

UNITED STATES
DEPARTMENT OF
BUREAU OF LAND
APPLICATION FOR PERM

5073
13492
96893
4/27/01
30-025-35538

FORM APPROVED
OMB NO. 1004-0136
Expires February 28, 1995

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. 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

660' FNL & 990' FEL

At proposed prod. Zone

660' FNL & 990' FEL

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

15/ DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. Unit line, if any)

6. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

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

9. PROPOSED DEPTH

7850'

20. ROTARY OR CABLE TOOLS

Rotary

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

3530'

22. APPROX. DATE WORK WILL START*

03/25/01

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	J-55; 8-5/8"	24#	1500'	665 sxs, circ.
7-7/8"	J-55; 5-1/2"	17#	7850'	968 sxs, circ.

It is proposed to drill a vertical wellbore in the North Hardy Strawn Pool. An NOS was filed 02/09/01
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. Surface Use Plan.
5. Blowout Preventer Hookup.
6. Trailer Mounted Rig Layout Drawing.
7. BOP & Choke Manifold Specifications.
8. H2S Drilling Operations Plan
9. Surface Owner Communications.
10. Prairie Chicken Letter.

This application includes ROW's for the well pad, access road, powerline, and flowline. The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof, as described above and as covered by BLM Bond File No. ES-0085.

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 Kimberly Southall TITLE: Analyst

DATE 02/22/01

(This space for Federal or State office Use)

PERMIT NO. _____

APPROVAL DATE _____

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 _____

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.

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-35538	Pool Code 96893	Pool Name North Hardy STraut
Property Code 13492	Property Name S.E.M.U.	Well Number 157
OGRID No. 005073	Operator Name CONOCO INC.	Elevation 3530

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	30	20 S	38 E		660	NORTH	990	EAST	LEA

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
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Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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

LOT #1 40.18 AC.	<div style="border: 1px dashed black; height: 150px; position: relative;"> <div style="position: absolute; top: 10px; right: 10px; text-align: center;"> $3529.3'$ $3531.6'$ $3533.7'$ $3529.3'$ </div> <div style="position: absolute; top: 10px; left: 10px;"> $660'$ $990'$ </div> </div> <div style="margin-top: 20px;"> LAT. N32°32'57.4" LONG. W103°10'56.1" </div>	<h3 style="text-align: center; margin: 0;">OPERATOR CERTIFICATION</h3> <p style="font-size: small; margin: 5px 0;">I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <div style="margin-bottom: 10px;"> <div style="text-align: center; font-family: cursive; font-size: 1.2em;">Kay Maddox</div> <div style="text-align: center; font-size: small;">Signature</div> </div> <div style="margin-bottom: 10px;"> <div style="text-align: center; font-family: cursive; font-size: 1.2em;">KAY MADDOX</div> <div style="text-align: center; font-size: small;">Printed Name</div> </div> <div style="margin-bottom: 10px;"> <div style="text-align: center; font-family: cursive; font-size: 1.2em;">Regulatory Agent</div> <div style="text-align: center; font-size: small;">Title</div> </div> <div style="margin-bottom: 10px;"> <div style="text-align: center; font-size: 1.2em;">2/20/2000</div> <div style="text-align: center; font-size: small;">Date</div> </div>
LOT #2 40.12 AC.	Empty space for Lot 2	<h3 style="text-align: center; margin: 0;">SURVEYOR CERTIFICATION</h3> <p style="font-size: small; margin: 5px 0;">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> <div style="margin-bottom: 10px;"> <div style="text-align: center; font-size: 1.2em;">FEBRUARY 14, 2001</div> <div style="text-align: center; font-size: small;">Date Surveyed</div> </div> <div style="margin-bottom: 10px;"> <div style="text-align: center; font-size: 1.2em;">W. O. Jones</div> <div style="text-align: center; font-size: small;">Signature of State of Professional Surveyor</div> </div> <div style="margin-bottom: 10px;"> <div style="text-align: center; font-size: 1.2em;">7977</div> <div style="text-align: center; font-size: small;">W.O. No.</div> </div> <div style="margin-bottom: 10px;"> <div style="text-align: center; font-size: 1.2em;">W. O. Jones</div> <div style="text-align: center; font-size: small;">Certified Professional Surveyor</div> </div>
LOT #3 40.08 AC	Empty space for Lot 3	Empty space for Lot 3
LOT #4 40.02 AC.	Empty space for Lot 4	Empty space for Lot 4

PROPOSED WELL PLAN OUTLINE

WELL NAME
LOCATION

SEMU #157
660' FNL & 990' FEL, Sec 36, T20S, R38E, Lea County, NM

Ground Level : 3,540'
Kelly Bushing: 11' AGL

Depth MD	FORMATION TOPS (from GL)	DRILLING PROBLEMS	TYPE OF FORMATION EVALUATION	HOLE SIZE	CASING PROGRAM	FRAC GRAD	FORM. PRES. GRAD.	Mud Weight & Type	Days
0		Possible Hole Enlargement & Sloughing		12-1/4"			Less than 8.3	8.4 - 9.5 Fresh	
1000									
	Top Salt @ 1,400'				8-5/8", 24#, J-55 ST&C @ 1,500'				3
		Washouts in Salt Section		7-7/8"	Circulate Cement			10 Brine	
2000							Less than 8.4		
	Base Salt @ 2,550'								
	Yates 2,670'	Possible oil production from Yates.	Mud Loggers @ 2,600'						
	7 Rivers 2,920'		H2S monitor equipment on @ 2,600'						
3000									
	Queen 3,490'								
	Penrose 3,635'								
	Grayburg 3,790'								
4000									
	San Andres 4,025'								
		Mud loss in San Andres is likely.							
5000									7
	Glorietta 5,300'	Possible differential sticking thru Glorietta Mud loss is possible.							
	Blinberry 5,830'								
6000									
	Tubb 6,350'								10
	Drinkard 6,680'								
7000									
	Abo 6,960'		First Log Run: GR-CAL-DLL-MLL-SGR-SONIC FDC-CNL-PE : TD to 2000' Pull GR-CNL-Cal to Surf SGR interval to be chosen					10 ppg Starch Gel	
		Recommended to starch up prior to entering Strawn.							
	Strawn @ 7,580'		Second Log Run: 30 rotary sidewall cores						
		Offset data from:	Possible Third Run: FMI imaging log		5-1/2", 17#, J-55 LT&C set @ 7,850'				18
8000	TD @ 7,850'				Circulate cement either single or 2 stage				

DATE 09-Feb-01

Joe Huck, Geologist

APPROVED David Delao, Drilling Engineer

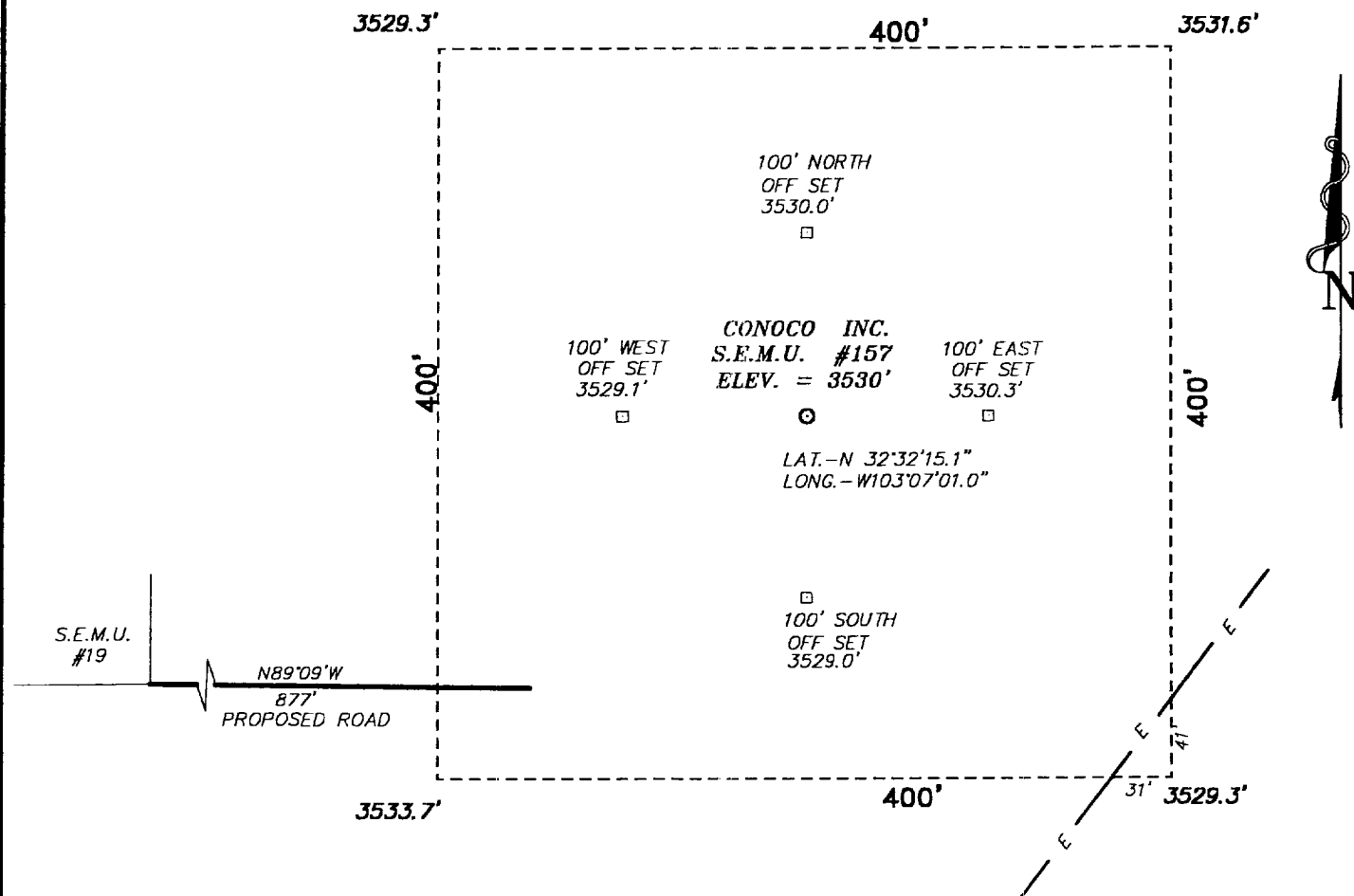
Joe Miller, Reservoir Engineer

SEMU #157**PROPOSED CASING & CEMENT PLAN**

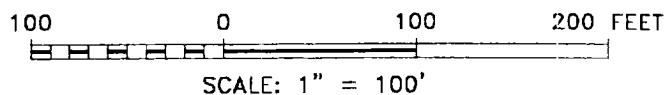
Surface casing size:	8-5/8", 24#, J-55, ST&C	Casing OD:	8.625 in
Surface casing depth:	1,500 ft	Casing ID:	8.097 in
Hole size:	12.25 in	Shoe it length:	40 ft
Static temperature:	89 deg F	Lead Excess:	101 %
Circulating temperature:	85 deg F	Tail Excess:	106 %
Lead:	465 sx	CI C + 0.25 pps Cello Flake + 0.005 gps FP-6L + 2% Sodium Metasilicate	
Tail:	200 sx	CI C + 2% CaCl + 0.005 gps FP-6L	
Properties		Lead	Tail
Slurry Weight (ppg)		12.4	14.8
Slurry Yield (cfps)		2.15	1.34
Mix Water (gps)		12.33	6.35
Pump time - 70 BC (HH:MM)		6:25	2:20
Free Water (mls) @ 80 deg F @ 90 deg angle		0	0
Fluid Loss (cc/30 min) @ 1000 psi and 80 deg F		854	900
Compressive Strength (psi)			
12 hrs @	89 deg F	124	1200
24 hrs @	89 deg F	250	2500

Production casing size:	5-1/2", 17#, J55, LT&C	Casing OD:	5.500 in
Production casing depth:	7,850 ft	Casing ID:	4.892 in
Hole size:	7.875 in	Shoe it length:	80 ft
Static temperature:	127 deg F	Lead Excess:	50 %
Circulating temperature:	121 deg F	Tail Excess:	50 %
Lead:	563 sx	50:50 Poz:CI C + 5% bwow NaCl + 0.25 pps Cello Flake + 0.005 gps FP-6L + 10% Bentonite	
Tail:	405 sx	15:61:11 Poz:CI C:CSE + 5% bwow NaCl + 1% FL-62 + 0.005 gps FP-6L	
Properties		Lead	Tail
Slurry Weight (ppg)		11.85	13.6
Slurry Yield (cfps)		2.41	1.49
Mix Water (gps)		13.79	7.31
Pump time - 70 BC (HH:MM)		2:58	2:31
Free Water (mls) @ 80 deg F @ 90 deg angle		1	0
Fluid Loss (cc/30 min) @ 1000 psi and 80 deg F		792	62
Compressive Strength (psi)			
12 hrs @	124 deg F	50	1013
24 hrs @	124 deg F	175	1875

SECTION 30, TOWNSHIP 20 SOUTH, RANGE 38 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



FROM THE INTERSECTION OF STATE HWY. 18
AND STATE HWY. 207 GO NORTH ON 18, 1.4
MILES TO LEASE ROAD GO WEST ON LEASE
ROAD 3.5 MILES TO A "T" FROM "T" GO
NORTHWEST 0.7 MILES TO A LEASE ROAD GO
EAST 0.5 MILES TO PROPOSED LEASE ROAD
AT SEC SEMU 19.



BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 1122

Drawn By: JAMES PRESLEY

Date: 02/14/01

Disc: 1122

CON1122A

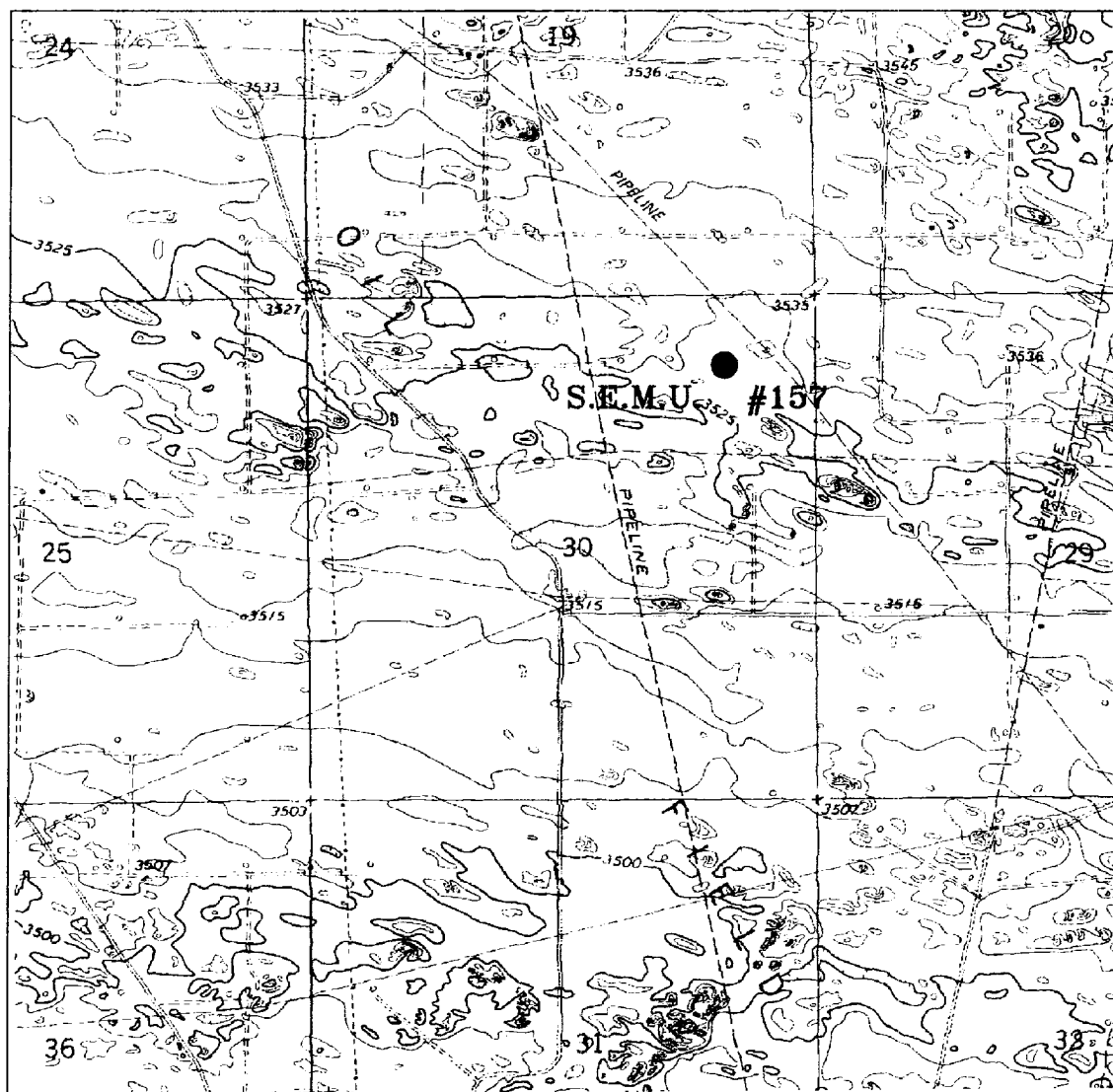
CONOCO INC.

REF: S.E.M.U. #157 / Well Pad Topo

S.E.M.U. No. 157 LOCATED 660' FROM THE
NORTH LINE AND 990' FROM THE EAST LINE OF
SECTION 30, TOWNSHIP 20 SOUTH, RANGE 38 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 02/12/01

Sheet 1 of 1 Sheets



S.E.M.U. #157

Located at 660' FNL and 990' FEL
 Section 30, Township 20 South, Range 38 East,
 N.M.P.M., Lea County, New Mexico.

**basin
surveys**
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

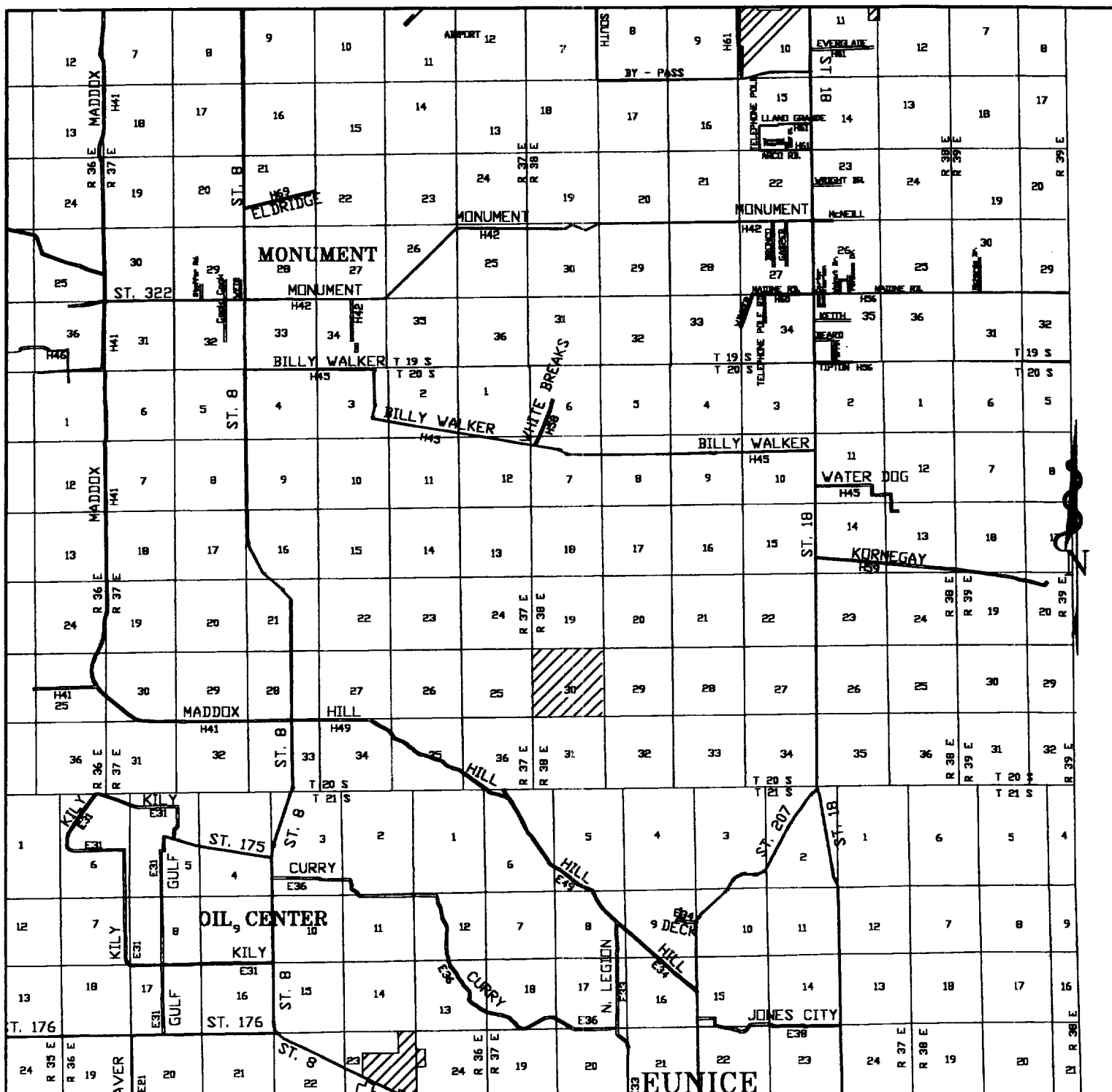
W.O. Number: 1122AA - JLP #1

Survey Date: 02/12/01

Scale: 1" = 2000'

Date: 02/14/01

CONOCO INC.

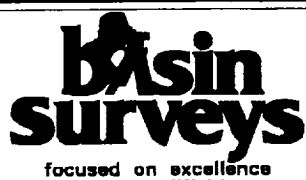


S.E.M.U. #157

Located at 660' FNL and 990' FEL

Section 30, Township 20 South, Range 38 East,

N.M.P.M., Lea County, New Mexico.



P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

W.O. Number: 1122AA - JLP #1

Survey Date: 02/12/01

Scale: 1" = 2000'

Date: 02/14/01

CONOCO INC.

**SURFACE USE PLAN
Conoco Inc.**

SEMU #157

The following is required information concerning the possible effect, which the drilling of this well may have on the environment, existing road sites, and surrounding acreage. A copy will be posted on the derrick floor so all contractors and sub-contractors will be aware of all items on this plan.

1. Existing Roads

- A. The proposed well site is 660' FNL & 990' FEL, Sec. 30, T20S, R38E, Lea County, New Mexico. This is a North Hardy Strawn Pool well.
- B. Directions to the location are as follows:
See attached Well Pad Topo
- C. No improvement or maintenance is anticipated for the existing roads.

2. Planned Access Roads

- A. 877' access road will be required.
- B. Turnouts as specified by surface management agency.
- C. Culverts as specified by surface management agency.
- D. Gates, cattleguards, or fences as specified by surface management agency.

3. Topographic Map and Well Location

A 7.5" quadrangle topo map was filed with the NOS.

4. Additional Rights-of-Way

Electric line and flowline as shown on attached plats.

5. Water Supply

Fresh and brine water will be obtained from commercial sources and will be trucked to location by the same directions for reaching the drilling site.

6. Source of Construction Materials

Construction materials will be obtained from commercial sources.

7. Methods of Handling Waste Disposal

- A. The drill cuttings, fluids and completion fluids will be placed in the reserve pit. The reserve pit will be fenced on three sides away from the pad during drilling and the fourth side fenced as soon as the rig moves out. The reserve pit will be allowed to dry, and materials remaining in the reserve pit buried. The reserve pit will be backfilled, leveled and contoured so as to prevent any materials being carried into the watershed. Upon completion, the pad will be leveled, contoured, and reseeded with the appropriate seed mixture as specified by the surface managing agency.
- B. All garbage and trash will be hauled away to designated landfill by Conoco.
- C. Chemical toilets will be provided and maintained during drilling operations.

8. Ancillary Facilities

No ancillary facilities are planned.

9. Wellsite Layout

See attached Wellsite Layout. The V-door faces East. The reserve pit will be lined with plastic and the pad and pits are staked. All unguarded pits containing liquids will be fenced and any unguarded pit containing liquids will be fenced.

10. Plans for Restoration of Surface

Reserve pits will be rehabilitated once drilling fluids have been allowed to evaporate to the point the pits are dry enough for backfilling and leveling. In the event drilling fluids will not evaporate in a reasonable time period, the fluids will be removed and transported by tank truck to a state approved disposal facility. Backfilling and leveling of the location will be completed within a time period of one year upon cessation of drilling operations.

11. Surface Ownership

The well site surface ownership is: Farm & Ranch Limited Partnership
Robert McCasland
PO Box 206
Eunice, NM 88231

12. Archeological Clearance

An archeological survey is being conducted and will be provided upon completion.

13. Operator's Representative and Certification

The person who can be contacted concerning compliance of this Surface Use Plan is:

Mike L. Mankin
Right of Way Agent
Conoco Inc.
10 Desta Drive Suite 649W
Midland, Texas 79705
(915) 686-5794

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drilling site; that I am familiar with the conditions which currently exist; that the statements made in this plan, are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Conoco Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

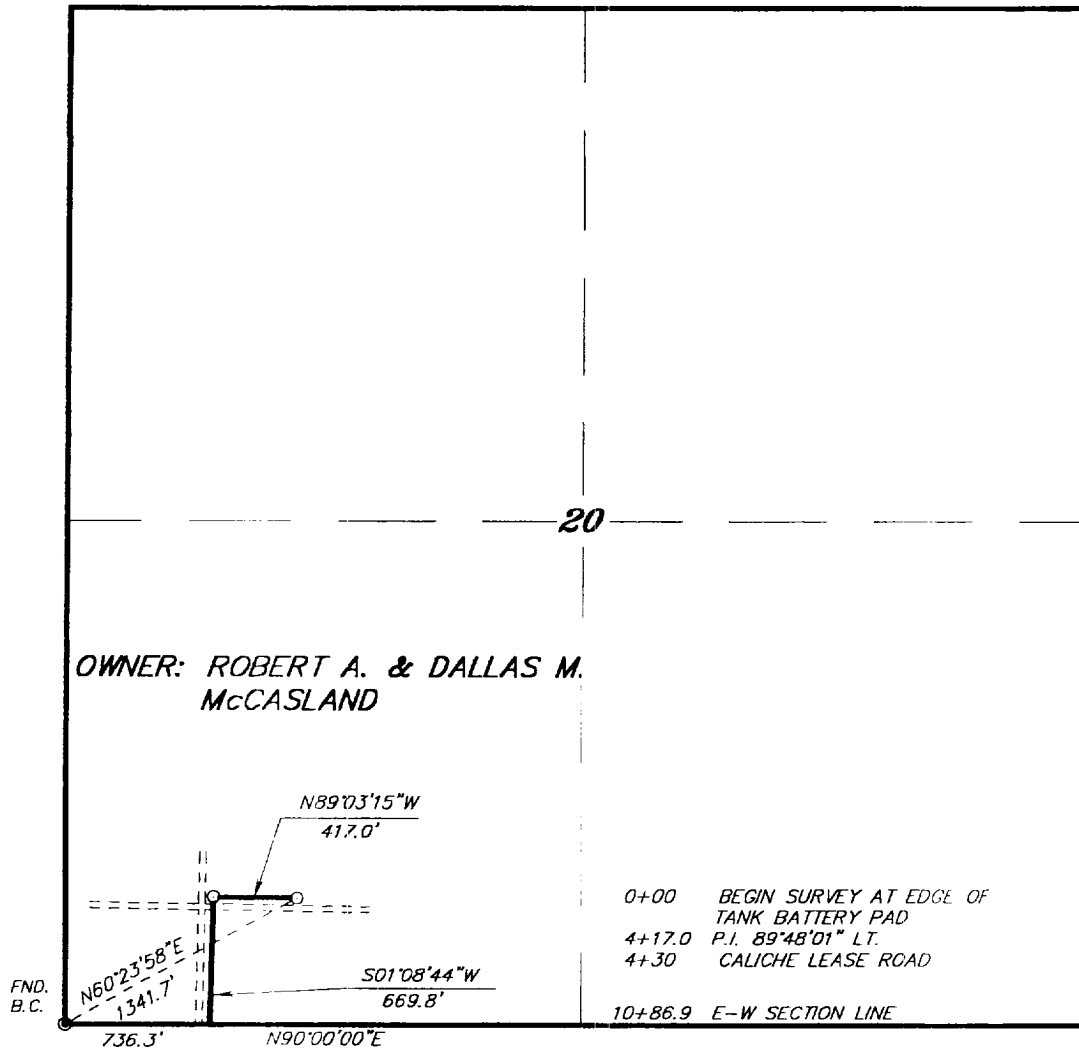
Mike L. Mankin
RJS

Mike L. Mankin
Right of Way Agent

February 22, 2001

Date

**SECTION 20, TOWNSHIP 20 SOUTH, RANGE 38 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.**



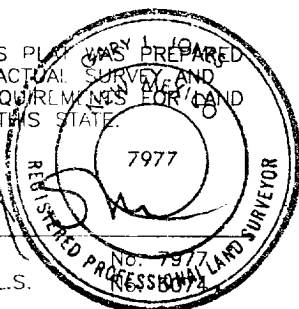
LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 20, TOWNSHIP 20 SOUTH, RANGE 38 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY.

BEGINNING AT A POINT WHICH LIES N.60°23'58"E., 1341.7 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 20; THENCE N.89°03'15"W., 417.0 FEET; THENCE S.01°08'44"W., 669.8 FEET TO A POINT ON THE SOUTH LINE WHICH LIES N.90°00'00"E., 736.3 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 20. SAID STRIP OF LAND BEING 1086.8 FEET OR 65.87 RODS IN LENGTH.

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

GARY L. JONES N.M. P.S.
TEXAS P.L.S.



1000 0 1000 2000 FEET
SCALE: 1"=1000'

CONOCO INC.

REF: PROPOSED PIPELINE TO SEMU #157

A PIPELINE CROSSING FEE LAND IN
SECTION 20, TOWNSHIP 20 SOUTH, RANGE 38 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 1122

Drawn By: **James Presley**

Date: 02/18/01

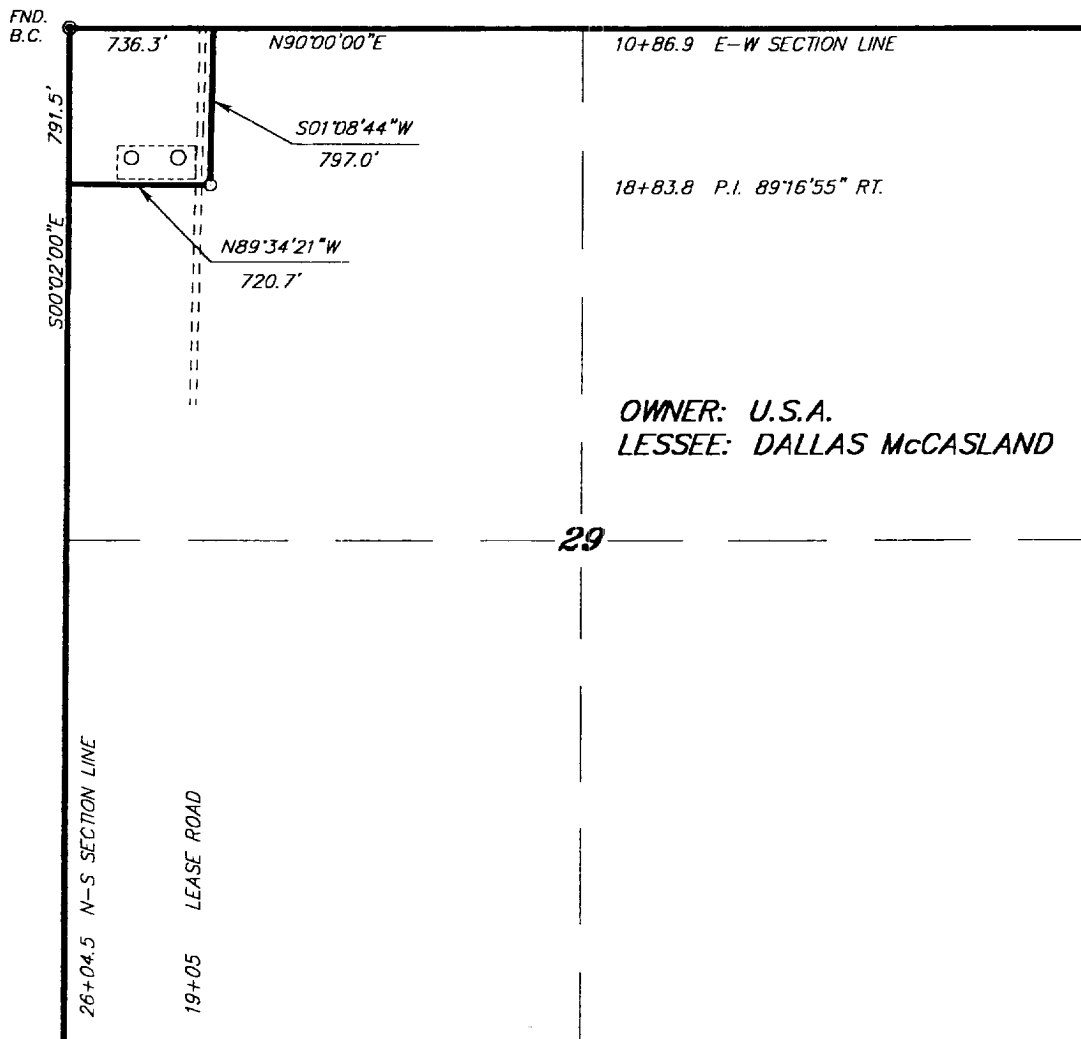
Disc: # B #1

CON1122

Survey Date: 02/18/01

Sheet: 1 of 7

**SECTION 29, TOWNSHIP 20 SOUTH, RANGE 38 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.**



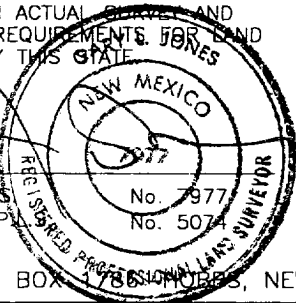
LEGAL DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE, LOCATED IN SECTION 29, TOWNSHIP 20 SOUTH, RANGE 38 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING 25.0 FEET LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY.

1517.7 FEET = 0.29 MILES

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

GARY L. JONES N.M. P.S. TEXAS P.S.



BASIN SURVEYS P.O. BOX 1786, ALBUQUERQUE, NEW MEXICO 87106

W.O. Number: 1122

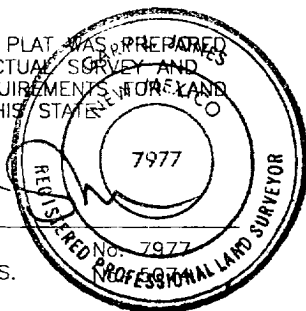
Drawn By: James Presley

FND.
B.C.



BEGINNING AT A POINT ON THE EAST SECTION LINE WHICH LIES S.00°02'00"E., 791.5 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 30; THENCE N.89°34'21"W., 987.5 FEET TO A POINT WHICH LIES S.51°33'21"W., 1261.1 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 30. SAID STRIP OF LAND BEING 987.5 FEET OR 59.85 RODS IN LENGTH.

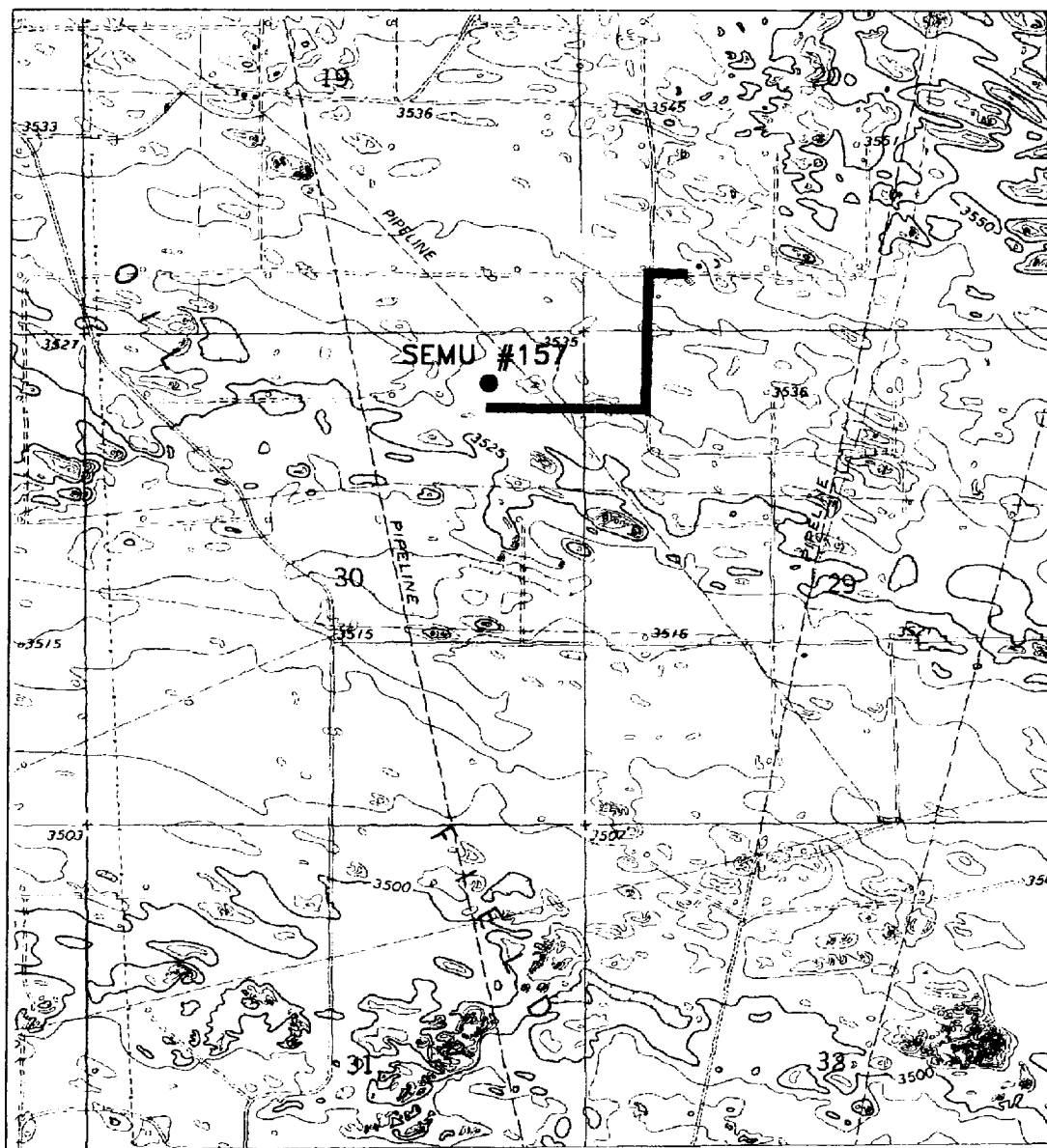
GARY L. JONES N.M. P.S.
TEXAS P.L.S.



SCALE: 1"=1000'

A PIPELINE CROSSING FEE LAND IN
SECTION 30, TOWNSHIP 20 SOUTH, RANGE 38 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

Drawn By: **James Presley**



FROM THE INTERSECTION OF STATE HIGHWAY 18 AND STATE HIGHWAY 207, GO NORTH ON 18 1.4 MILES TO LEASE ROAD LT. GO WEST ON LEASE ROAD 3.5 MILES TO A "T" FROM "T" GO NORTHWEST 0.7 MILES TO A LEASE ROAD RT. GO EAST 0.5 MILES TO PROPOSED LEASE ROAD AT SEMU #19.

PROPOSED PIPELINE TO SEMU #157
 Section 30, Township 20 South, Range 38 East,
 N.M.P.M., Lea County, New Mexico.

basin
surveys
 focused on excellence

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax

W.O. Number: 1122T - JLP #1

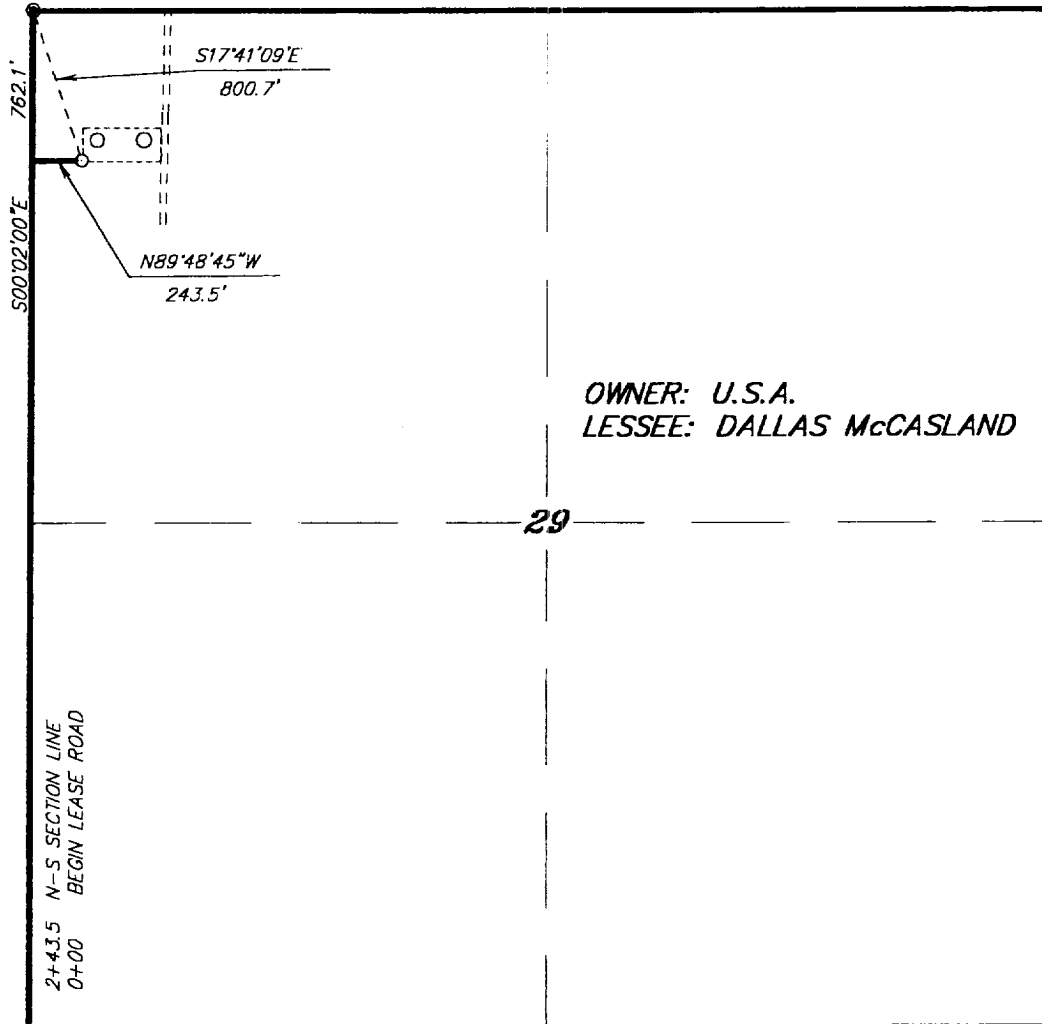
Survey Date: 02/16/01

Scale: 1" = 2000'

CONOCO INC.

**SECTION 29, TOWNSHIP 20 SOUTH, RANGE 38 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.**

FND.
B.C.



OWNER: U.S.A.
LESSEE: DALLAS McCASLAND

29

2+43.5 N-S SECTION LINE
0+00 BEGIN LEASE ROAD

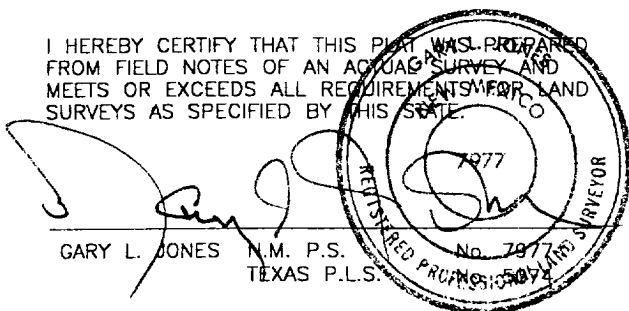


LEGAL DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE, LOCATED IN SECTION 29, TOWNSHIP 20 SOUTH, RANGE 38 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING 25.0 FEET LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY.

243.5 FEET = 0.05 MILES

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



1000 0 1000 2000 FEET
SCALE: 1"=1000'

CONOCO INC.

REF: PROPOSED ROAD TO SEMU #157

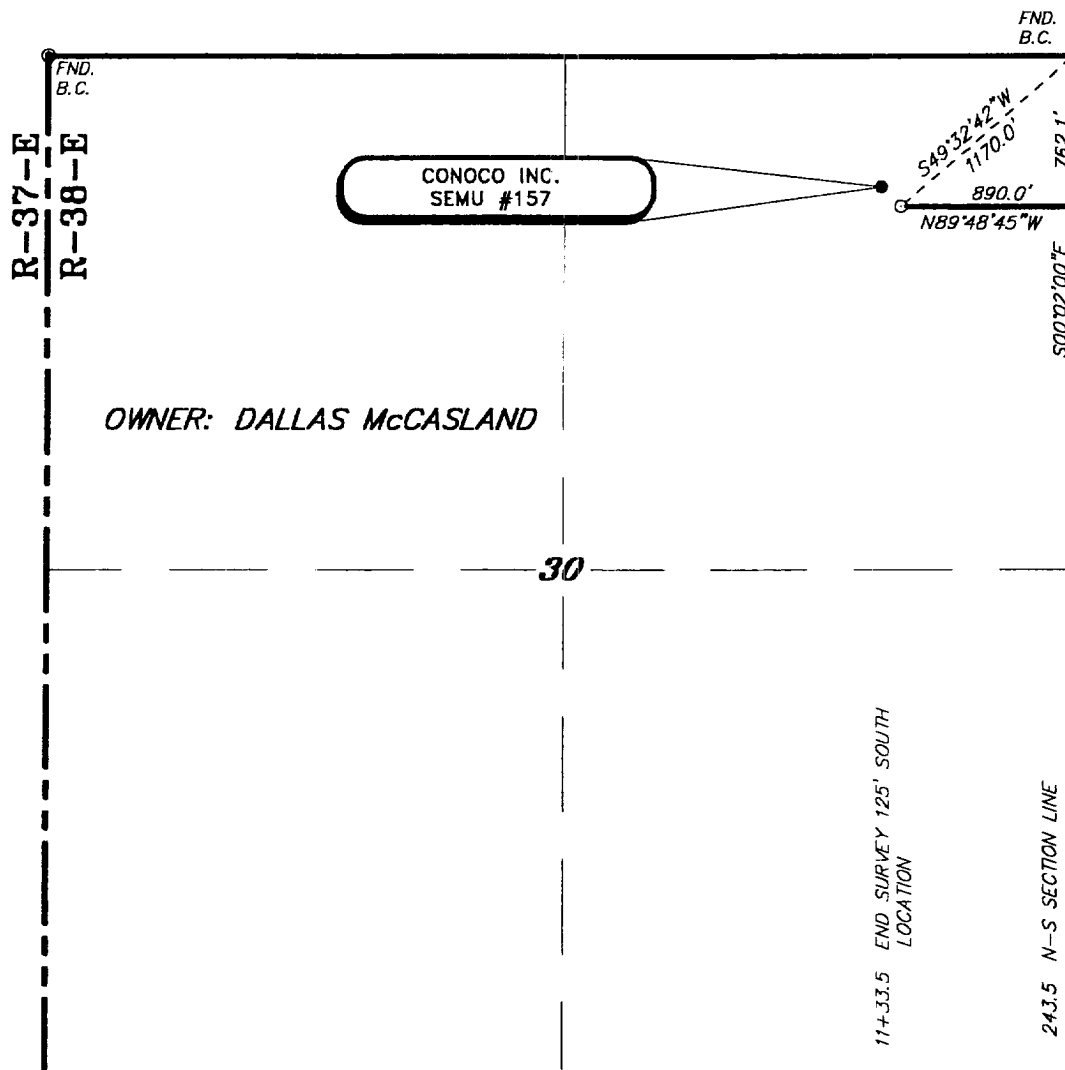
A ROAD CROSSING U.S.A. LAND IN
SECTION 29, TOWNSHIP 20 SOUTH, RANGE 38 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 1122

Drawn By: **James Presley**

SECTION 30, TOWNSHIP 20 SOUTH, RANGE 38 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



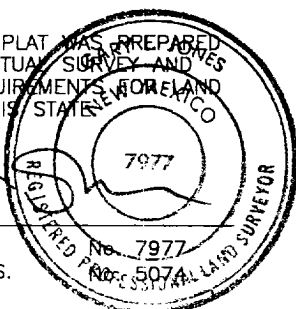
LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 30, TOWNSHIP 20 SOUTH, RANGE 38 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY.

BEGINNING AT A POINT ON THE EAST SECTION LINE WHICH LIES S.00°02'00\"E., 762.1 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 30: THENCE N.89°48'45\"W., 890.0 FEET TO A POINT WHICH LIES S.49°32'42\"W., 1170.0 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 30. SAID STRIP OF LAND BEING 890.0 FEET OR 53.94 RODS IN LENGTH.

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

GARY L. JONES N.M. P.S.
TEXAS P.L.S.



BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 1122

Drawn By: **James Presley**

1000 0 1000 2000 FEET



SCALE: 1\"=1000'

CONOCO INC.

REF: PROPOSED ROAD TO SEMU #157

A ROAD CROSSING FEE LAND IN
SECTION 30, TOWNSHIP 20 SOUTH, RANGE 38 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

 H2S Safety Contractor

Terrain is flat, and covered with native grass.
Two of the three WDI (wind direction indicator) locations will be utilized.
(Prevailing winds are SW to SE)

Conoco Quarters

Muster Area No. 1

Contractor Quarters

WDI

Rig

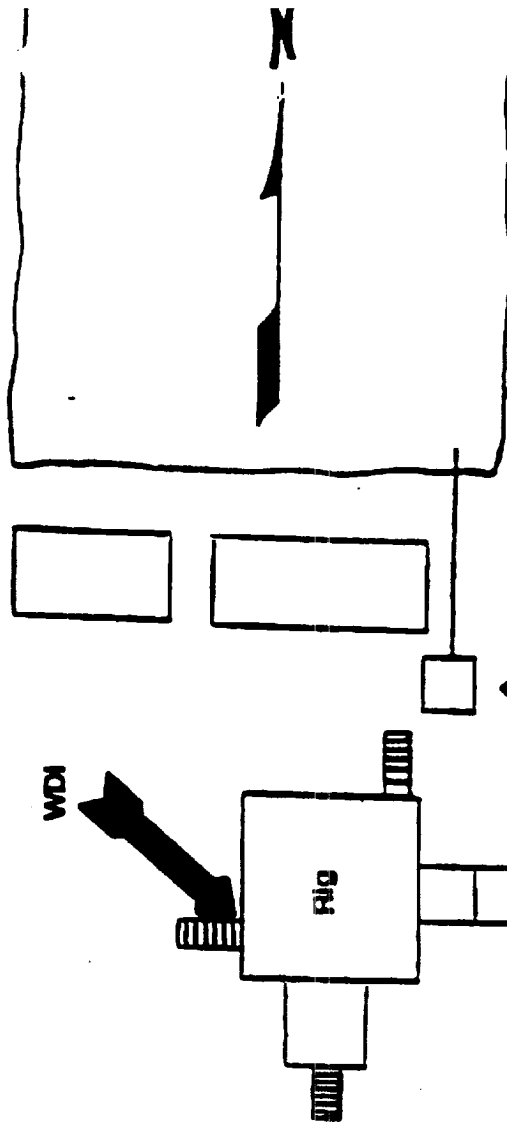
Choke Manifold

Muster Area No. 2

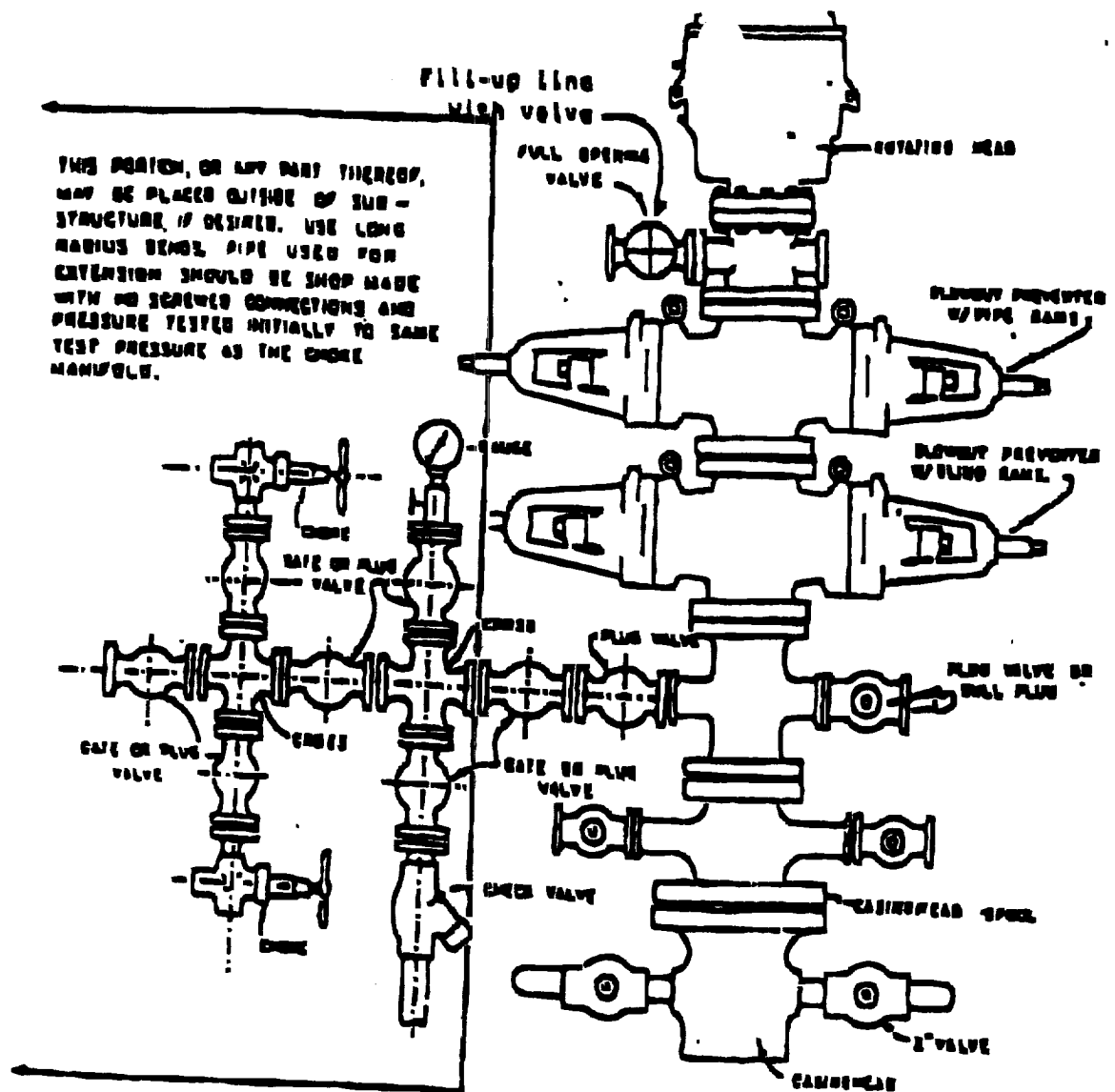
WDI



WDI



WDI



BLOWOUT PREVENTER HOOKUP

Drilling contractors used in the San Juan Basing 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 delation 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 preventer.
11. Rotating head.

TRAILER - MOUNTED RIG LAYOUT

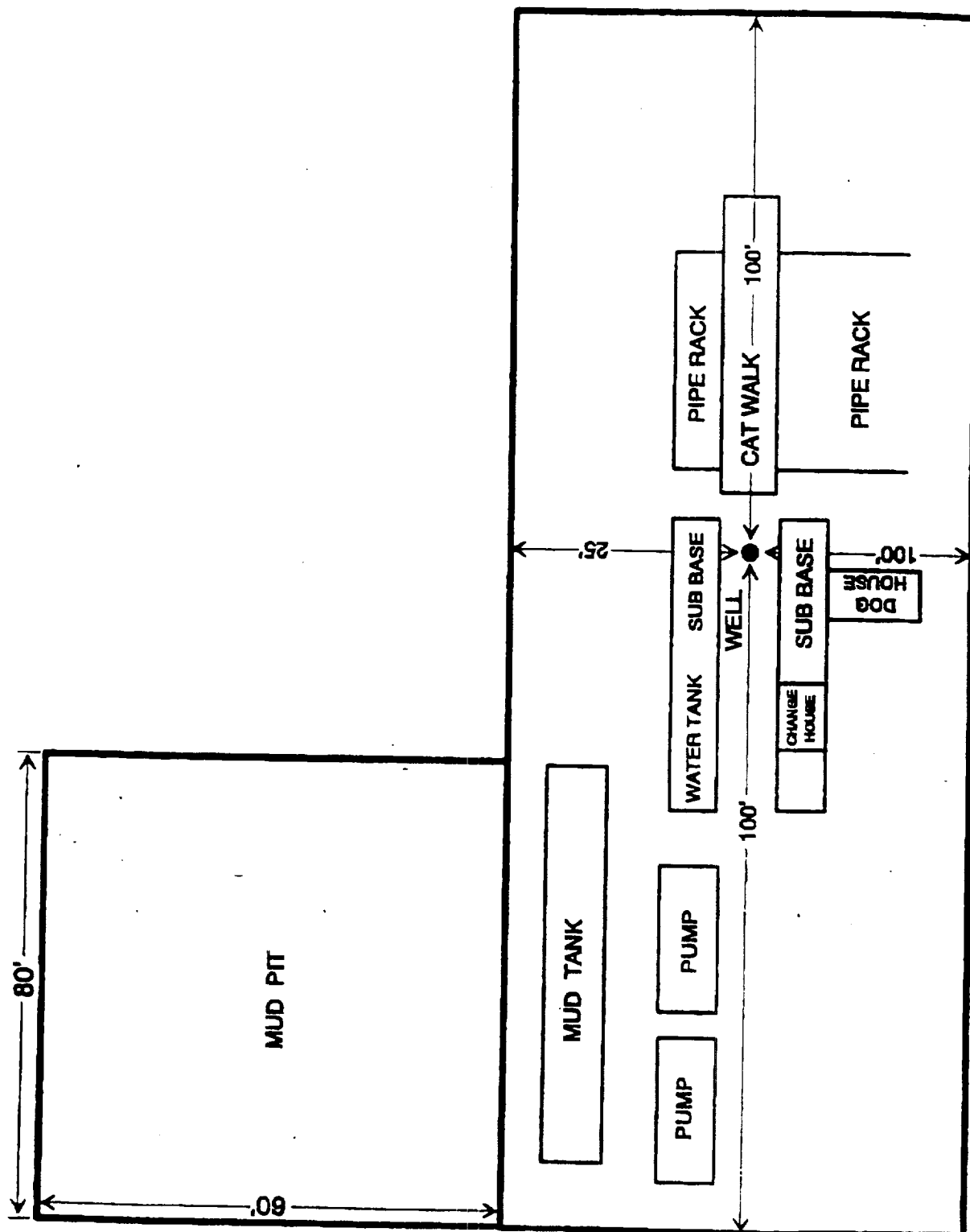
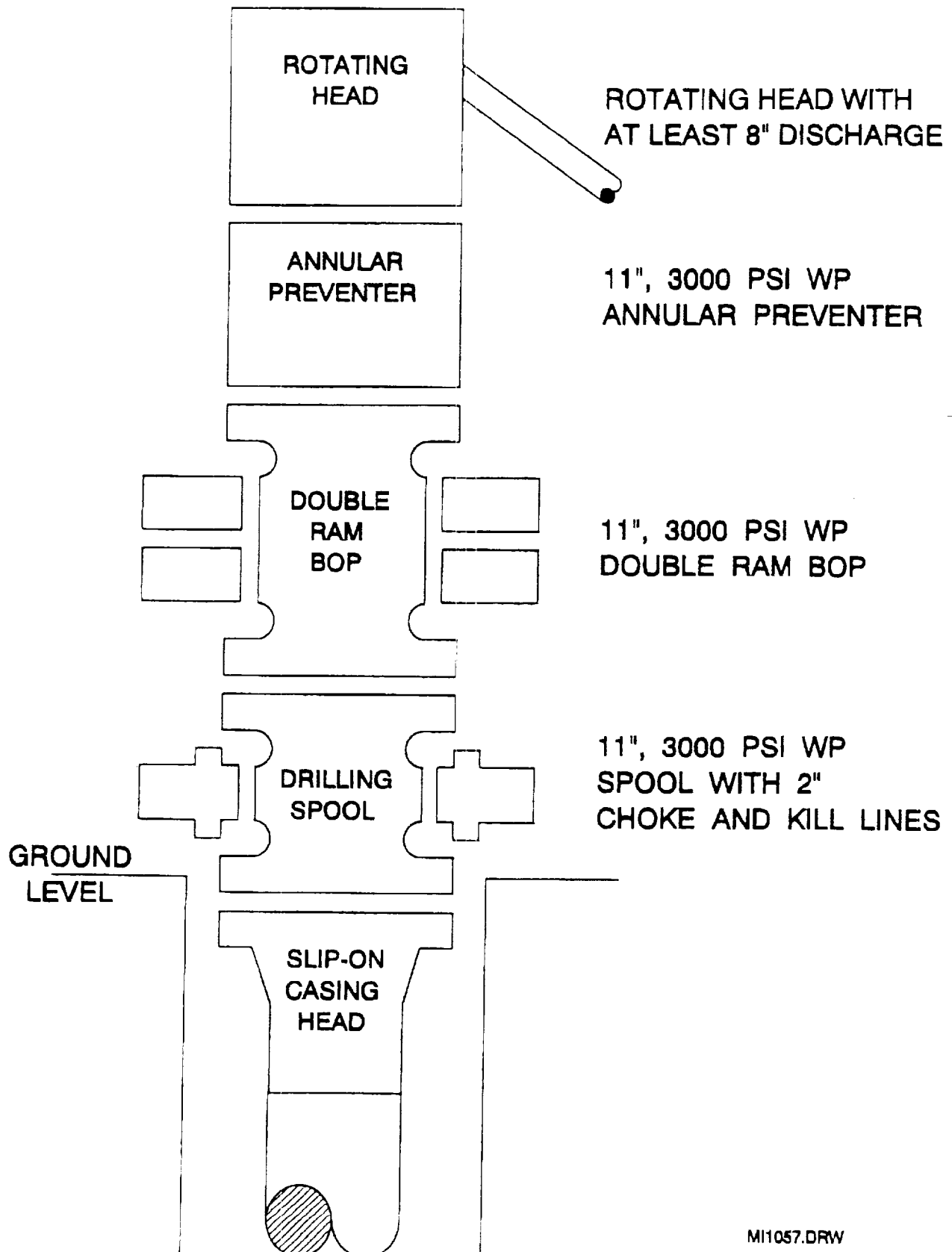
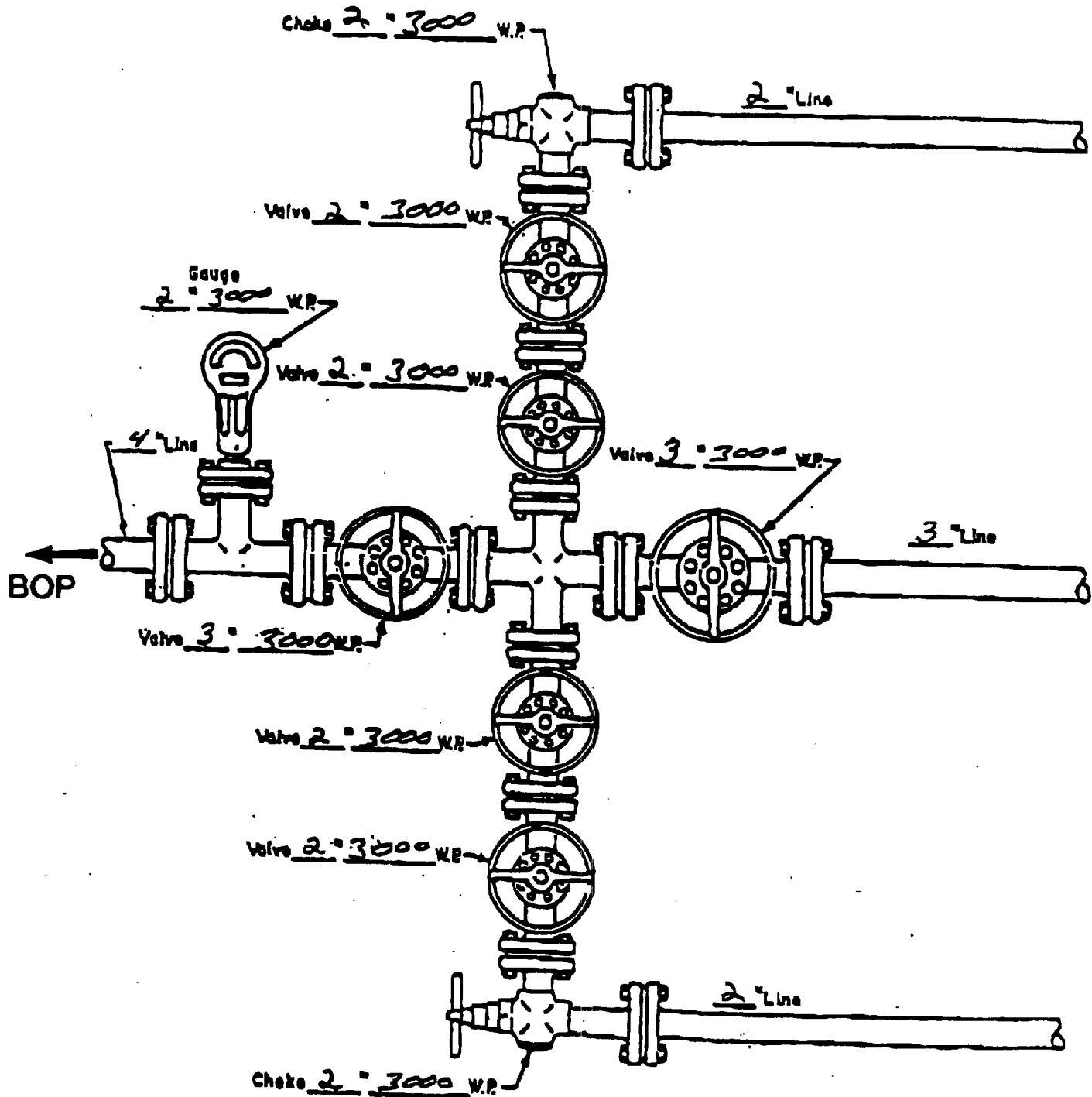


EXHIBIT D

BOP SPECIFICATIONS



CHOKE MANIFOLD DI. GRAM



MANIFOLD
3000 #W.P.

- ☒ Manual
- ☐ Hydraulic

H2S DRILLING OPERATIONS PLAN

Conoco, Inc. will comply with Onshore Order No. 2 for working in an H2S environment or a potential H2S environment.

I. Hydrogen Sulfide Training

All contractors and subcontractors employed by Conoco will receive or have received training from a qualified instructor within the last twelve months in the following areas prior to commencing drilling operations on this well.

1. The hazards and characteristics of hydrogen sulfide (H2S)
2. Safety precautions.
3. Operations of safety equipment and life support systems.

In addition, contractor supervisory personnel will be trained or prepared in the following areas:

1. The effect of H2S on metal components in the system, especially where high tensile strength tubulars are to be used.
2. Corrective action and shutdown procedures when drilling or reworking a well, blowout prevention and well control procedures, if the nature of work performed involves these items.
3. The contents and requirements of the contingency plan when such plan is required.

All personnel will be required to carry documentation of the above training on their person.

II. H2S EQUIPMENT AND SYSTEMS

1. Safety Equipment

The following minimum safety equipment will be on location:

- A. Wind direction indicators placed near rig floor/mud return lines and at points along the perimeter of the location to allow visibility of at least one indicator from any point on location.
- B. Automatic H2S detection alarm equipment (both audio and visual).
- C. Clearly visible warning signs. Signs will use the words "POISON GAS" and "CAUTION" with a strong color contrast.
- D. Protective breathing equipment will be located in the doghouse and at briefing areas on location.

2. Well Control Systems

A. Blowout Prevention Equipment

Equipment includes but is not limited to:

1. Pipe rams to accommodate all pipe sizes
2. Blind rams
3. Choke manifold
4. Closing Unit
5. Flare line and means of ignition

B. Communication

The rig contractor will be required to have two-way communication capability. Conoco will have either land-line, satellite phone, microwave phone, or mobile (cellular) telephone capabilities.

C. Mud Program

The mud program has been designed to minimize the volume of H₂S circulated to surface. Proper mud weight, safe drilling practices, and the use of H₂S scavengers when appropriate will minimize hazards when penetrating H₂S bearing zones.

D. Drill Stem Tests

Any planned drill stem test will be cancelled if H₂S is detected prior to such test. In the event that H₂S is detected during testing, the test will be terminated immediately.



Ronald G. Crouch
Right of Way Agent
Right of Way and Claims

Conoco Inc.
10 Desta Drive, Suite 605W
Midland, Texas 79705-4500
(915) 686-5587

February 22, 2001

Department of the Interior
Bureau of Land Management
620 East Greene
Carlsbad, New Mexico 88220

Re: Settlement letter for well location and appurtenances
SEMU 157
Section 30, T20S, R38E
Lea County, New Mexico

Dear Mr. Hunt

Conoco Inc. will reach a damage settlement agreement with the surface owner, being Farm and Ranch Limited Partnership before construction begins of the above referenced location and appurtenances.

Please call me at 915-686-5587 if you have any questions concerns.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Ronald G. Crouch".

Ronald G. Crouch
Right of Way Agent



Ronald G. Crouch
Right of Way Agent
Right of Way and Claims

Conoco Inc.
10 Desta Drive, Suite 605W
Midland, Texas 79705-4500
(915) 686-5587

February 22, 2001

Department of the Interior
Bureau of Land Management
620 E. Greene
Carlsbad, New Mexico 88220
Attn: John Sherman

RE: Request for Waiver of Lesser Prairie Chicken Habitat Restriction

Dear Mr. Sherman;

Conoco Inc. respectfully requests a waiver of the Lesser Prairie Chicken Habitat Restriction for the SEMU #157 located 660' from the North Line and 990' from the East Line of Section 30, Township 20 South, Range 38 East, Lea County, New Mexico.

A topo showing the well location is included for your convenience.

If I can be of any assistance whatsoever, contact me at the telephone number in the letterhead.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Ronald G. Crouch".

Ronald G. Crouch
Right of Way Agent/Conoco Inc.

ELF
ABOVE DATE DOES NOT
INDICATE WHEN
CONFIDENTIAL LOGS
WILL BE RELEASED

4/24/01