Form 3160-3

FORM APPROVED

		UNITED S DEPARTMENT OF BUREAU OF LAND	THE INTERIOR MANAGEMENT		OMB No. 1004-0136 Expires November 30, 2000 5. Lease Serial No. SF-079294		
	APPLICA	6. If Indian, Allottee or Tr	ibe Name				
	la. Type of Work: 🛭 DRILL	7. If Unit or CA Agreemen	nt, Name and No.				
	lb. Type of Well: ☐ Oil Well	8. Lease Name and Well N SAN JUAN 28-7 2270					
	2. Name of Operator CONOCO INC.	9. API Well No. 30-039-26	959				
	3a. Address 10 DESTA DR., ROOM 608 MIDLAND, TX 79705	N	3b. Phone No. (include area code) Ph: 915.686.5799 Ext: 5799		10. Field and Pool, or Exploratory BLANCO MESAVERDE/BASIN DAKOTA		
	4. Location of Well (Report loc	11. Sec., T., R., M., or Blk	. and Survey or Area				
ſ	At surface SWS At proposed prod. zone	O Sec 36 T28N R7W	Mer NMP				
1	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 locati- lease line, ft. (Also to nearest	on to nearest property or drig. unit line, if any)	16. No. of Acres in Lease		17. Spacing Unit dedicated to this well 328.06		
	18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.		19. Proposed Depth 7325 MD		20. BLM/BIA Bond No. or	n file	
	21. Elevations (Show whether DF, 6142 GL	KB, RT, GL, etc.	22. Approximate date work will start		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:						
	2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification			ons unless covered by an existi			
	25. Signature (Electronic Submission)	icki Westly	Name (Printed/Typed) VICKI WESTBY			Date 03/22/2002	
	Title AUTHORIZED SIGNATURE						
	Approved by Dawid J. Mankiewicz		Name (Printed/Typed)			Date APh 16	
	Title AFM		Office FO				
	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 perations thereon. Conditions of approval, if any, are attached.						
	Title 18 U.S.C. Section 1001 and Titl States any false, fictitious or fraudule	e 43 U.S.C. Section 1212, r	nake it a crime for any prions as to any matter wi	person knowingly and willfully to thin its jurisdiction.	make to any department or ag	gency of the United	

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 **

District State of New Mexico Form C-102 PO Box 1980, Hobbs, NM 88241-1980 Revised February 21, 1994 Instructions on back Energy, Minerals & Natural Resources Department District II PO Drawer DD, Artesia. NM 88211-0719 Submit to Appropriate District Office OIL CONSERVATION DIVISION State Lease - 4 Copies Fee Lease - 3 Copies PO Box 2088 District III 1000 Rio Brazos Ad., Aztec, NM 87410 Santa Fe, NM 87504-2088 AMENDED REPORT District IV PO Box 2088, Santa Fe. NM 87504-2088 WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code ³Pool Name 30-039-26 72319 / 71599 BLANCO MESAVERDE / BASIN DAKOTA Property Name Property Code Well Number 016608 SAN JUAN 28-7 UNIT 227G 'OGRID No *Operator Name Elevation 005073 CONOCO. INC. 6142 ¹⁰ Surface Location UL or lot no. Section Pange Lat Idn Feet from the North/South line Township Feet from the East/West line County RIO 7 W 400 SOUTH 0 36 28N 1855 EAST ARRIBA ¹¹Bottom Hole Location Ιf Different From Surface UL or lot no. Sect ion Township Range Lat Idn Feet from the North/South line Feet from the East/West line County 13 Jaint or Infill 12 Dedicated Acres ¹⁴ Consolidation Code ¹⁵ Order No. 328.06 Acres - (E/2) 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 16 OPERATOR CERTIFICATION 5280.001 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature 00 Vicki R. Westby 2640 Printed Name Sr. Title Analyst Title? SF-079294 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. 36 Survey Date: DECEMBER 7, 2001 00 APR 2002 Signature and Seal of Professional Surveyor 320 STON C. EDWARD EN MEXIC

LOT 4

LOT 3

5293.20

IDT 2

400'

AD ESSTAN

Centificate Number

>WARD

15269

72

1446.

LOT

1855

1

PROJECT PROPOSAL - New Drill / Sidetrack

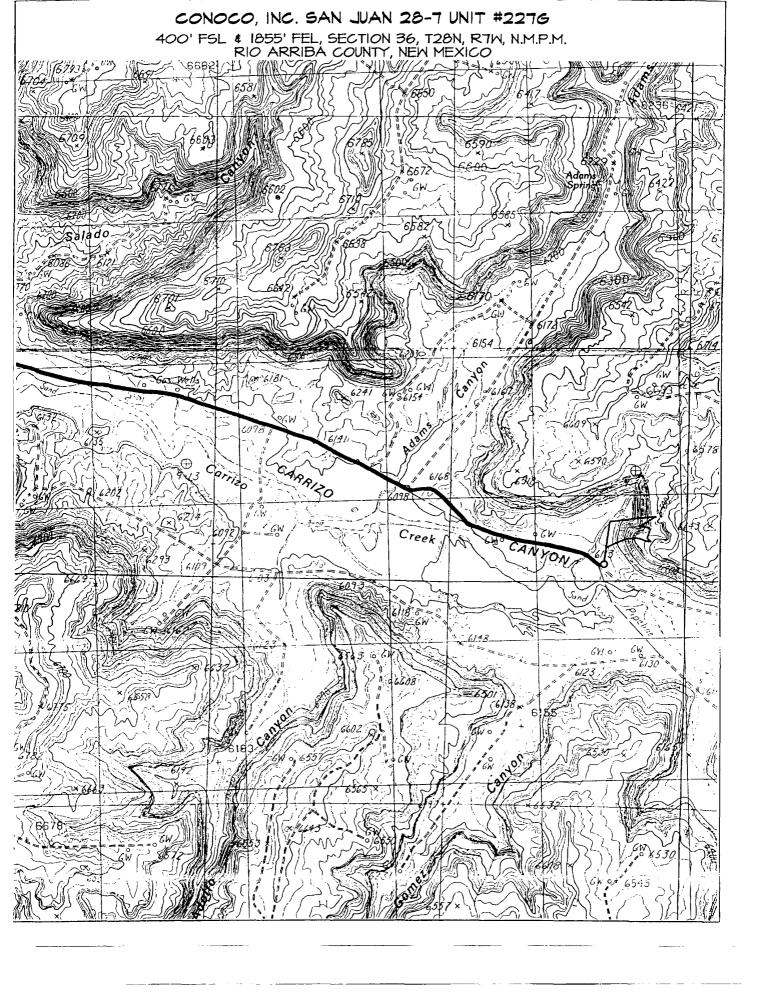


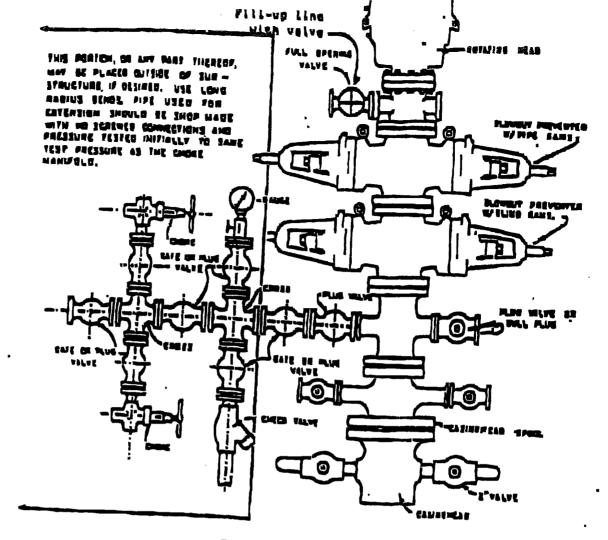
Geoscientist: Glaser, Terry J Phone: (281) 293 - 6538 Prod. Res. Engineer: Valvatne, Christine K. Phone: Proj. If Primary Objective (Zones): Pool Pool Name FRR BASIN DAKOTA (PRORATED GAS) RON BLANCO MESAVERDE (PRORATED GAS) "All Surface Location: Latitude: 36.611267 Longtitude: -107.5216 X: Y: Footage X: 1855 FEL Footage Y: 400 FSL Elevation: 6142 (FT) Bottom Hole Location: Latitude: Longtitude: X: Y:	County: RIO ARRIBA API #: Engineer: Moody, Craig E. Phone: (281) 293 - 6559 Field Lead: Bergman, Pat W. Phone: (281) 293 - 6517
Res. Engineer: Valvatne, Christine K. Phone: Proj. F Primary Objective (Zones): Pool Name FRR BASIN DAKOTA (PRORATED GAS) RON BLANCO MESAVERDE (PRORATED GAS) "Aux Surface Location: Latitude: 36.611267 Longtitude: -107.5216 X: Y: Footage X: 1855 FEL Footage Y: 400 FSL Elevation: 6142 (FT) Bottom Hole Location: Latitude: Longtitude: X: Y: Location Type: Year Round Start Date (Est.): Completion Data: Assume KB = 6155 Units = FT Formation Call & Depth SS Depletio BHP (FV) In (PSIG) BHT	Field Lead: Bergman, Pat W. Phone: (281) 293 - 6517
Primary Objective (Zones): Pool Pool Name FRR BASIN DAKOTA (PRORATED GAS) RON BLANCO MESAVERDE (PRORATED GAS) "Aux Surface Location: Latitude: -107.5216 X: Y: Latitude: 36.611267 Longtitude: -107.5216 X: Y: Y: Footage X: 1855 FEL Footage Y: 400 FSL Elevation: 6142 (FT) 6142 (FT) Bottom Hole Location: Latitude: X: Y: Latitude: Longtitude: X: Y: Complete Location Type: Year Round Start Date (Est.): Complete Formation Data: Assume KB = 6155 Units = FT Formation Call & Casing Points Depth SS Depletio BHP (PSIG) BHT	i Drilled"
Pool Pool Name FRR	i Drilled"
FRR BASIN DAKOTA (PRORATED GAS) RON BLANCO MESAVERDE (PRORATED GAS) "A: Latitude: 36.611267 Longtitude: -107.5216 X: Y: Footage X: 1855 FEL Footage Y: 400 FSL Elevation: 6142 (FT) Bottom Hole Location: Latitude: Longtitude: X: Y: Location Type: Year Round Start Date (Est.): Complete Formation Data: Assume KB = 6155 Units = FT Formation Call & Depth SS Depletio BHP (PSIG) BHT	
RON BLANCO MESAVERDE (PRORATED GAS) *** **Function** **Latitude: 36.611267 Longtitude: -107.5216 X: Y: Footage X: 1855 FEL Footage Y: 400 FSL Elevation: 6142 (FT) **Bottom (Hole Location: Longtitude: X: Y: Latitude: Longtitude: X: Y: Location Type: Year Round Start Date (Est.): Complete Formation Data: Assume KB = 6155 Units = FT **Formation Call & Depth SS Depletio BHP Casing Points (TVD in Ft) (Ft) n (PSIG) BHT	
Surface Location: Latitude: 36.611267 Longtitude: -107.5216 X: Y: Footage X: 1855 FEL Footage Y: 400 FSL Elevation: 6142 (FT) Bottom Hole Location: Latitude: Longtitude: X: Y: Location Type: Year Round Start Date (Est.): Complete Formation Data: Assume KB = 6155 Units = FT Formation Call & Depth SS Depletio BHP Casing Points (TVD in Ft) (Ft) n (PSIG) BHT	
Surface Location: Latitude: 36.611267 Longtitude: -107.5216 X: Y: Footage X: 1855 FEL Footage Y: 400 FSL Elevation: 6142 (FT) Bottom Hole Location: Latitude: Longtitude: X: Y: Location Type: Year Round Start Date (Est.): Complete Formation Data: Assume KB = 6155 Units = FT Formation Call & Depth SS Depletio BHP Casing Points (TVD in Ft) (Ft) n (PSIG) BHT	
Surface Location: Latitude: 36.611267 Longtitude: -107.5216 X: Y: Footage X: 1855 FEL Footage Y: 400 FSL Elevation: 6142 (FT) Bottom Hole Location: Latitude: Longtitude: X: Y: Location Type: Year Round Start Date (Est.): Complete Formation Data: Assume KB = 6155 Units = FT Formation Call & Depth SS Depletio BHP Casing Points (TVD in Ft) (Ft) n (PSIG) BHT	
Latitude : 36.611267	
Latitude : 36.611267 Longtitude : -107.5216 X : Y : Footage X : 1855 FEL Footage Y : 400 FSL Elevation: 6142 (FT) Bottom Hole Location : Latitude : Longtitude : X : Y : Y : Location Type : Year Round Start Date (Est.) : Complete	THE RESERVE OF THE PERSON OF T
Footage X: 1855 FEL Footage Y: 400 FSL Elevation: 6142 (FT) Bottom Hole Location: Latitude: Longtitude: X: Y: Location Type: Year Round Start Date (Est.): Comple Formation Data: Assume KB = 6155 Units = FT Formation Call & Depth SS Depletio BHP (PSIG) BHT	
Bottom (Hole Location: Latitude: Longtitude: X: Y: Location Type: Year Round Start Date (Est.): Completion Data: Assume KB =: 6155 Units = FT Formation Call & Depth SS Depletio BHP Casing Points (TVD in Ft) (Ft) n (PSIG) BHT	Section: 36 Survey: 28N Abstract: 7W
Latitude : Longtitude : X : Y : Location Type : Year Round Start Date (Est.) : Complete Formation Data : Assume KB = 6155 Units = FT Formation Call & Casing Points Depth SS Depletio BHP (PSIG) BHT	Post.
Location Type : Year Round Start Date (Est.) : Complete Formation Data : Assume KB = 6155 Units = FT Formation Call & Depth SS Depletio BHP Casing Points Depth (TVD in Ft) (Ft) n (PSIG) BHT	Section: Survey: Abstract:
Formation Data: Assume KB = 6155 Units = FT Formation Call & Depth SS Depletio BHP Casing Points (TVD in Ft) (Ft) n (PSIG) BHT	letion Date : Date In Operation :
Formation Call & Depth SS Depletio BHP Casing Points (TVD in Ft) (Ft) n (PSIG) BHT	
Casing Points (TVD in Ft) (Ft) n (PSIG) BHT	Remarks
Surface Casina 327 5828	Normania
	Severe lost circulation is possible. 9 5/8", 36 ppf, J-55, STC casing. Circulate cement to surface.
OJAM 2045 4110	Possible water flows"
KRLD 2155 4000	
FRLD 2530 3625	Possible gas
PCCF 2780 3375	
LEWS 2980 3175	7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
Intermediate Casing 3080 3075	7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
CHRA 3775 2380 🖺	
CLFH 4455 1700 1300	Gas; possibly wet
MENF 4613 1542	Gas
PTLK 5045 1110 🗷	Gas
MNCS 5342 813	
GLLP 6275 -120	
GRHN 6975 -820	
TWLS 7060 -905	Gas possible, highly fractured
CBBO 7190 -1035	Gas possible, highly fractured Gas

PROJECT PROPOSAL - New Drill / Sidetrack



Total Depth	7325	-1170	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 Soni	S VSP V TDT
Additional Information :	Logging company to			s & ID's of all tools prior to running in the hole.
Comments :				





BLOWOUT PREVENTER HOOKUP

Drilling contractors used in the San Juan Basing supply 1000 pai 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 pai equipment according to Onshore Order No. 2 even though the equipment will test to 3000 pai. The 2000 pai system allows delation of the annular preventor and fulfills your requirements (note diagram No. 1). In addition, the following equipment will comprise the 2000 psi system:

- Two rams with one blind and one pipe ram. 2.
- Mill line (2 inch maximum). One kill line valve. 3.
- 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.
- Prassure gauge on cheke manifold. 10.
- Fill-up line above the upper most praventor. 11. Rotating head.

Cathodic Protection System Description

Anode Bed Type	Deep Well		
Hale Size	8.		
Hole Depth	200' - 500'	As required to place anodes below moisture and in low resistance strata.	
Surface Casing	8° Diam., ≥ 20' Length. Gemented 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	B - 20	Sufficient quantity to achieve a total anode bed resistance of <1 ohm and a design life ≥ 20 years.	
Anode Bed Backfill	Loreaco SW Calcined Petroleum Coke Breeze	installed from bottom of hole to 10' above top snode.	
Anode Junction Box	8 - 20 Circuit Fiberglass Or Metal	Sealed to prevent insect & radent intrusion.	
Current Splitter Box	2 - 5 Circuit Metal	Sealed to prevent insect & rodent intrusion.	
DC / AC Cable	DC: #2, #4, #8, #8 Stranded Copper (One Size Or Any Combination OI) With High Molecular Weight Polyethylene (HMWPE) Insulation. AC: #8 Stranded Copper HMWPE	18° depth in typical situation, 24° depth in roadway, & 35° depth in arraya's and streams. EXCEPTION: If tranching 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).	
Power Source	11 Rectifler 2) Solar Power Unit 3) Thermpelectric 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.	