

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF-078496
		6. If Indian, Allottee or Tribe Name
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		7. If Unit or CA Agreement, Name and No.
2. Name of Operator CONOCO INC. Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conoco.com		8. Lease Name and Well No. SAN JUAN 28-7 294
3a. Address 10 DESTA DR., ROOM 608W MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 915.686.5799 Ext: 5799	9. API Well No. 30-039-26795
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWNW 1175FNL 1005FWL At proposed prod. zone		10. Field and Pool, or Exploratory BLANCO PICTURED CLIFFS
14. Distance in miles and direction from nearest town or post office*		11. Sec., T., R., M., or Blk. and Survey or Area Sec 34 T28N R7W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in Lease NOV 2001	12. County or Parish RIO ARRIBA
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 3067 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6050 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well 160.00 NW/4
23. Estimated duration		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature	Name (Printed/Typed) VICKI WESTBY	Date 08/14/2001
Title AUTHORIZED SIGNATURE		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 11/14/01
Title AFM	Office	

Application approval does not warrant or certify 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, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

Additional Operator Remarks (see next page)

Electronic Submission #6426 verified by the BLM Well Information System
For CONOCO INC., sent to the Farmington
Committed to AFMSS for processing by Maurice Johnson on 08/17/2001 ()DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"procedure, review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

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INM-1003

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

District II
PO Drawer 00, 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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26795		*Pool Code 72439	*Pool Name BLANCO PICTURED CLIFFS, SOUTH
*Property Code 016608	*Property Name SAN JUAN 28-7 UNIT		*Well Number 294
*GRID No 005073	*Operator Name CONOCO, INC.		*Elevation 6050'

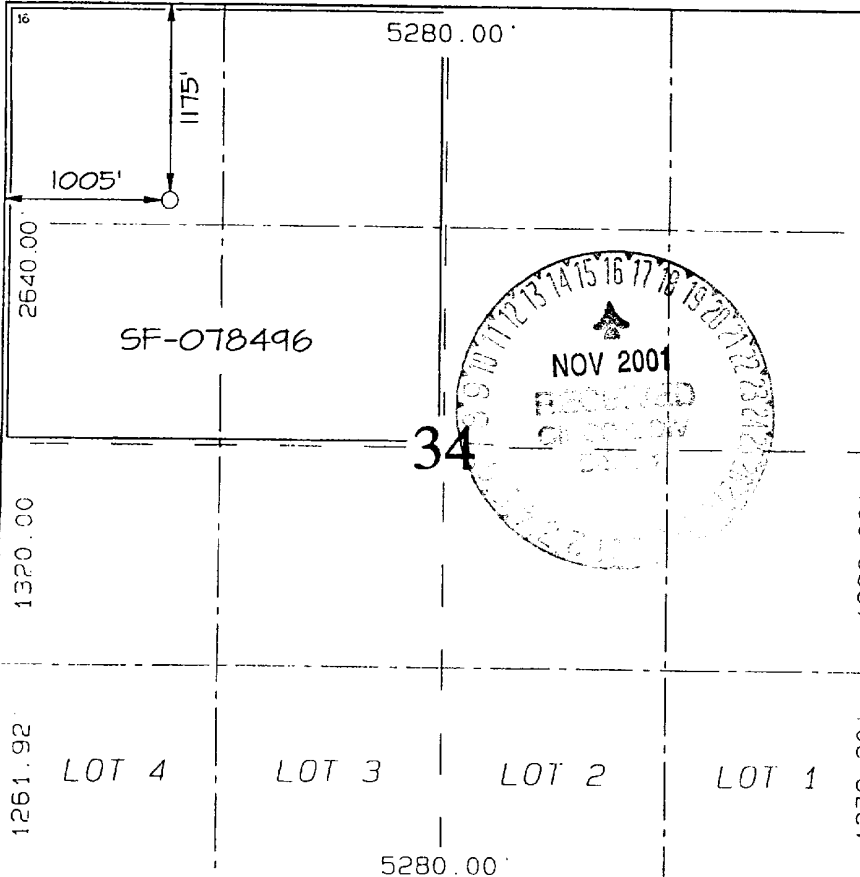
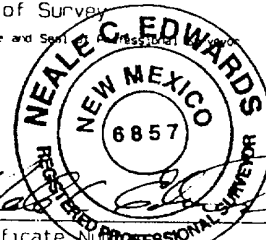
¹⁰ Surface Location

UL or lot no. D	Section 34	Township 28N	Range 7W	Lot 10n	Feet from the 1175	North/South line NORTH	Feet from the 1005	East/West line WEST	County RIO ARriba
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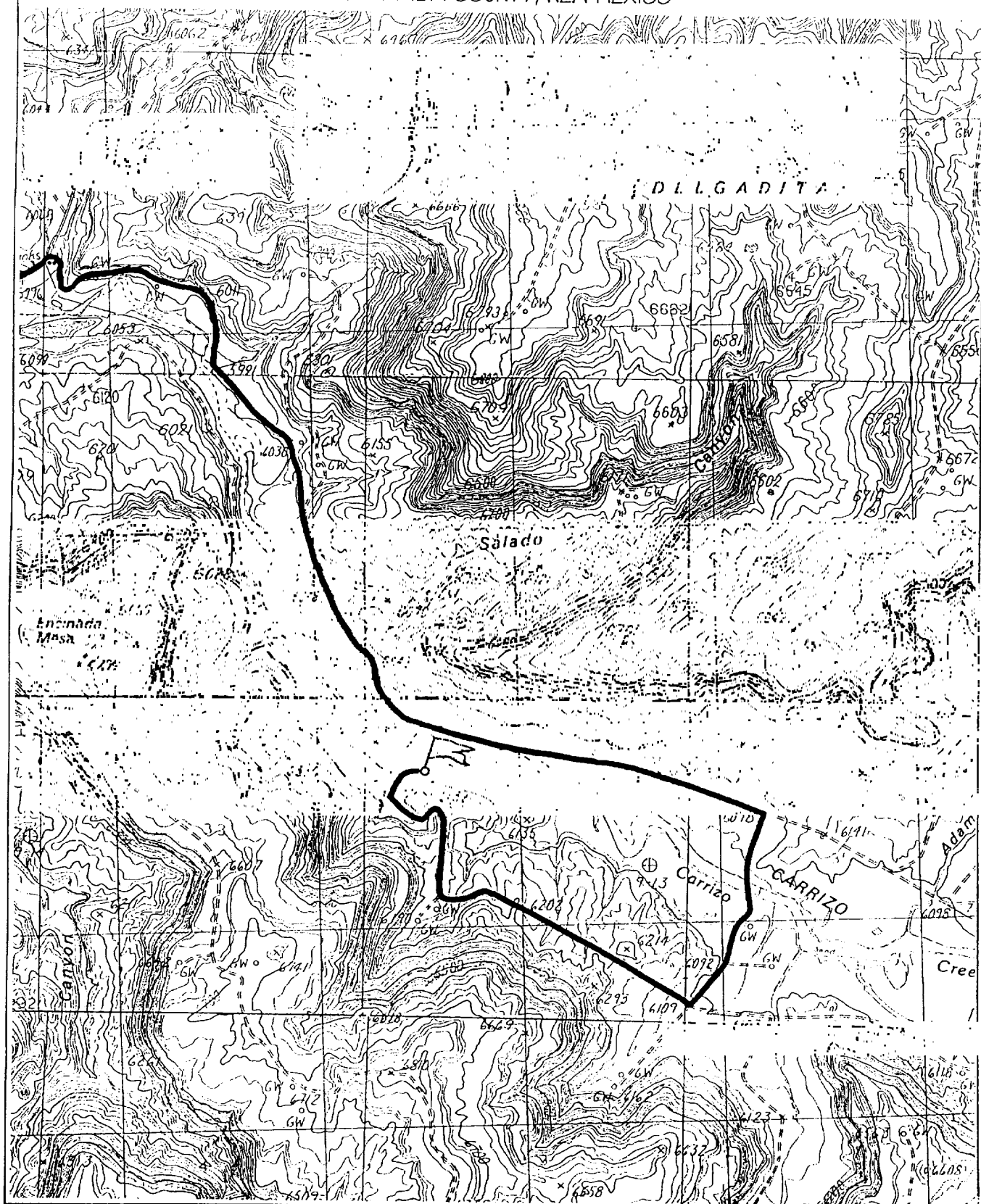
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 10n	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

		<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Kim Southall</i> Signature Kim Southall Printed Name Property Analyst Title <i>April 6, 2001</i> Date</p> <p>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.</p> <p>MARCH 31, 2001 Date of Survey Signature and Seal of Professional Surveyor  Certificate No. 6857</p>
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1175' FNL & 1005' FWL, SECTION 34, T28N, R7W, N.M.P.M.
RIO ARRIBA COUNTY, NEW MEXICO



PROJECT PROPOSAL - New Drill / Sidetrack



Well : SAN JUAN 28-7 294 Lease : SAN JUAN 28-7 AFE # : AFE \$:
Field Name : EAST 28 7 Rig : State : County : API # :
Geoscientist : Layla Stiles Phone : (281) 293-3591 Prod. Engineer : Moody, Craig E. Phone : (281) 293 - 6559
Res. Engineer : Valvatne, Christine K. Phone : Proj. Field Lead : Phone :

Primary Objective (Zones) :

Pool Pool Name
UPT BLANCO P.C. SOUTH (PRORATED GAS)

"Mud Drill"

Surface Location :

Latitude : 36.621814 Longitude : -107.5658 X : Y : Section : 34 Survey : 28N Abstract : 7W
Footage X : 1005 FWL Footage Y : 1175 FNL Elevation: 6050 (FT)

Bottom Hole Location :

Latitude : Longitude : X : Y : Section : Survey : Abstract :
Location Type : Year Round Start Date (Est.) : Completion Date : Date In Operation :

Formation Data : Assume KB = 6063 Units = FT

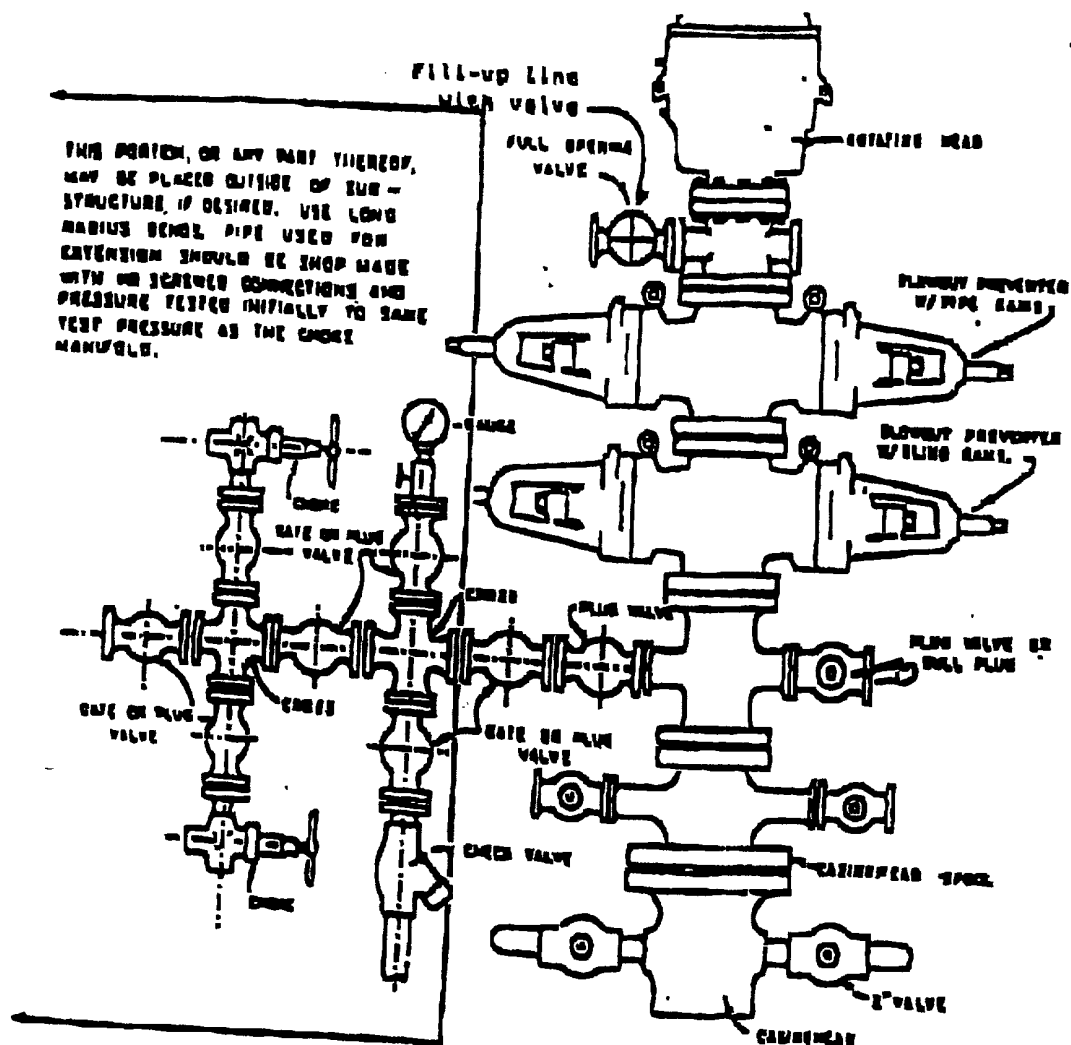
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	265	5798	<input type="checkbox"/>			Severe lost circulation is possible. 7", 20 ppf, J-55, STC casing. Circulate cement to surface.
FRLD	2354	3709	<input type="checkbox"/>			Possible gas
PCCF	2682	3381	<input type="checkbox"/>			
Total Depth	3067	2981	<input type="checkbox"/>			4 1/2", 10.5 ppf, J-55, STC casing. Circulate cement a minimum of 100' inside the previous casing string. No open hole logs. Cased hole TDT with GR to surface.

Logging Program :

Intermediate Logs : ☐ Log only if show ☐ GR / ILD ☐ Triple Combo
TD Logs : ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☒ TDT

Additional Information : Logging company to provide a sketch with all lengths, OD's & ID's of all tools prior to running in the hole.
Cased hole TDT with GR to surface.

Comments :



BLOWOUT PREVENTER HOOKUP

Drilling contractors used in the San Juan Basing supply 1000 psi equipment, but cannot provide annular preventers 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 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.