

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
M. M. OIL CONS. COMMISSION
P. O. BOX 1980
HOBBS, NEW MEXICO 88240

BASE DESIGNATION AND SERIAL NO

LC031740B

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

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.

a. ADDRESS AND TELEPHONE NO

10 Desta Dr. Ste 430E, Midland, Tx. 79705-4500

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements *)

At surface

3150' FSL & 660' FEL

At proposed prod. zone

3150' FSL & 660' FEL

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

12. COUNTY OR PARISH

Lea

13. STATE

NM

5. DISTANCE FROM PROPOSED*

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

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

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

19. PROPOSED DEPTH

7050'

20. ROTARY OR CABLE TOOLS

Rotary

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

3559' GR

22. APPROX. DATE WORK WILL START*

6-1-98

23.

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|-----------------------|-----------------|---------------|--------------------|
| 12-1/4" | M-50, 8-5/8" | 23# | 1250' | 515 sxs, circ. |
| 7-7/8" | K-55, 5-1/2" | 17# | 7050' | 1220 sxs, circ. |
| | | | | |

It is proposed to drill a vertical wellbore as a Hardy Tubb-Drinkard producer. NOS was filed 3/30/98. The well will be drilled and equipped according to the plan submitted in the following attachments:

1. Well Location and Acreage Dedication Plat (C-102) along with other associated maps and plats.
2. Proposed Well Plan Outline
3. Cementing Plan
4. Surface Use Plan
5. Trailer Mounted Rig Layout Drawing
6. BOP & Choke Manifold Specifications
7. H2S Drilling Operations Plan
8. Surface owner communications

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

This application includes ROW's for the well pad, electric line, flowline and access road.

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.

24. SIGNED Jo Ann Johnson TITLE Property Analyst DATE 5/1/98

(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 JOEL ROSE, GENERAL SIMITZ TITLE ADJUTANT DATE 5-2-98

*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 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

| | | | |
|---|---|---------------------------------|---|
| ¹ API Number 30-025-34405 | | ² Pool Code 29760 | ³ Pool Name Hardy Tubb-Drinkard |
| ⁴ Property Code 003061 | ⁵ Property Name MEYER B-4 | | ⁶ Well Number 33 |
| ⁷ OGRID No. 005073 | ⁸ Operator Name CONOCO INC. | | ⁹ Elevation 3559' |

¹⁰Surface Location

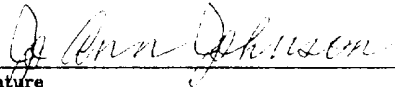
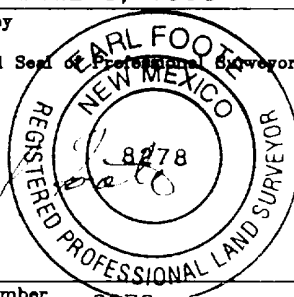
| | | | | | | | | | |
|---------------------|--------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|---------------|
| UL or lot no. 16 | Section 4 | Township 21-S | Range 36-E | Lot Idn | Feet from the 3150 | North/South line SOUTH | Feet from the 660 | East/West line EAST | County LEA |
|---------------------|--------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|---------------|

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 40 | 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

| | | | | | |
|----|--|--|--|--|--|
| 16 | | | | | <div><p>¹⁷ OPERATOR CERTIFICATION</p><p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p><p></p><p>Signature Jo Ann Johnson Printed Name Property Analyst Title 5/1/98 Date</p><p>¹⁸ SURVEYOR CERTIFICATION</p><p><i>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 best of my belief.</i></p><p>APRIL 8, 1998 Date of Survey</p><p>Signature and Seal of Professional Surveyor: </p><p>Certificate Number 8278</p></div> |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

LAT.=32°30'33"
LONG.=103°15'48"

660'

3150'

PROPOSED WELL PLAN OUTLINE

WELL NAME
LOCATION

Meyer B-4 No. 33

3150' FSL & 660' FEL, Sec. 4, T21S, R36E, Lea Co.

Ground Level
Kelly Bushing

3559'

| Depth MD | FORMATION TOPS | 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" | | | Normal | 8.4 - 9.5 Fresh | |
| 1000 | | | | | 8-5/8", 23#, M-50 ST&C @ 1250' | | | | |
| | Rustler 1270' | Washouts in Salt Section | | | 515 sx, circ. | | | 10 Brine | 3 |
| 2000 | | | | | | | | | |
| | Base Salt 2530' | | No Mudloggers | | Top 2nd Stage Tail at 2600' | | | | |
| | Yates 2665' | Possible Losses | | | | | | | |
| 3000 | | | | 7-7/8" | | | | | |
| | 7 Rivers 2915' | | | | | | | | |
| | Queen 3340' | | | | | | | | |
| | Grayburg 3650' | Chevron's Eunice Monument South Waterflood injects in the Grayburg | H2S Monitor on at 3600' | | | | Possible over pressure due to waterflood | | |
| 4000 | | | | | DV Tool @ 3800' (Above San Andres) | | | | 7 |
| | San Andres 3916' | Possible over pressure may require stripping through the rotating head. | | | | | | | |
| | | Lost Returns in San Andres Meyer B-4 No. 32 started losing 20 - 40 BPH at 4200' Mud up with gel did not affect losses. Drilled ahead pumping 1-20 bbl gel sweep per tour. Losses continued at 20 - 40 BPH. | | | | | | | |
| 5000 | | | | | | | | | |
| | Glorietta 5286' | | | | Top 1st Stage Tail at 5200' | | | | |
| 6000 | | | | | | | | | |
| | Blinberry 5866' | Losses increased to 60 - 70 BPH at 6050' | | | | | | | |
| | Tubb 6475' | | | | | | | | |
| | | | GR/CNL/CAL 2600'- Surface Casing | | | | | 10 ppg Starch Gel | |
| 7000 | | | DLL/MLL/FDC/GR/CNL/PE/CAL TD-2600' | | 5-1/2", 17#, K-55 LT&C @ 7050' 1220 sx, circ. | | | | 17 |
| | Drinkard 6810' | | | | | | | | |
| | TD @ 7050' | | | | | | | | |

DATE

21-Apr-98

APPROVED

Jim Tietema
Jim Tietema, Drilling Engineer

Joe Miller
Joe Miller, Reservoir Engineer

Marc Durkee
Marc Durkee, Production Engineer

Well Name : Meyer B-4 #33

Location : 3150' FSL & 660' FEL Sec 4, T-21S, R-36E, Lea County, New Mexico

Casing Program :

Surface 8 5/8" casing in 12 1/4" Hole at 1250 ft.

Production 5 1/2" casing in 7 7/8" Hole at 7050 ft.

Cementing Program :

Surface

Lead 315 sacks Class C Mixed at 12.7 ppg
Yield 1.88 cuft/sk Water 10.07 gps
Additives 35:65:6 (Poz:Cem:Gel) + 2% CACL2
+ 0.25 pps Cello-Flake

Tail 200 sacks Class C Mixed at 14.8 ppg
Yield 1.34 cuft/sk Water 6.35 gps
Additives 2% A-7P

Production

1ST Stage

Lead 160 sacks Class C Mixed at 12 ppg
Yield 2.69 cuft/sk Water 15.79 gps
Additives 16% Gel + 0.4% CD-32 + 0.2% SMS

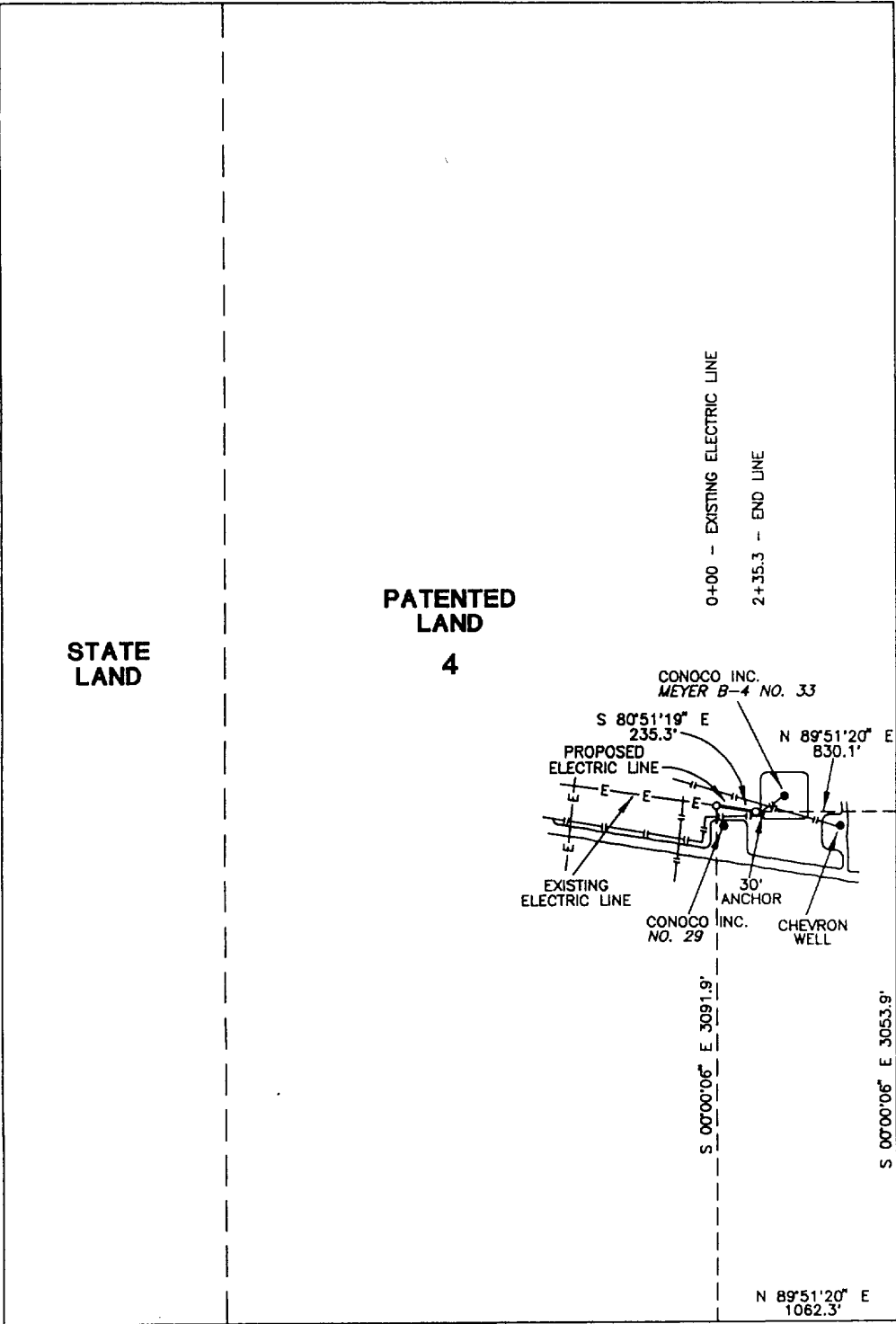
Tail 415 sacks Class C Mixed at 14.8 ppg
Yield 1.37 cuft/sk Water 6.39 gps
Additives 1.1% FL-62 + 1% BA-58 + 3% Salt + 0.3% CD-32
+ 0.2% SMS
Free Water 0 % **Fluid Loss** 45 cc/30 min.

2nd Stage

Lead 380 sacks Class C Mixed at 12 ppg
Yield 2.69 cuft/sk Water 15.79 gps
Additives 16% Gel + 0.4% CD-32 + 0.2% SMS

Tail 265 sacks Class C Mixed at 14.8 ppg
Yield 1.38 cuft/sk Water 6.46 gps
Additives 1.1% FL-62 + 1% BA-58 + 5% Salt + 0.3% CD-32
+ 0.2% SMS
Free Water 0 % **Fluid Loss** 45 cc/30 min.

SECTION 4, TOWNSHIP 21 SOUTH, RANGE 36 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO



CENTERLINE DESCRIPTION OF A PROPOSED ELECTRIC LINE:

BEGINNING at a point in an existing electric line, from which point the southeast corner of Section 4, T-21-S, R-36-E, N.M.P.M., Lea County, New Mexico bears S 00° 00' 06" E, 3091.9 feet and N 89° 51' 20" E, 1062.3 feet;
THENCE S 80° 51' 19" E, with the centerline of proposed electric line, 235.3 feet to a point for the end of this line, from which point an anchor easement bears S 80° 51' 19" E, 30.0 feet and the southeast corner of Section 4 bears N 89° 51' 20" E, 830.1 feet and S 00° 00' 06" E, 3053.9 feet.

PROPOSED ELECTRIC LINE TO SERVE
MEYER B-4 No. 33

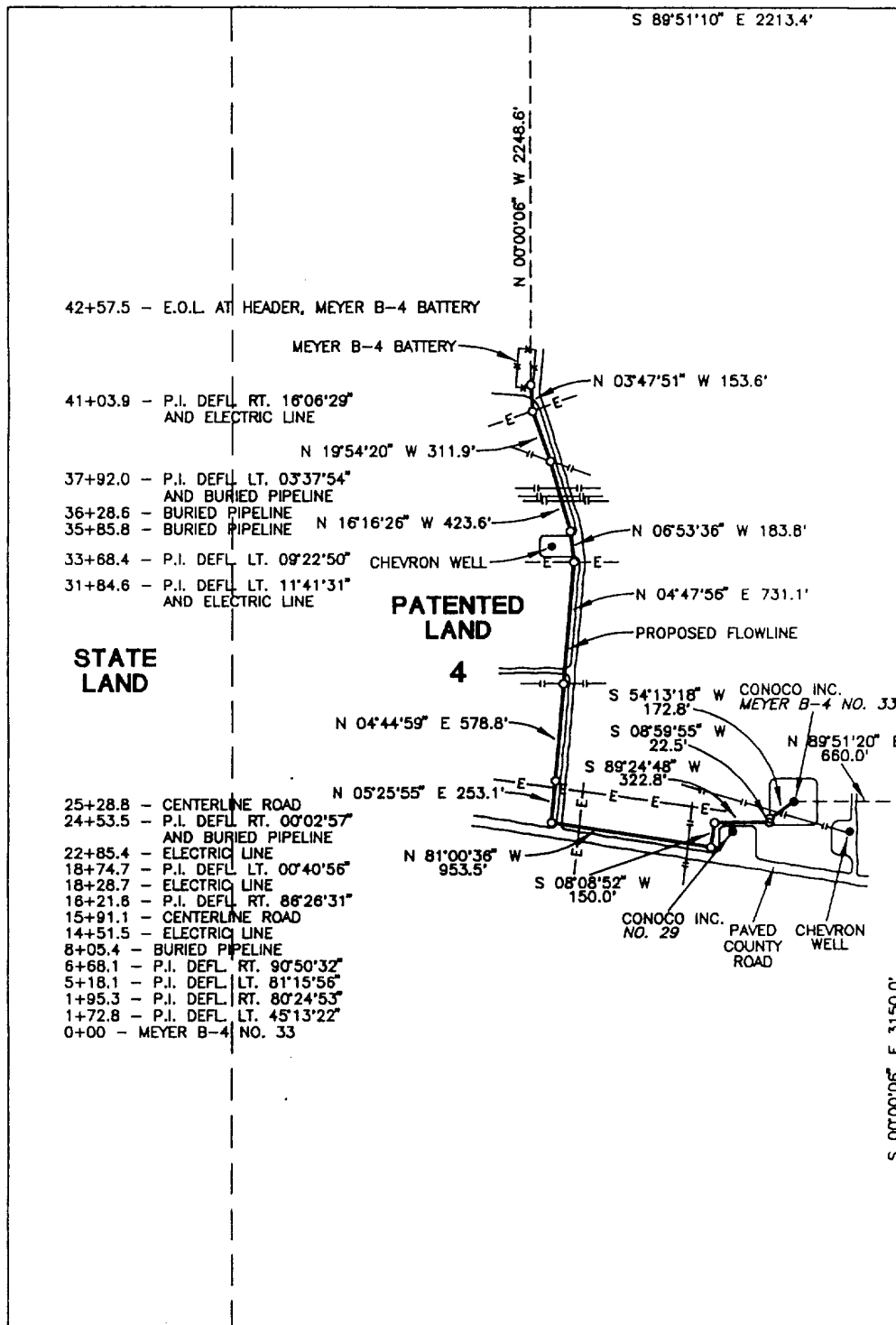
I hereby certify that this plat was prepared from an actual survey made on the ground and meets or exceeds all requirements for land surveys as specified by the state of New Mexico.



Earl Foote
Registered Professional Surveyor
New Mexico Certificate No. 8278

| CONOCO INC. | | |
|---|----------------|-------------------|
| 235.3 feet of proposed electric line in Section 4, T-21-S, R-36-E, N.M.P.M., Lea County, New Mexico | | |
| WEST TEXAS CONSULTANTS, INC. ENGINEERS-PLANNERS-SURVEYORS MIDLAND, TEXAS | | |
| Survey Date: 4-8-98 | Date: 4-17-98 | Scale: 1" = 1000' |
| WTC No. 45238 | Drawn By: R.S. | Sheet 1 of 1 |

SECTION 4, TOWNSHIP 21 SOUTH, RANGE 36 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO



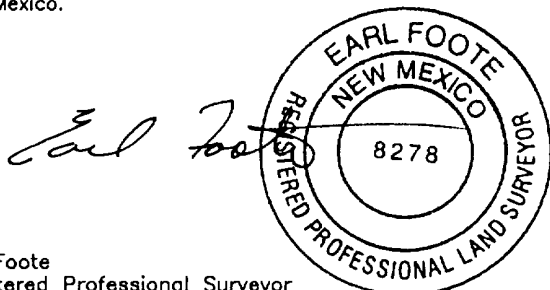
CENTERLINE DESCRIPTION OF A PROPOSED FLOWLINE:

BEGINNING at Conoco Inc. MEYER B-4 No. 33, from which point the southeast corner of Section 4, T-21-S, R-36-E, N.M.P.M., Lea County, New Mexico, bears N 89° 51' 20" E, 660.0 feet and S 00° 00' 06" E, 3150.0 feet;

THENCE with the centerline of proposed flowline as follows: S 54° 13' 18" W, 172.8 feet; S 08° 59' 55" W, 22.5 feet; S 89° 24' 48" W, 322.8 feet; S 08° 08' 52" W, 150.0 feet; N 81° 00' 36" W, 953.5 feet; N 05° 25' 55" E, 253.1 feet; N 04° 44' 59" E, 578.8 feet; N 04° 47' 56" E, 731.1 feet; N 06° 53' 36" W, 183.8 feet; N 16° 16' 26" W, 423.6 feet; N 19° 54' 20" W, 311.9 feet and N 03° 47' 51" W, 153.6 feet to a point at HEADER MEYER B-4 BATTERY, for the end of this line, from which point the northeast corner of said Section 4 bears N 00° 00' 06" W, 2248.6 feet and S 89° 51' 10" E, 2213.4 feet.

PROPOSED FLOWLINE TO SERVE
MEYER B-4 No. 33

I hereby certify that this plat was prepared from an actual survey made on the ground and meets or exceeds all requirements for land surveys as specified by the state of New Mexico.



Earl Foote
Registered Professional Surveyor
New Mexico Certificate No. 8278

CONOCO INC.

4257.5 feet of proposed flowline in
Section 4, T-21-S, R-36-E, N.M.P.M.,
Lea County, New Mexico

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

Survey Date: 4-8-98

Date: 4-17-98

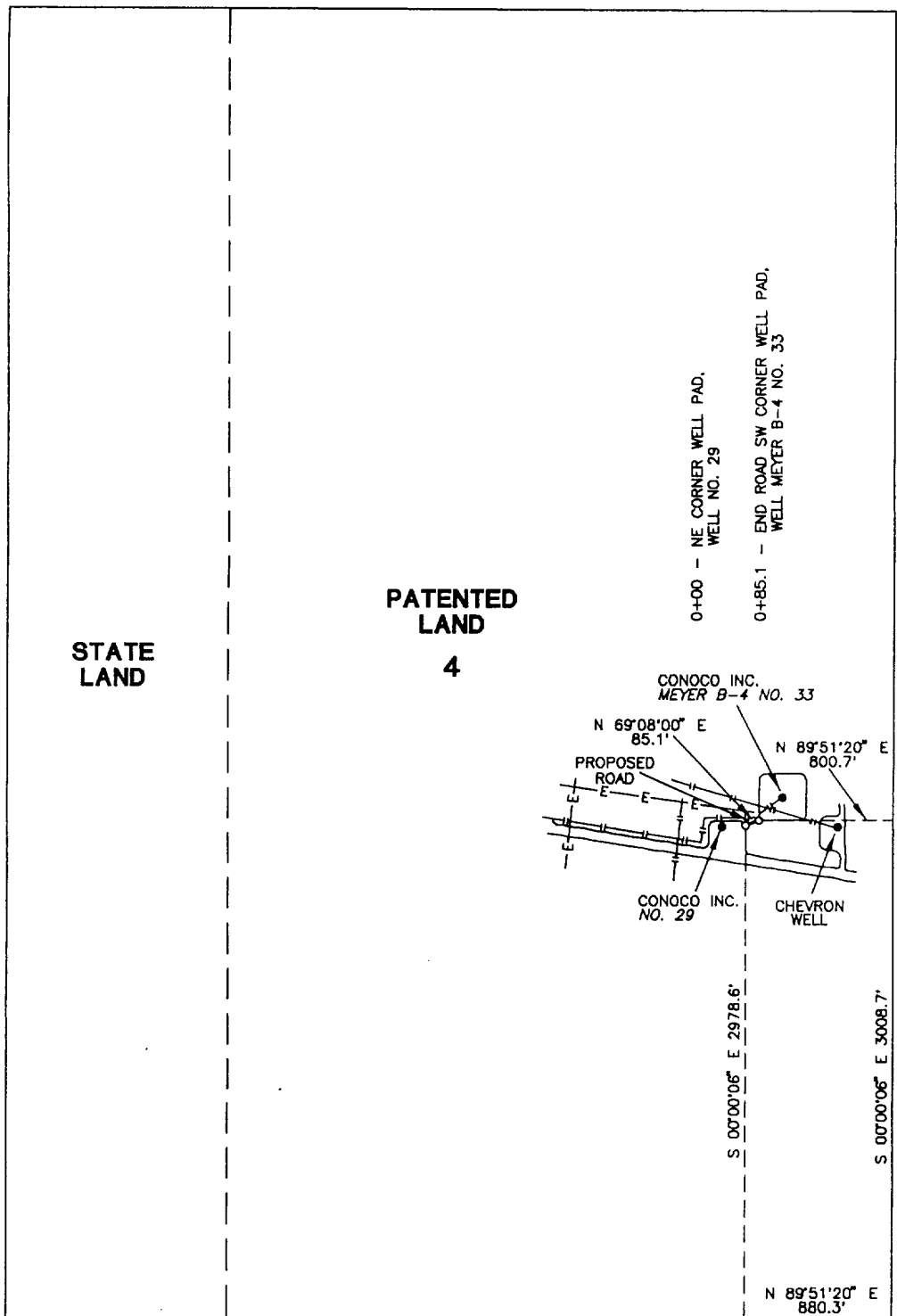
Scale: 1" = 1000'

WTC No. 45238

Drawn By: R.S.

Sheet 1 of 1

SECTION 4, TOWNSHIP 21 SOUTH, RANGE 36 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO



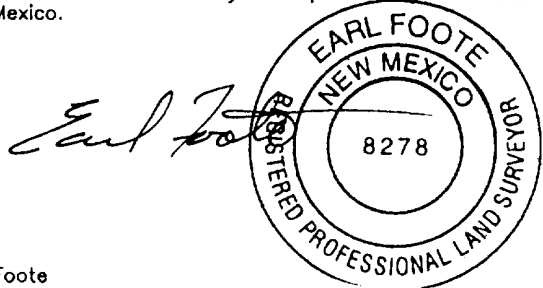
CENTERLINE DESCRIPTION OF A PROPOSED ROAD:

BEGINNING at a point in the northeast corner of a well pad for Conoco Inc. Well No. 29, from which point the southeast corner of Section 4, T-21-S, R-36-E, N.M.P.M., Lea County, New Mexico bears S 00° 00' 06" E, 2978.6 feet and N 89° 51' 20" E, 880.3 feet;

THENCE N 69° 08' 00" E, with the centerline of proposed road, 85.1 feet to a point in the southwest corner of a well pad for Conoco Inc. MEYER B-4 No. 33, for the end of this road, from which point the southeast corner of said Section 4 bears N 89° 51' 20" E, 800.7 feet and S 00° 00' 06" E, 3008.7 feet.

PROPOSED ROAD TO SERVE
MEYER B-4 No. 33

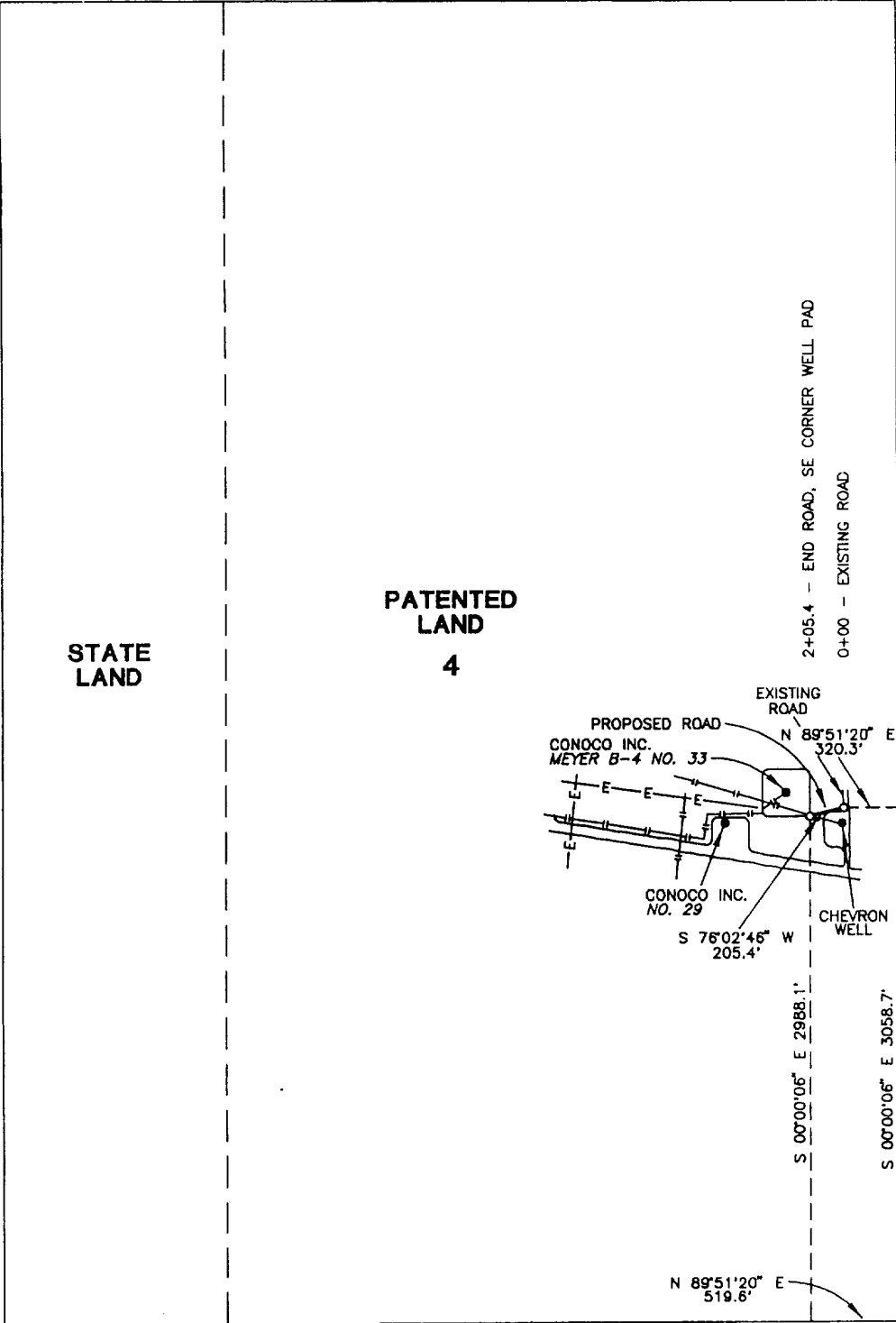
I hereby certify that this plat was prepared from an actual survey made on the ground and meets or exceeds all requirements for land surveys as specified by the state of New Mexico.



Earl Foote
Registered Professional Surveyor
New Mexico Certificate No. 8278

| CONOCO INC. | | |
|---|----------------|-------------------|
| 85.1 feet of proposed road in Section 4, T-21-S, R-36-E, N.M.P.M., Lea County, New Mexico | | |
| WEST TEXAS CONSULTANTS, INC. ENGINEERS-PLANNERS-SURVEYORS MIDLAND, TEXAS | | |
| Survey Date: 4-8-98 | Date: 4-17-98 | Scale: 1" = 1000' |
| WTC No. 45238 | Drawn By: R.S. | Sheet 1 of 1 |

SECTION 4, TOWNSHIP 21 SOUTH, RANGE 36 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO



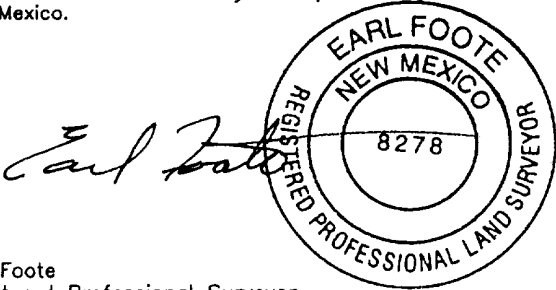
CENTERLINE DESCRIPTION OF A PROPOSED ROAD:

BEGINNING at a point in an existing road, from which point the southeast corner of Section 4, T-21-S, R-36-E, N.M.P.M., Lea County, New Mexico bears N 89° 51' 20" E, 320.3 feet and S 00° 00' 06" E, 3058.7 feet;

THENCE S 76° 02' 46" W, with the centerline of proposed road, 205.4 feet to a point in the southeast corner of a well pad for Conoco Inc. MEYER B-4 No. 33, for the end of this road, from which point the southeast corner of said Section 4 bears S 00° 00' 06" E, 2988.1 feet and N 89° 51' 20" E, 519.6 feet.

PROPOSED ROAD TO SERVE
MEYER B-4 No. 33

I hereby certify that this plat was prepared from an actual survey made on the ground and meets or exceeds all requirements for land surveys as specified by the state of New Mexico.



Earl Foote
Registered Professional Surveyor
New Mexico Certificate No. 8278

CONOCO INC.

205.4 feet of proposed road in
Section 4, T-21-S, R-36-E, N.M.P.M.,
Lea County, New Mexico

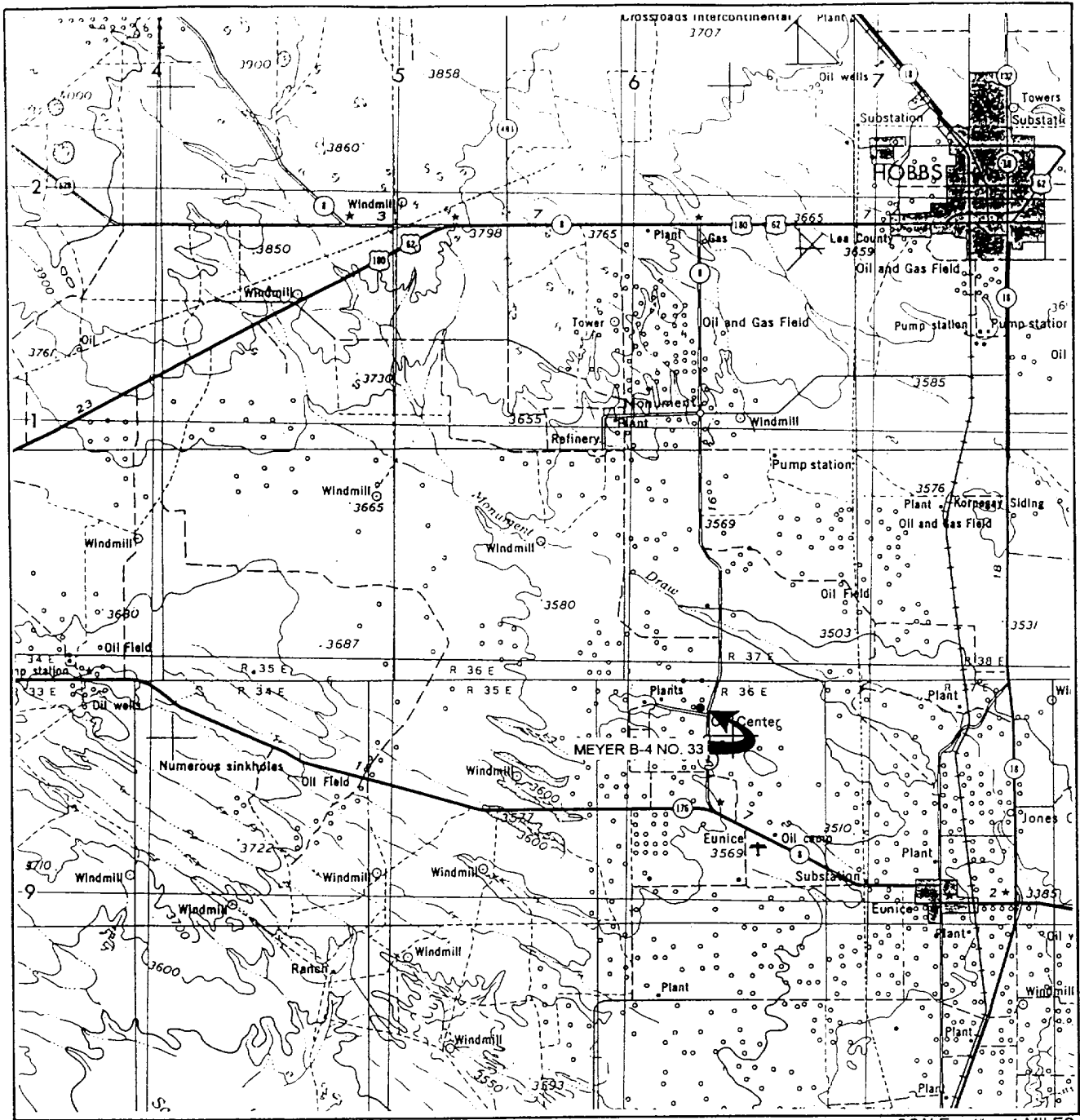
WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

| | | |
|---------------------|----------------|-------------------|
| Survey Date: 4-8-98 | Date: 4-17-98 | Scale: 1" = 1000' |
| WTC No. 45238 | Drawn By: R.S. | Sheet 1 of 1 |

VICINITY MAP



SCALE: 1" = 4 MILES

WTC 45238

SEC. 4 TWP. 21-S RGE. 36-E

SURVEY N.M.P.M

COUNTY LEA STATE NM

DESCRIPTION 3150' FSL & 660' FEL

ELEVATION 3559'

OPERATOR CONOCO INC.

LEASE MEYER B-4 NO. 33

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

915-685-3800

WTC 45238

CONTOUR INTERVAL 5'

SEC. 4 TWP. 21-S RGE. 36-E

SURVEY N.M.P.M

COUNTY _____ LEA _____ STATE _____ NM _____

DESCRIPTION 3150' FSL & 660' FEL

ELEVATION 3559'

OPERATOR CONOCO INC.

LEASE MEYER B-4 NO. 33

USGS TOPO MAP EUNICE, N.M.; MONUMENT SOUTH, N.M.;
OIL CENTER, N.M. AND HOBBS SW, NEW MEXICO

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

915-685-3800

SURFACE USE PLAN
Conoco Inc.

Meyer B-4 No. 33

The following is required information concerning the possible affect 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 of this plan.

1. Existing Roads

A. The proposed well site is 3150' FSL & 660' FEL, Sec. 4, T21S, R36E, Lea County, New Mexico.

B. Directions to the location are as follows:

Travel 4.6 miles west of Hobbs to Hwy 8; turn south and travel 11.5 miles to County Road 175; turn west and travel 200'; turn north to location.

C. No improvement or maintenance is anticipated for the existing roads.

2. Planned Access Roads

A. 290.5' (+/-) access road will be required.

B. Turnouts as required by Surface Management Agency.

C. Culverts as required by Surface Management Agency.

D. Gates, cattleguards, or fences as required 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, flowline and access road as shown on attached plats.

5. Water Supply

Fresh and brine water will be obtained from Goldstar's Water Station located 1 mile north of Eunice, NM. on Loop 18, 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 the NE/4 NW/4, Sec. 31, T20S, R37E, Lea County, NM.

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 surface ownership is Millard Deck Estate.

12. Archeological Clearance

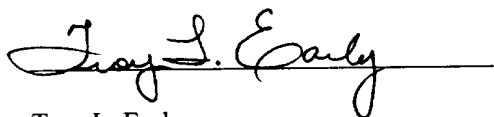
The archeological survey has been conducted and clearance received.

13. Operator's Representative and Certification

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

Troy L. Early
10 Desta Drive, Suite 430E
Midland, Texas 79705
(915) 686-5579

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.

A handwritten signature in cursive script, reading "Troy L. Early", written over a horizontal line.

Troy L. Early
Right-of-Way Agent

A handwritten date "5-1-98" written over a horizontal line.

Date

WELLSITE LAYOUT

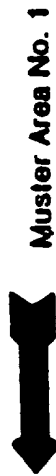


H2S Safety Contractor

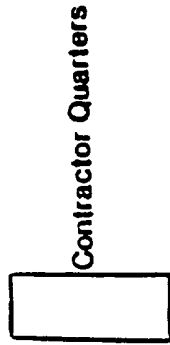
Terrain is flat, and covered with native grass
Two of the three WDI (wind direction indicator) locations will be utilized
(Prevailing winds are SW to



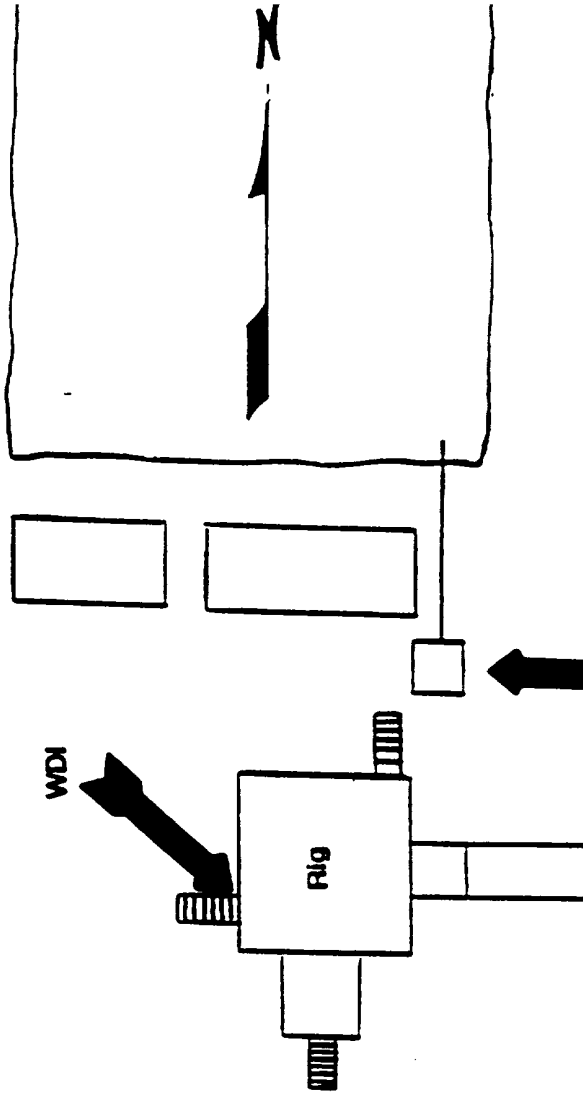
Conoco Quarters



Muster Area No. 1



Contractor Quarters



Choke Manifold



Muster Area No. 2

WDI

TRAILER - MOUNTED RIG LAYOUT

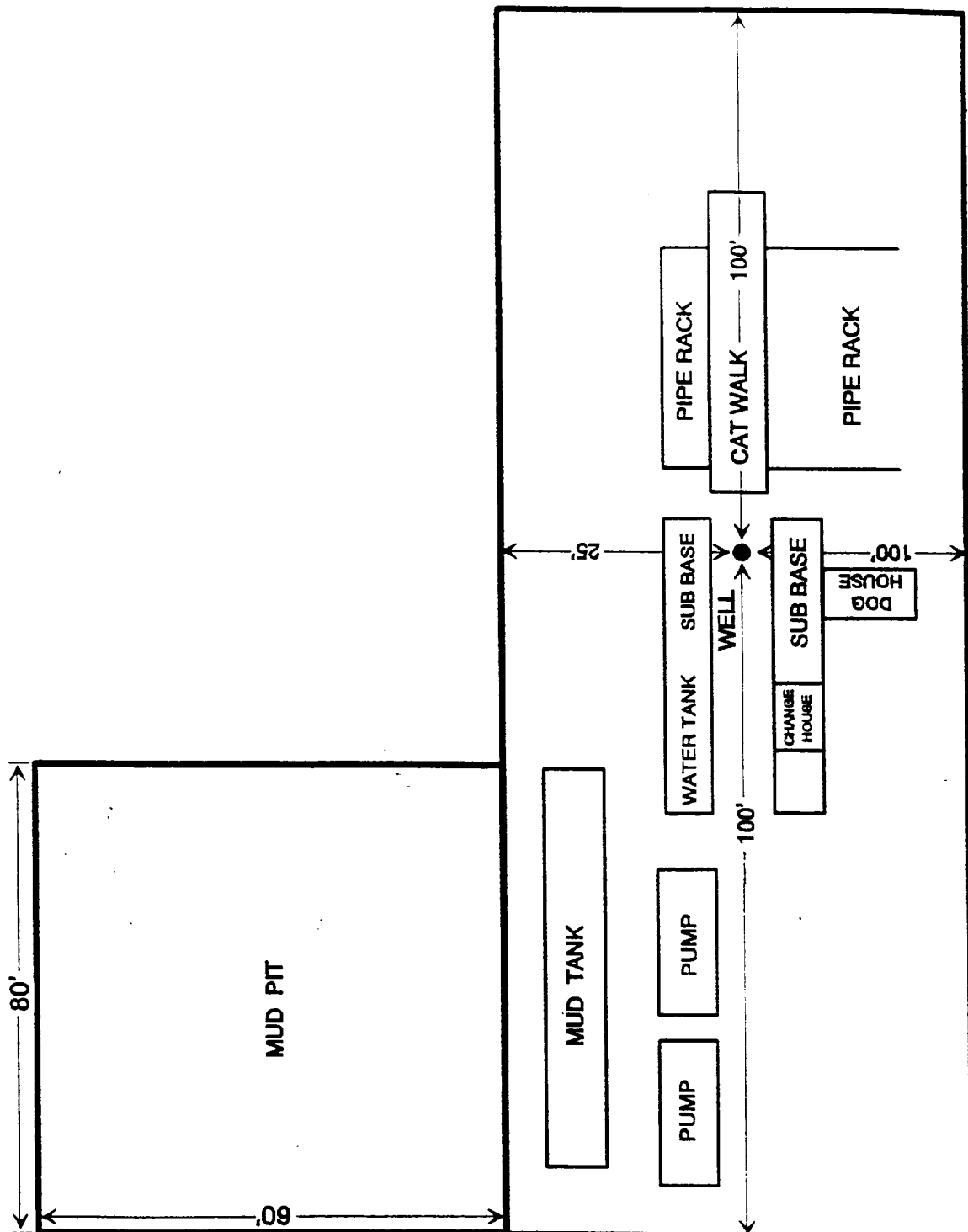
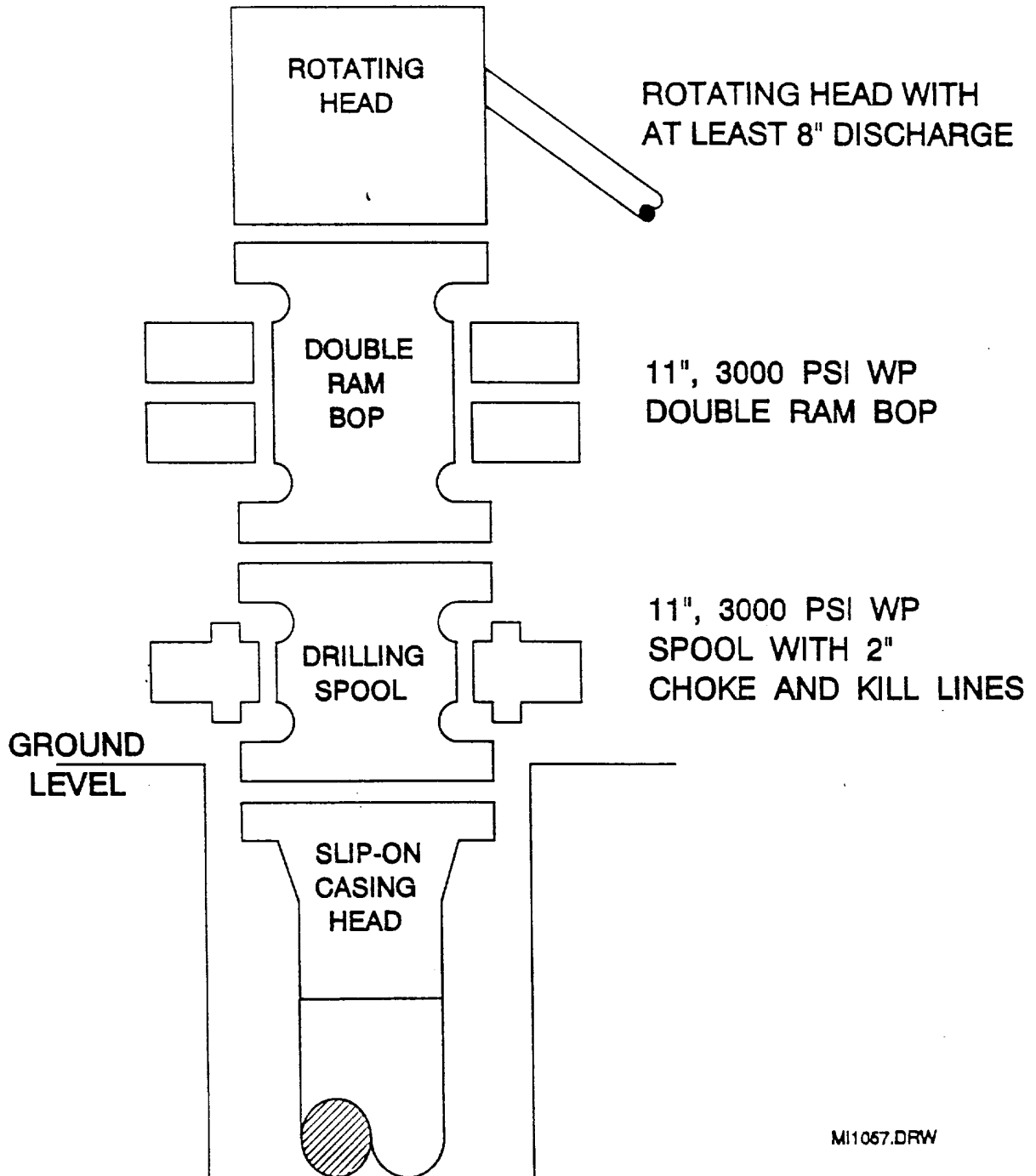


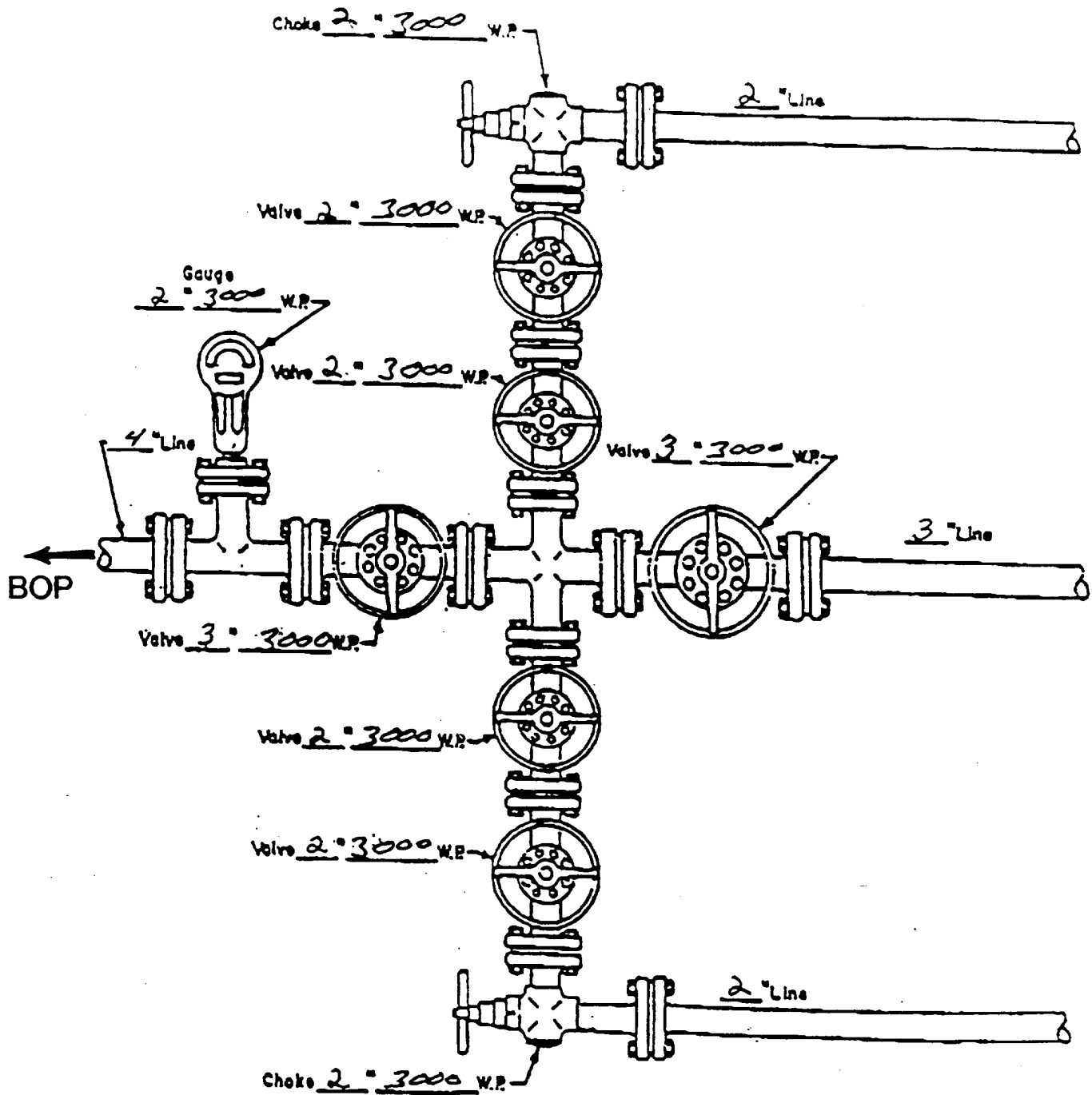
EXHIBIT D

BOP SPECIFICATIONS



MI1057.DRW

CHOKE MANIFOLD DIAGRAM



MANIFOLD
3000 #W.P.

- ☒ Manual
- ☐ Hydraulic

H2S DRILLING OPERATIONS PLAN

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 high tensile strength tubulars are to be used.
2. Corrective action and shut-down 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 safety equipment will be on location:

- A. Wind direction indicators as seen in attached diagram.
- B. Automatic H₂S detection alarm equipment (both audio and visual).
- C. Clearly visible warning signs as seen on the attached diagram. Signs will use the words "POISON GAS" and "CAUTION" with a strong color contrast.
- D. Protective breathing equipment will be located in the dog house and at briefing areas as seen in the attached diagram.

2. Well Control Systems

A. Blowout Prevention Equipment

Equipment includes but is not limited to:

- a. pipe rams to accomodate all pipe sizes
- b. blind rams
- c. choke manifold
- d. closing unit
- e. 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 or mobile 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

There are no drill stem tests proposed for this well.

III. WELL SITE DIAGRAM

A complete well site diagram including the following information is attached:

- 1. Rig orientation
- 2. Terrain
- 3. Briefing areas
- 4. Ingress and egress
- 5. Pits and flare lines
- 6. Caution and danger signs
- 7. Wind indicators and prevailing wind direction

Received
Hobbs
OCD



Troy L. Early
Right of Way Agent
Right of Way and Claims

Conoco Inc.
10 Desta Dr., Suite 430E
Midland, Texas 79705
(915) 686-5579

May 1, 1998

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

Attn: Barry Hunt,
Surface Protection Specialist

Re: Settlement For Well Location and Appurtenances
Meyer B-4 No. 33
Sec. 4, T-21-S, R-36-E,
Lea County, New Mexico

Dear Mr. Hunt:

Settlement has been made with the Private Surface Owner and/or Grazing Lessee for the mentioned reference.

If you have any questions, please contact me at 915-686-5579.

Sincerely,

A handwritten signature in cursive script that reads "Troy L. Early".

Troy L. Early