

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 ☐

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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; 915/686-5565

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

At surface

2170' FSL & 320' FWL

At proposed prod. Zone

2170' FSL & 320' FWL

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 dng. 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.)

6078' —

6. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

324.7 (MV) & 332.4 (DK)

9. PROPOSED DEPTH

7200' —

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#             | 3233'         | 517 sxs, circ. —            |
| 6 1/4"       | J-55, 4 1/2"          | 10.5#           | 7200' —       | TOC @ 3133', 321 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 action is subject to the BLM and  
procedural review pursuant to 43 CFR 3105.3  
and appeal pursuant to 43 CFR 3105.4.

APPROVED

BLM DISTRICT MANAGER, MIDLAND DISTRICT  
BUREAU OF LAND MANAGEMENT  
NATIONAL DEPARTMENT OF THE INTERIOR

This application includes ROW's for the well pad, access road, 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

*Kim Southall*

TITLE Analyst

DATE 02/16/01

(This space for Federal or State office Use)

PERMIT NO.

APPROVAL DATE

5/9/01

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:

APPROVED BY

*/s/ Lee Otter*

TITLE

DATE

\*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.

HOLD C104 FOR change in States to 28-7#72 in Blanco Mesaverde pool  
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 1:19 ☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                    |  |   |  |  |                             |
|------------------------------------|--|---|--|--|-----------------------------|
| *API Number<br><b>30-039-26699</b> |  | *Pool Code<br><b>72319 / 71599</b>          |  | *Pool Name<br><b>BLANCO MESAVERDE / BASIN DAKOTA</b> |                             |
| *Property Code<br><b>016608</b>    |  | *Property Name<br><b>SAN JUAN 28-7 UNIT</b> |  |  | *Well Number<br><b>133G</b> |
| *OGRID No.<br><b>005073</b>        |  | *Operator Name<br><b>CONOCO, INC.</b>       |  |  | *Elevation<br><b>6078</b>   |

<sup>10</sup> Surface Location

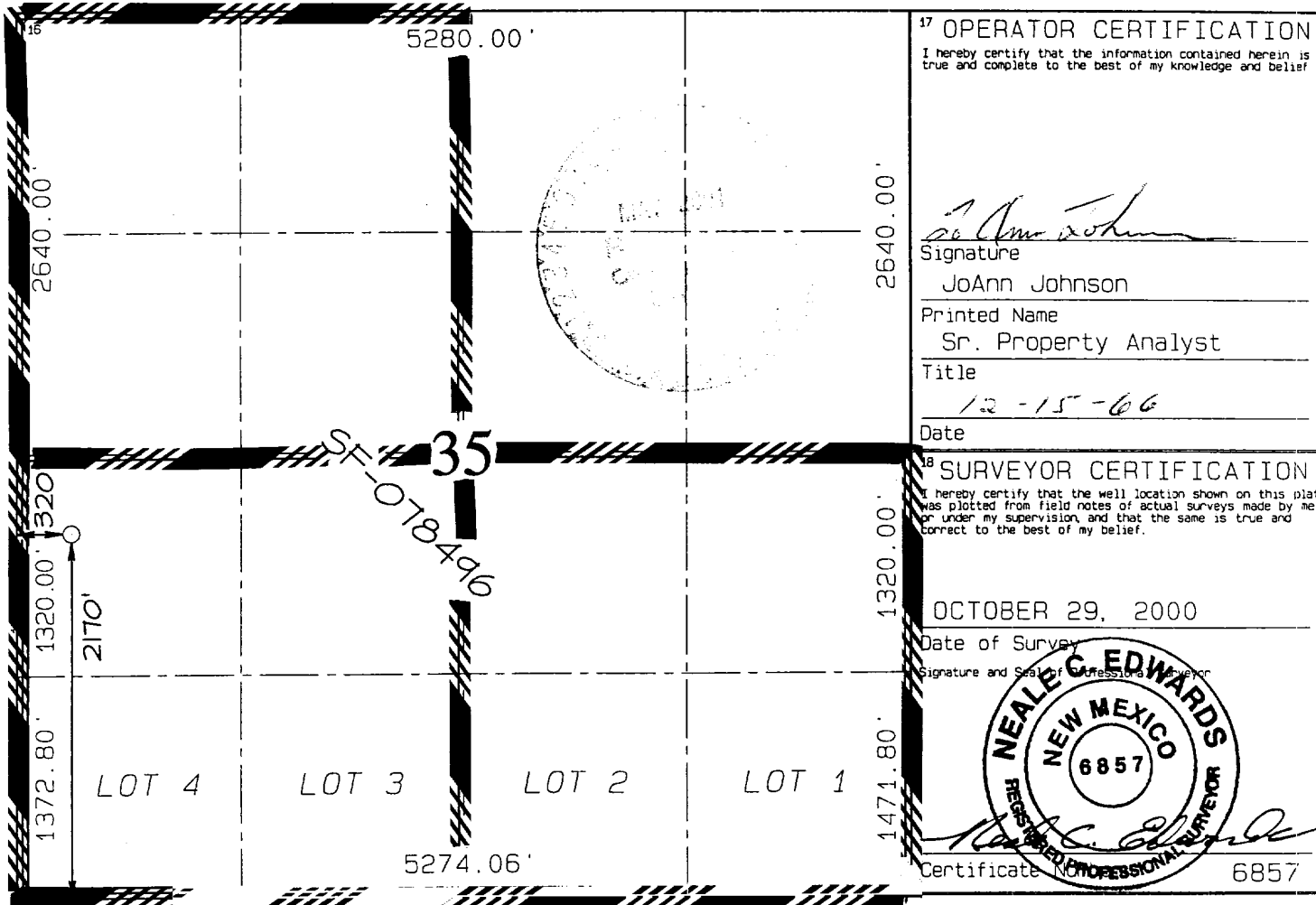
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County     |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| L             | 35      | 28N      | 7W    |         | 2170          | SOUTH            | 320           | WEST           | RIO ARriba |

<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/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|               |         |          |       |         |               |                  |               |                |        |

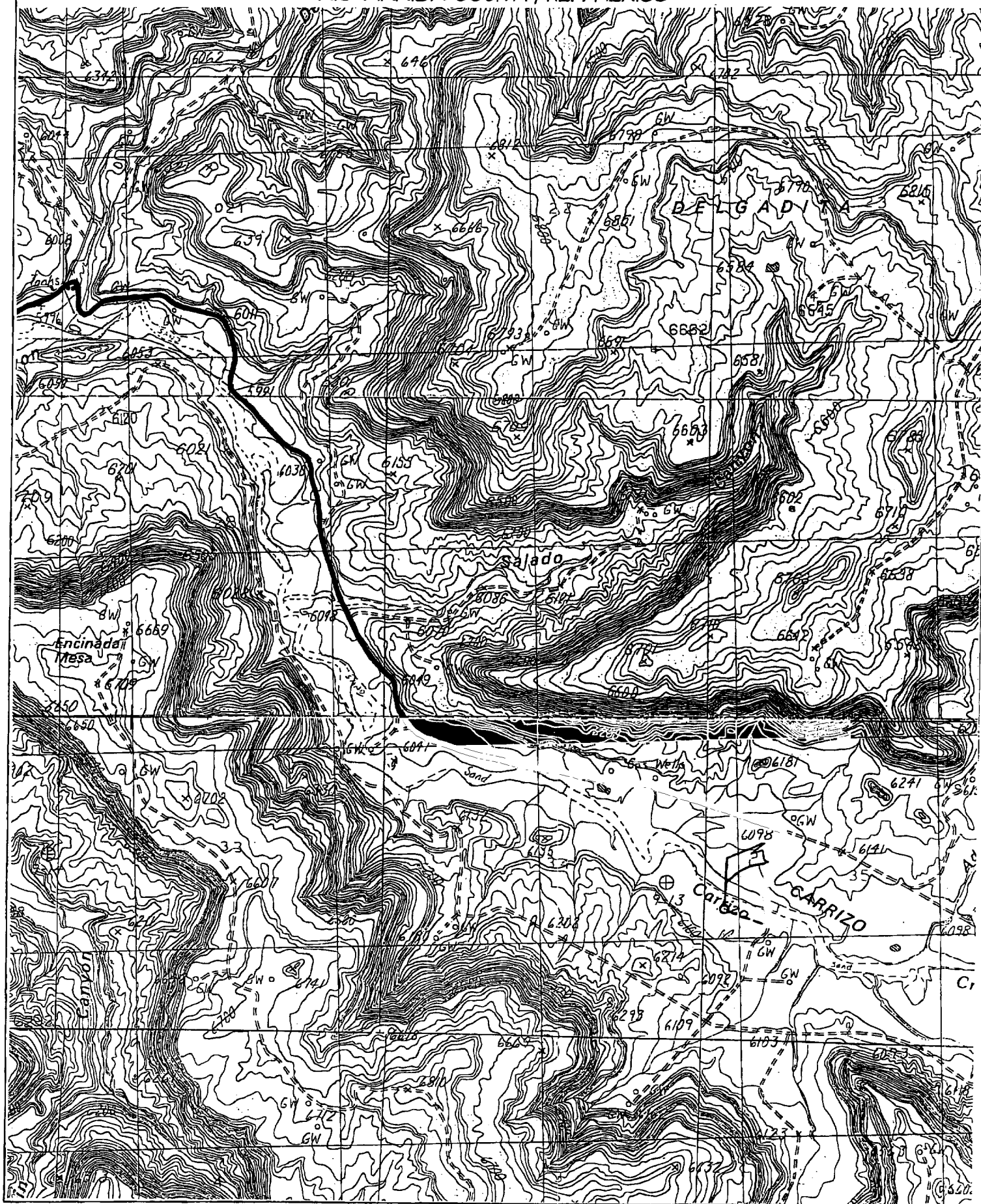
|   |  |                               |                                  |  |
|---|--|-------------------------------|----------------------------------|--|
| <sup>12</sup> Dedicated Acres<br><b>324.7 Acres (MV) - 332.4 Acres (DK)</b><br><i>standing</i> <i>laydown</i> |  | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No.<br><b>R-1113911</b><br><i>Effective Date 2/14/01</i> |
|---|--|-------------------------------|----------------------------------|--|

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



CONOCO, INC. SAN JUAN 28-7 UNIT #1336

2170' FSL & 320' FWL, SECTION 35, T28N, R7W, N.M.P.M.  
RIO ARriba COUNTY, NEW MEXICO





# 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.<br><br>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.<br><br>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<br>2) Solar Power Unit<br>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.  |