

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM 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-078498
		6. If Indian, Allottee or Tribe Name
		7. If Unit or CA Agreement, Name and No.
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		8. Lease Name and Well No. SAN JUAN 28-7 230F
2. Name of Operator CONOCO INC. Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conoco.com		9. API Well No. 30-039-26938
3a. Address 10 DESTA DR., ROOM 608W MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 915.686.5799 Ext: 5799	10. Field and Pool, or Exploratory BASIN DAKOTA
4. Location of Well (Report location clearly and in accordance with any State requirements) At surface SESE 1205FSL 795FEL At proposed prod. zone		11. Sec., T., R., M., or Blk. and Survey or Area P Sec 29 T28N R7W Mer NMP
14. Distance in miles and direction from nearest town or post office*		12. County or Parish RIO ARRIBA
		13. State NM
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 DNT. 3	17. Spacing Unit dedicated to this well 320.00 E/2
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 7748 MD	20. BLM/BIA Bond No. on file
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6659 GL	22. Approximate date work will start	23. Estimated duration

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

24. Attachments

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS"

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 (Electronic Submission) <i>Vicki Westby</i>	Name (Printed/Typed) VICKI WESTBY	Date 02/15/2002
Title AUTHORIZED SIGNATURE		
Approved by <i>David J. Markiewicz</i>	Name (Printed/Typed)	Date 4/5/02
Title <i>AEM</i>	Office <i>FFO</i>	

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 #10185 verified by the BLM Well Information System  
For CONOCO INC., will be sent to the Farmington

\*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\*

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-039-26938</b>		*Pool Code 71599	*Pool Name BASIN DAKOTA
*Property Code 016608	*Property Name SAN JUAN 28-7 UNIT		*Well Number 230F
*OGRID No. 005073	*Operator Name CONOCO, INC.		*Elevation 6659'

<sup>10</sup> Surface Location

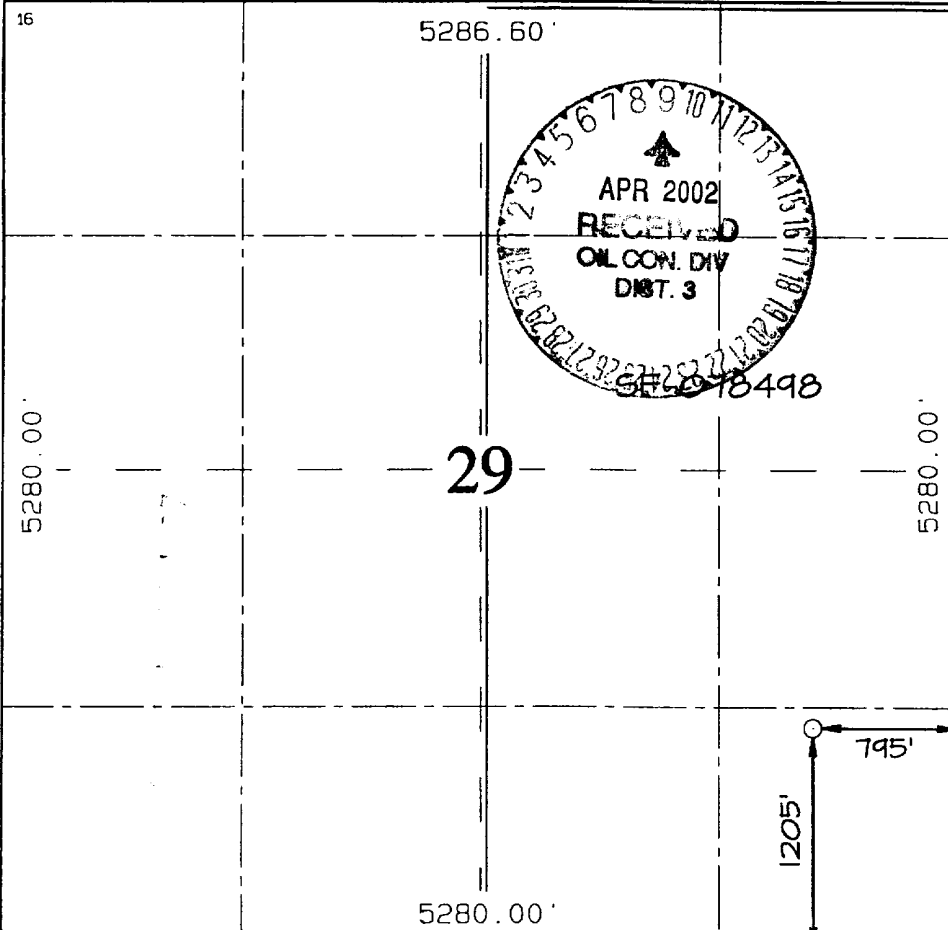
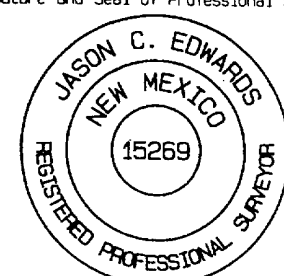
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	29	28N	7W		1205	SOUTH	795	EAST	RIO ARriba

<sup>11</sup> Bottom Hole Location If Different From Surface

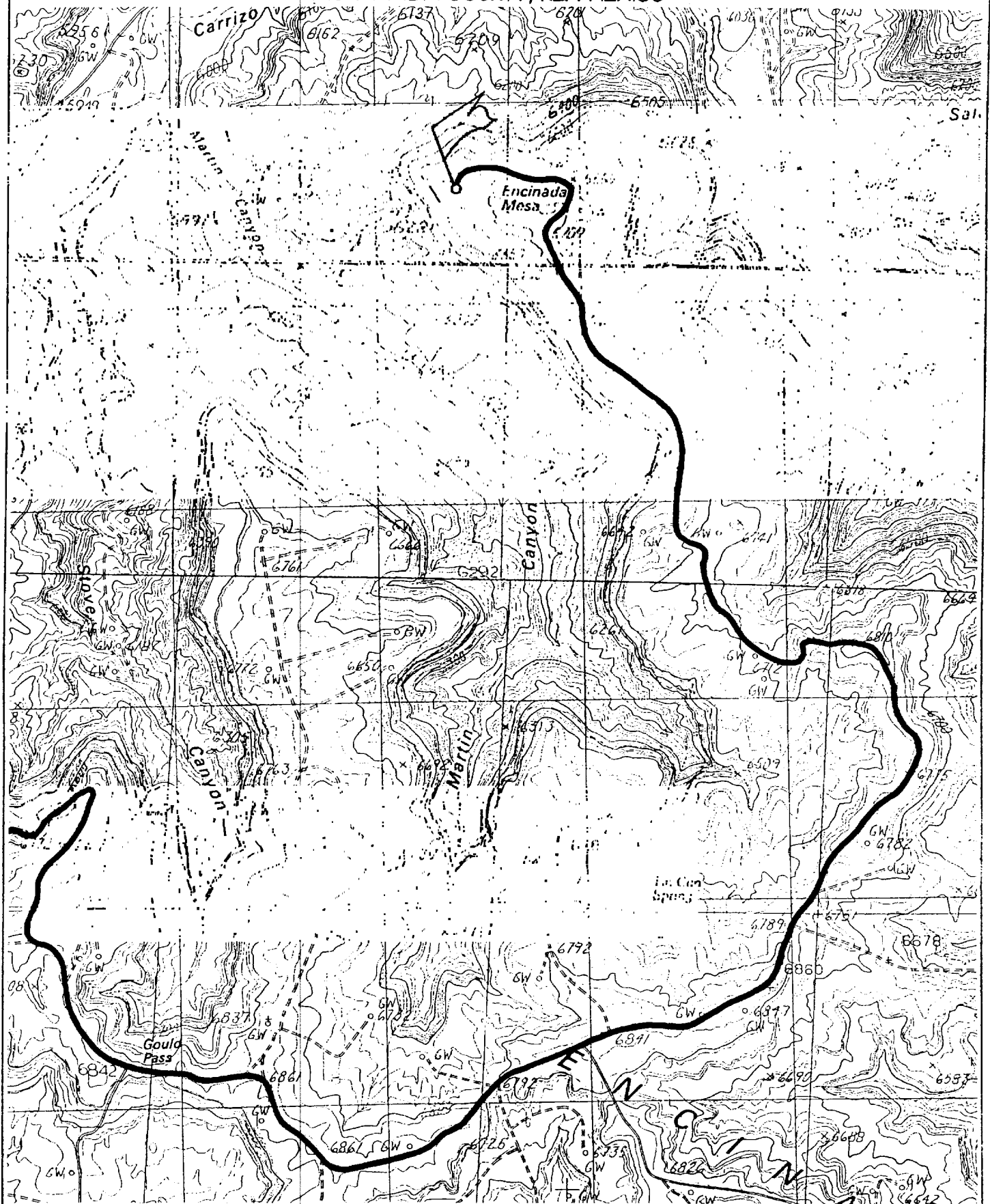
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 320.0 Acres - E/2	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<div><p><sup>16</sup></p></div>	<p><sup>17</sup> 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>Vicki R. Westby</i> Signature Vicki R. Westby</p> <p>Printed Name Sr. Title Analyst</p> <p>Title Date <i>December 17, 2001</i></p>
	<p><sup>18</sup> 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>Survey Date: OCTOBER 26, 2001</p> <p>Signature and Seal of Professional Surveyor</p> <div><p><i>JASON C. EDWARDS</i> Certificate Number 15269</p></div>

CONOCO, INC. SAN JUAN 28-7 UNIT #230F  
1205' FSL & 795' FEL, SECTION 29, T28N, R7W, N.M.P.M.  
RIO ARriba COUNTY, NEW MEXICO



# PROJECT PROPOSAL - New Drill / Sidetrack



Well : SAN JUAN 28-7 230F	Lease : SAN JUAN 28-7	AFE # :		AFE \$ :
Field Name : EAST 28-7	Rig : Key 43	State : NM	County : Rio Arriba	API # :
Geoscientist : Glaser, Terry J	Phone : (281) 293 - 6538	Prod. Engineer : Moody, Craig E.	Phone : (281) 293 - 6559	
Res. Engineer : Valvatne, Christine K.	Phone :	Proj. Field Lead : Bergman, Pat W.	Phone : (281) 293 - 6517	

## Primary Objective (Zones) :

Pool	Pool Name
FRR	BASIN DAKOTA (PRORATED GAS)

"Air Drilled"

## Surface Location :

Latitude : 36.628333	Longitude : -107.5899	X :	Y :	Section : 29	Survey : 28N	Abstract : 7W
Footage X : 795 FEL	Footage Y : 1205 FSL	Elevation: 6659 (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 = 6672 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion	BHP (PSIG)	BHT	Remarks
Surface Casing	259	6413				Severe lost circulation is possible. 9 5/8", 36 ppf, J-55, STC casing. Circulate cement to surface.
OJAM	2372	4300				Possible water flows"
KRLD	2497	4175				
FRLD	2995	3677				Possible gas
PCCF	3245	3427				
LEWS	3445	3227				
Intermediate Casing	3545	3127				7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
CHRA	4190	2482				
CLFH	4865	1807		1300		Gas; possibly wet
MENF	5022	1650				Gas
PTLK	5422	1250				Gas
MINCS	5722	950				
GLLP	6682	-10				
GRHN	7372	-700				Gas possible, highly fractured
TWLS	7452	-780				Gas
CBBO	7572	-900				Gas

# PROJECT PROPOSAL - New Drill / Sidetrack



Total Depth	7748	-1076	<input type="checkbox"/>	3000	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 :

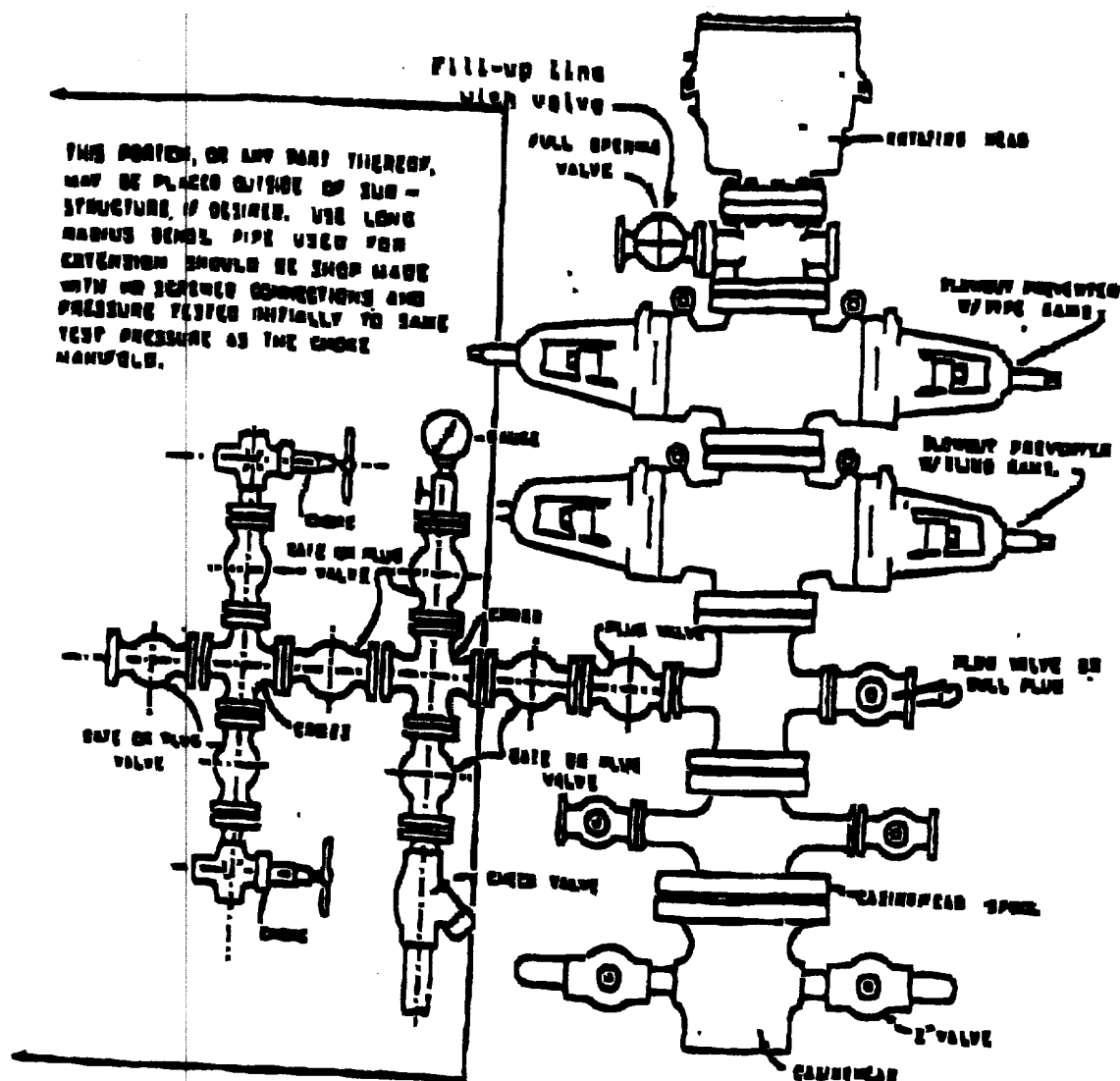
☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☒ TDT

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 : To be drilled on the same well pad as #59A



### 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 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 raps 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.

# Cathodic Protection System Description

<b>Anode Bed Type</b>	Deep Well	
<b>Hole Size</b>	8"	
<b>Hole Depth</b>	200' - 500'	As required to place anodes below moisture and in low resistance strata.
<b>Surface Casing</b>	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.
<b>Vent Pipe</b>	1" Diam. PVC	Vent pipe will extend from bottom of hole, through top of casing cap, and sealed with a 1" perforated PVC cap.
<b>Type Of Anodes</b>	Cast Iron Or Graphite	
<b>Number Of Anodes</b>	8 - 20	Sufficient quantity to achieve a total anode bed resistance of $< 1$ ohm and a design life $\geq$ 20 years.
<b>Anode Bed Backfill</b>	Loreasco SW Calcined Petroleum Coke Breeze	Installed from bottom of hole to 10' above top anode.
<b>Anode Junction Box</b>	8 - 20 Circuit Fiberglass Or Metal	Sealed to prevent insect & rodent intrusion.
<b>Current Splitter Box</b>	2 - 5 Circuit Metal	Sealed to prevent insect & rodent intrusion.
<b>DC / AC Cable</b>	DC: #2, #4, #6, #8 Stranded Copper (One Size Or 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 arroyos and streams. EXCEPTION: If trenching is in extremely hard substratum, depth will be 8 - 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).
<b>Power Source</b>	1) Rectifier 2) Solar Power Unit 3) Thermoelectric Generator	Choice of power source depending on availability of AC & other economic factors.
<b>External Painting</b>	Color to be selected according to BLM specifications.	Paint applied to any surface equipment associated with the CP system which can reasonably be painted.