

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator CONOCO INC. Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conoco.com		7. If Unit or CA Agreement, Name and No.	
3a. Address 10 DESTA DR., ROOM 608W MIDLAND, TX 79705		8. Lease Name and Well No. SAN JUAN 28-7 UNIT 193F	
3b. Phone No. (include area code) Ph: 915.686.5799 Ext: 5799		9. API Well No. 3003927048	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWNW 2510FNL 10FWL At proposed prod. zone		10. Field and Pool, or Exploratory BLANCO MESAVERDE/BASIN DAKOTA	
14. Distance in miles and direction from nearest town or post office*		11. Sec., T., R., M., or Blk. and Survey or Area E Sec 28 T28N R7W Mer NMP	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)		12. County or Parish RIO ARRIBA	13. State NM
16. No. of Acres in Lease		17. Spacing Unit dedicated to this well 320.00 <i>WB</i>	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.		20. BLM/BIA Bond No. on file	
19. Proposed Depth 7312 MD		23. Estimated duration	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6224 GL		22. Approximate date work will start	

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. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan | 5. Operator certification |
| 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). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) VICKI WESTBY	Date 07/01/2002
Title AUTHORIZED SIGNATURE		
Approved by (Signature)	Name (Printed/Typed) <i>/s/ David J. Mankiewicz</i>	Date SEP 25 2002
Title	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 #12444 verified by the BLM Well Information System
For CONOCO INC., sent to the Farmington

This action is subject to technical and procedural review pursuant to 43 CFR 3160.1 and appeal pursuant to 43 CFR 3165.4

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

** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL **

BLM

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 DD, 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-27048		² Pool Code 72319 - 71599		³ Pool Name BLANCO MESAVERDE - BASIN DAKOTA	
⁴ Property Code 016608		⁵ Property Name SAN JUAN 28-7 UNIT			⁶ Well Number 193F
⁷ OGRID No. 005073		⁸ Operator Name CONOCO, INC.			⁹ Elevation 6224'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	28	28N	7W		2510	NORTH	10	WEST	RIO ARRIBA

¹¹Bottom 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 320.0 Acres - (W/2)					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

¹⁷ OPERATOR CERTIFICATION

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

Vicki Westby
Signature
Vicki R. Westby
Printed Name
Sr. Title Analyst
Title
Date June 13, 2002

¹⁸ SURVEYOR CERTIFICATION

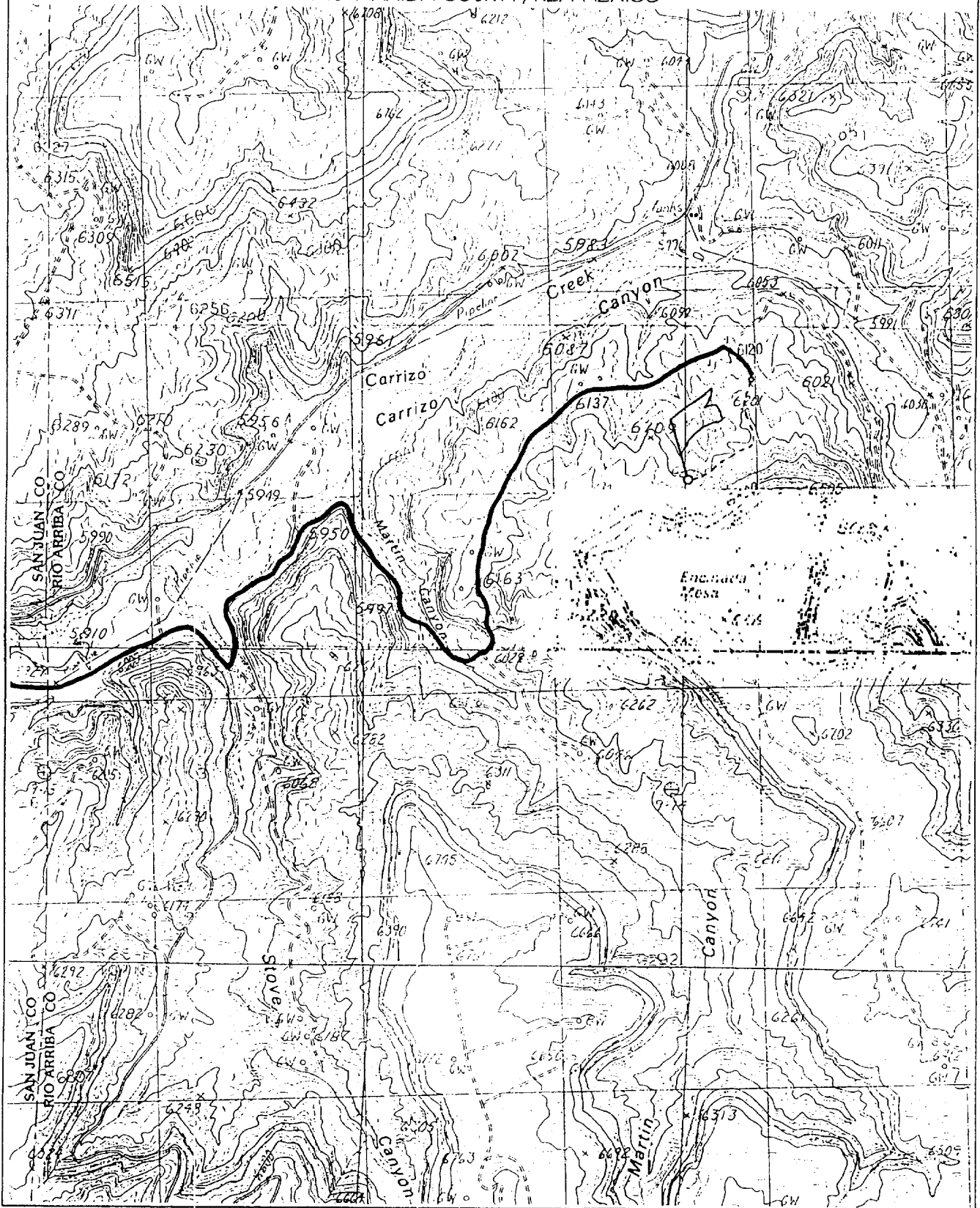
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: MAY 16, 2002

Signature and Seal of Professional Surveyor

JASON C. EDWARDS
Certificate Number 15269

CONOCO, INC. SAN JUAN 28-7 UNIT #193F
2510' FNL & 10' FNL, SECTION 28, T28N, R7W, N.M.P.M.
RIO ARRIEA COUNTY, NEW MEXICO



PROJECT PROPOSAL - New Drill / Sidetrack



SAN JUAN 28-7 193F

(Not Assigned)

San Juan Business Unit

Lease : AFE # : AFE \$:
 Field Name : EAST 28-7 Rig : 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 : Shannon, Marc Phone (281) 293 - 6564 Proj. Field Lead Phone :

Primary Objective (Zones) :

Zone	Zone Name
FRR	BASIN LAKOTA (PRORATED GAS)
RON	BLANCO ME SAVERDE (PRORATED GAS)

Location : Surface **Straight Hole**
 Latitude : 36.63 Longitude : -107.59 X : Y : Section : 28 Abstract: 7W
 Footage X : 10 FWL Footage Y : 2510 FNL Elevation: 6224 (FT) Survey : 28N

Tolerance
 Location Type : Year Round Start Date (Est.) Completion Date : Date In Operation :
 Formation Data Assume KB 6237 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	200	6037	<input type="checkbox"/>			Severe lost circulation is possible. 12 1/4" Hole. 9 5/8", 36 ppf, J-55, STC casing. Will test to 500 psi. Circulate cement to surface.
OJAM	1987	4250	<input type="checkbox"/>			Possible water flows
KRLD	2062	4175	<input type="checkbox"/>			
FRLD	2572	3665	<input type="checkbox"/>			Possible gas
PCCF	2822	3415	<input type="checkbox"/>			
LEWS	3022	3215	<input type="checkbox"/>			
Intermediate Casing	3122	3115	<input type="checkbox"/>			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface. Will test to 1500 psi.
CHRA	3772	2465	<input type="checkbox"/>			
CLFH	4447	1790	<input type="checkbox"/>			Gas; possibly wet
MENF	4592	1645	<input type="checkbox"/>			Gas
PTLK	5027	1210	<input type="checkbox"/>	1300		Gas
MNCS	5277	960	<input type="checkbox"/>			
GLLP	6277	-40	<input type="checkbox"/>			
GRHN	6962	-725	<input type="checkbox"/>			Gas possible, highly fractured
TWLS	7057	-820	<input type="checkbox"/>			Gas
CBBO	7187	-950	<input type="checkbox"/>			Gas
Total Depth	7312	-1075	<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.

Reference Wells:

Intermediate:	Well Name	Comments
Production:	Well Name	Comments

PROJECT PROPOSAL - New Drill / Sidetrack



SAN JUAN 28-7 193F

(Not
Assigned)

San Juan Business Unit

Logging Program :

Intermediate Logs : Log only if show GR / ILD Triple Combo

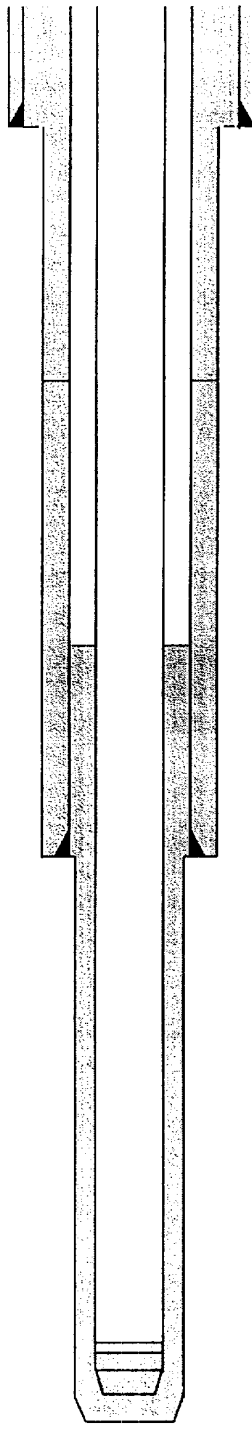
TD Logs : Triple Combo Dipmeter RFT Sonic VSP TDT Other

Additional Information

Comments

Cementing Summary

San Juan 28-7 193F (v1.0)

		OH					
		Depth	Excess				
	9-5/8" Sfc Casing	0		Class 'H' Cement	82.4 sx	Slurry Volume	142.6 cu ft
				Flocele	0.25 lb/sk		25.4 bbl
				Gel (Bentonite)	6.0% bwoc-db	Slurry Density	13.5 ppg
				CaCl2	2.0% bwoc-db	Slurry Yield	1.73 cu ft/sk
				Defoamer (if req'd)	0.05 gal/bbl	Mix Fluid	9.10 gal/sk
		9-5/8" shoe	200	100%			
7" Lead Cement		150%		Blend	333.43 sx	Slurry Volume	943.6 cu ft
				Class 'H' Cement	84 lb/sk		168.1 bbl
				San Juan Poz	lb/sk	Slurry Density	11.4 ppg
				Econolite	3.0% bwob	Slurry Yield	2.83 cu ft/sk
				CaCl2	bwob	Mix Fluid	17.29 gal/sk
				CFR-3	bwob		
				HR-5	bwob		
7" Top of Tail	2,622			Silicalite-blended	10 lb/sk		
				Flocele	0.5 lb/sk		
				Defoamer (if req'd)	0.05 gal/bbl		
7" Tail Cement		150%		Blend	173.96 sx	Slurry Volume	207.0 cu ft
				Class 'H' Cement	100% bwob		36.9 bbl
				San Juan Poz	lb/sk	Slurry Density	15.6 ppg
				Econolite	bwob	Slurry Yield	1.19 cu ft/sk
				CaCl2	1.00% bwob	Mix Fluid	5.2 gal/sk
4.5" TOC		2,122		CFR-3	bwob		
				HR-5	bwob		
				Silicalite-blended	bwob		
				Flocele	0.25 lb/sk		
				Gilsonite	lb/sk		
				Defoamer (if req'd)	0.05 gal/bbl		
7" Casing Intermediate	3,122	150%					
4.5" Cement		50%		Blend	518.82 sx	Slurry Volume	762.7 cu ft
				Standard Cement	47 lb/sk		135.8 bbl
				San Juan Poz	37 lb/sk	Slurry Density	13.0 ppg
				Bentonite	3.00% bwob	Slurry Yield	1.47 cu ft/sk
				Halad-344	0.30% bwoc	Mix Fluid	6.4 gal/sk
				Halad-413	0.40% bwoc		
				HR-5	0.10% bwoc		
				Gilsonite	5.0 lb/sk		
				Flocele	0.25 lb/sk		
				Defoamer (if req'd)	0.05 gal/bbl		
4-1/2" Casing Production	7,312	50%					

Note: Conoco to verify casing depths

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	Loreaco SW Calcined Petroleum Coke Braeze	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. 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).
Power Source	1) Rectifier 2) Solar Power Unit 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.