

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

6. 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: 1340' FNL & 1905' FWL
 At proposed prod. Zone: 1340' FNL & 1905' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 6581' -

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. Unit line, if any)
 Federal Unit

16. NO. OF ACRES IN LEASE
 Federal Unit

17. NO. OF ACRES ASSIGNED TO THIS WELL
 NW/160

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 3050' -

19. PROPOSED DEPTH
 3050' -

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 6581' -

22. APPROX. DATE WORK WILL START*
 5/1/01

5. LEASE DESIGNATION AND SERIAL NO.
 SF-078498

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
 San Juan 28-7

8. FARM OR LEASE NAME WELL NO.
 #289

9. API WELL NO.
 30-059-26713

10. FIELD AND POOL, OR WILDCAT
 Blanco Pictured Cliffs, South

11. SEC., T, R, M. OR BLK. AND SURVEY OR AREA
 Sec. 27, T28N, R7W

12. COUNTY OR PARISH
 Rio Arriba

13. STATE
 NM

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 3/4"	J-55; 7"	20#	250'	67 sxs, circ. -
6 1/4"	J-55; 4 1/2"	10.5#	3050' -	263 sxs, toc @ 150' -

It is proposed to drill a vertical wellbore to be completed in the Blanco Pictured Cliffs (South) pool. An NOS was filed 2/15/01. 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 proposal is subject to the approval of the procedural review process of the BLM and appeal pursuant to 43 CFR 0150.4.

APD/ROW

This application includes ROW for the well pad, cathodic protection system 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 [Signature] TITLE St. Right-of-Way Agent DATE 3/14/01

(This space for Federal or State office Use)

PERMIT NO. _____ APPROVAL DATE 5/22/01

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 [Signature] 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.

NLMODD

1 ✓

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

State of New Mexico
Energy, Minerals & Natural Resources Department

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

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

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

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

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

AMENDED REPORT

2001 FEB 15

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26713		*Pool Code 72439	*Pool Name BLANCO PICTURED CLIFFS, SOUTH	
*Property Code 016608	*Property Name SAN JUAN 28-7 UNIT			*Well Number 285
*GRID No. 005073	*Operator Name CONOCO, INC.			*Elevation 6581'

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
F	27	28N	7W		1340	NORTH	1905	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 160.0 Acres - (NW/4)	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

Diagram showing well location in Section 27. Dimensions: 5283.96' (width), 5280.00' (height), 1340' (north offset), 1905' (west offset). Well ID: SF-078498.

17 OPERATOR CERTIFICATION

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

Kim Southall
Signature

Kim Southall
Printed Name

Property Analyst
Title

February 19, 2001
Date

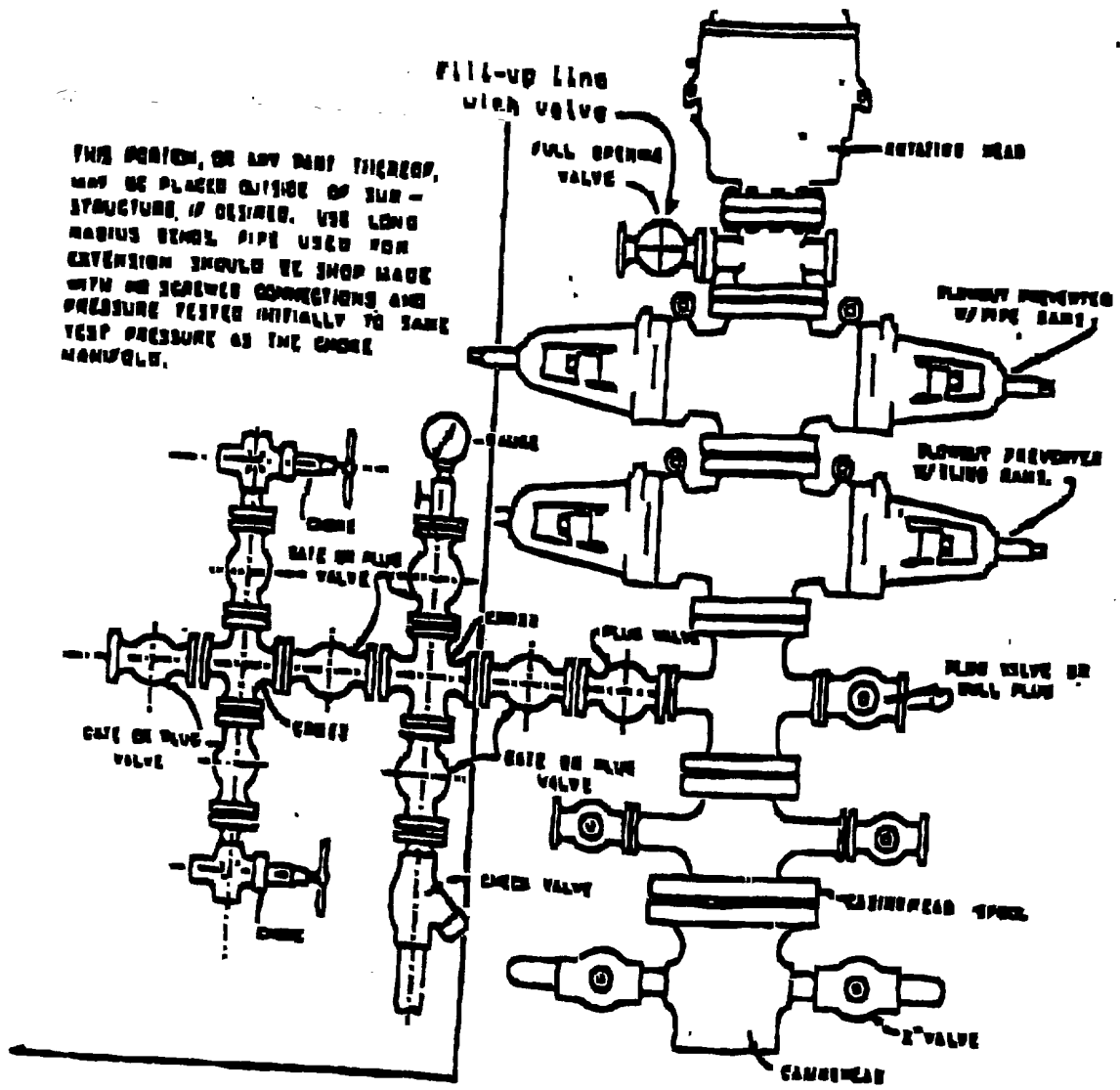
18 SURVEYOR CERTIFICATION

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.

FEBRUARY 1, 2001
Date of Survey

Neale C. Edwards
Signature and Seal

Certificate No. 6857



THIS PORTION, ON LOW BAY TIERING, MAY BE PLACED OUTSIDE OF SUB-STRUCTURE, IF DESIRED. USE LONG RADIUS BENDS. PIPE USED FOR EXTENSION SHOULD BE SHOP MADE WITH NO SCREWED CONNECTIONS AND PRESSURE TESTED INITIALLY TO SAME TEST PRESSURE AS THE CHOKER MANIFOLD.

BLOWOUT PREVENTER HOOKUP

Drilling contractors used in the San Juan Basin 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 equipment will test to 1000 psi. The 2000 psi system allows deletion of the annular preventer 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 preventer.
11. Rotating head.