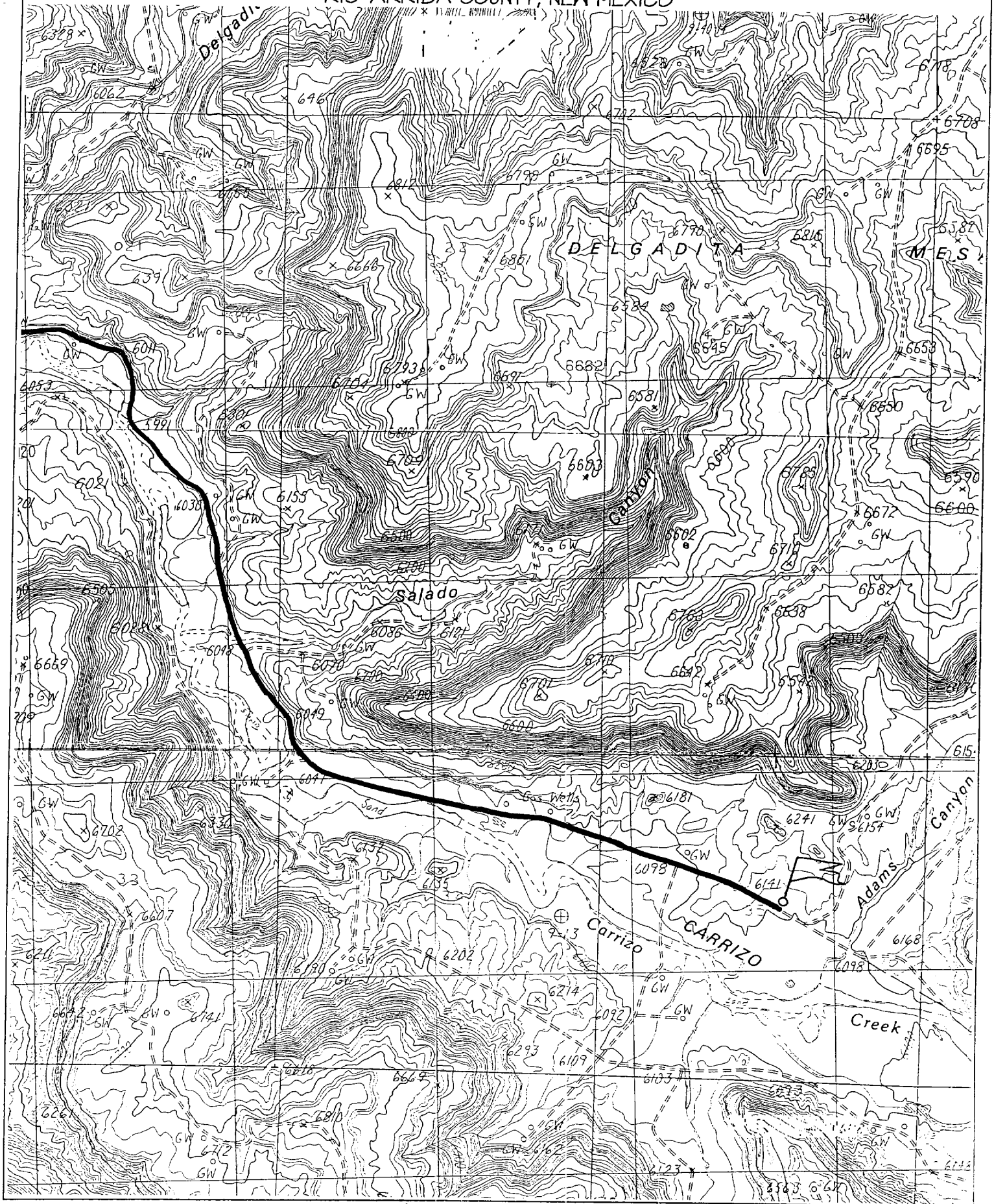
12 Dedicated Acres 327.70 Acres (MV) - 320. Acres (DK) <i>Acres</i>		13 Joint or Infill N	14 Consolidation Code	15 Order No. R-1134 P <i>Effective Date 4/1/01</i>
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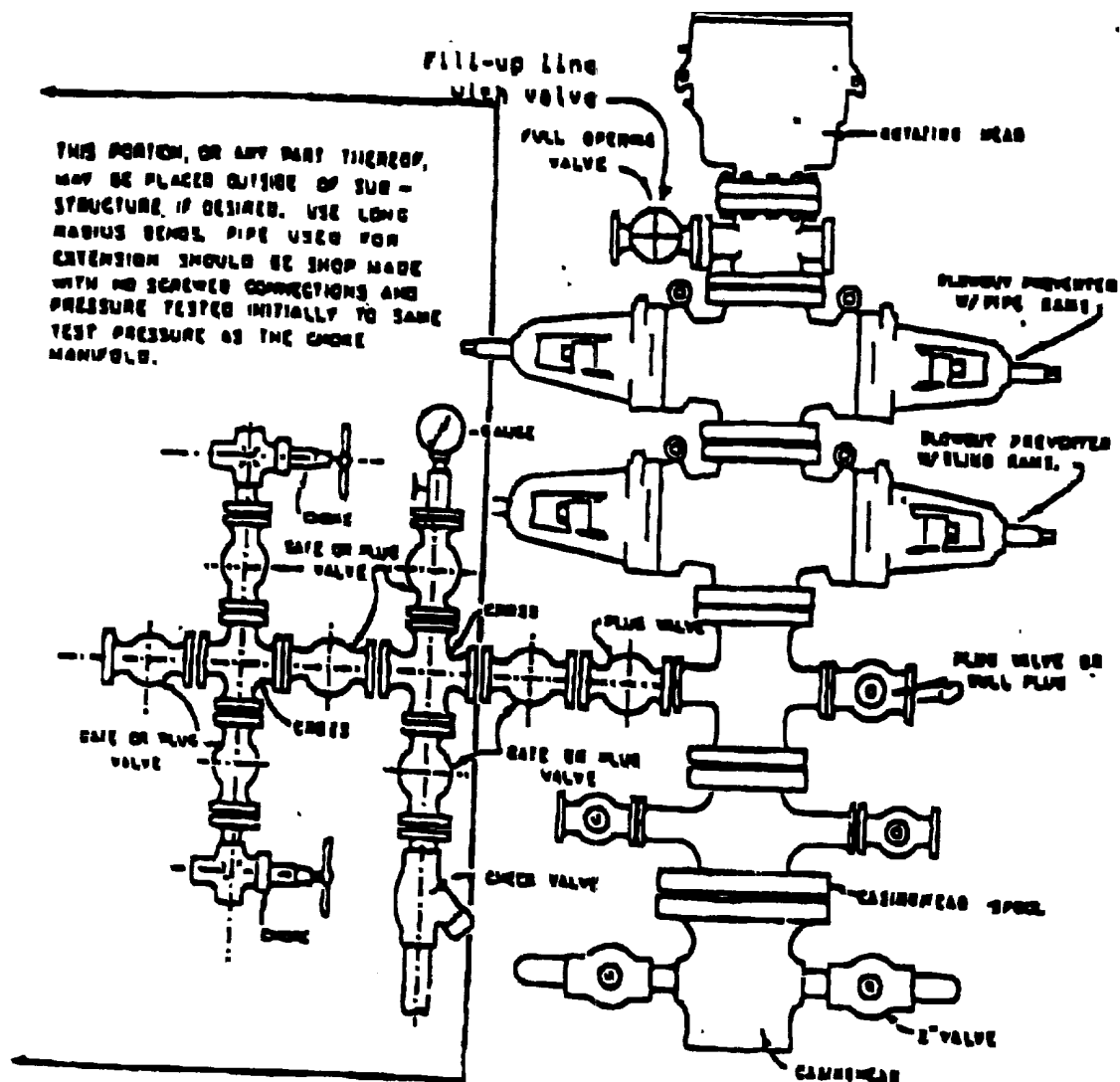
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>JoAnn Johnson</i> Signature JoAnn Johnson Printed Name Sr. Property Analyst Title <i>February 16, 2001</i> Date</p>	
<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>OCTOBER 28, 2000 Date of Survey <i>Neale G. Edwards</i> Signature and Seal of Registered Professional Surveyor  Certificate Number 6857</p>					

CONOCO, INC. SAN JUAN 28-7 UNIT #189F

2460' FNL & 2280' FEL, SECTION 35, T28N, R7W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO





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.