

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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.

3. 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

K 1330' FSL & 1330' FWL

At proposed prod. zone

1330' FSL & 1330' FWL

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

5. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drilg. 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

6850'

20. ROTARY OR CABLE TOOLS

Rotary

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

3552' GR

22. APPROX. DATE WORK WILL START\*

3/31/98

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#	1400'	WITNESS 565 sxs, circ.
7-7/8"	K-55, 5-1/2"	17#	6850'	WITNESS 80 sxs, circ.

It is proposed to drill a vertical wellbore as a Blinbry-Tubb Oil & Gas producer. NOS was filed 2/23/98. The well will be drilled and equipped according to the following additional attachments:

1. Well Location & 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, access road 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.

24.

SIGNED

*Jo Ann Johnson*

TITLE

Jo Ann Johnson  
Property Analyst

DATE

3-11-98

(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

*John A. Johnson*

TITLE

John A. Johnson  
BLM MINERALS

DATE

4-16-98

\*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

*API Number 30-025-34369		*Pool Code 62965	*Pool Name Warren Blinebry-Tubb Oil & Gas
*Property Code 003127	*Property Name WARREN UNIT B-T		*Well Number 306
*OGRID No. 005073	*Operator Name CONOCO INC.		*Elevation 3552'

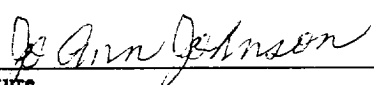
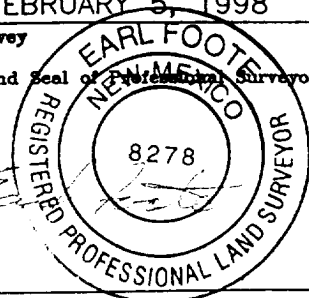
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	26	20-S	38-E		1330	SOUTH	1330	WEST	LEA

<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
*Dedicated Acres 40		*Joint or Infill 1	*Consolidation Code		*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

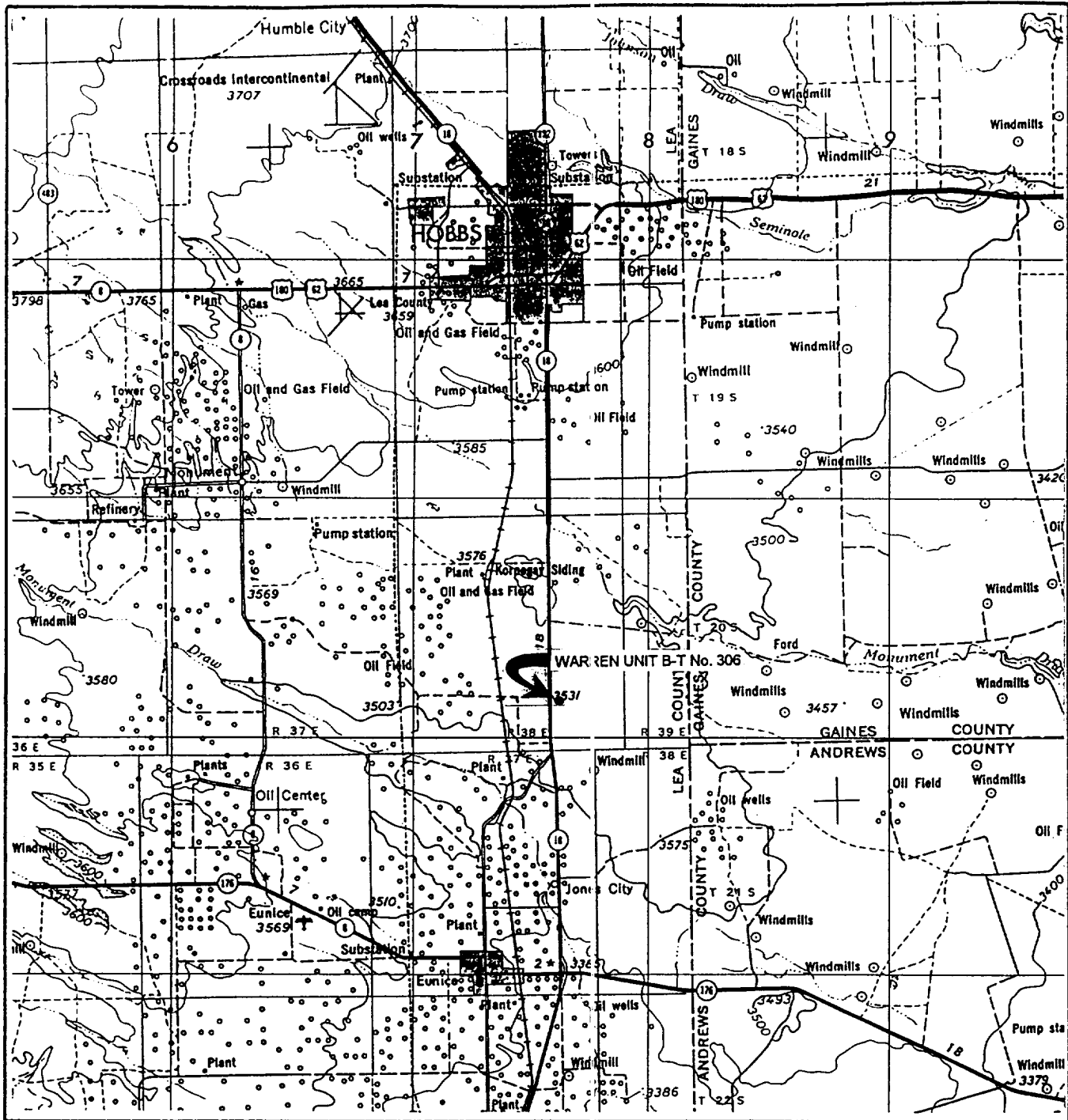
16				17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>   Signature Jo Ann Johnson Printed Name Property Analyst Title 3/11/98 Date
				18 SURVEYOR CERTIFICATION <i>I hereby certify that the well location 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>  FEBRUARY 5, 1998 Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number 8278

1330'

1330'

LAT.=32°32'25"  
LONG.=103°07'24"

# VICINITY MAP



WTC 45166

SCALE: 1" = 4 MILES

SEC. 26 TWP. 20-S RGE. 38-E

SURVEY N.M.P.M

COUNTY LEA STATE NM

DESCRIPTION 1330' FSL & 1330' FWL

ELEVATION 3552'

OPERATOR CONOCO INC.

LEASE WARREN UNIT B-T NO. 306

**WEST TEXAS CONSULTANTS, INC.**

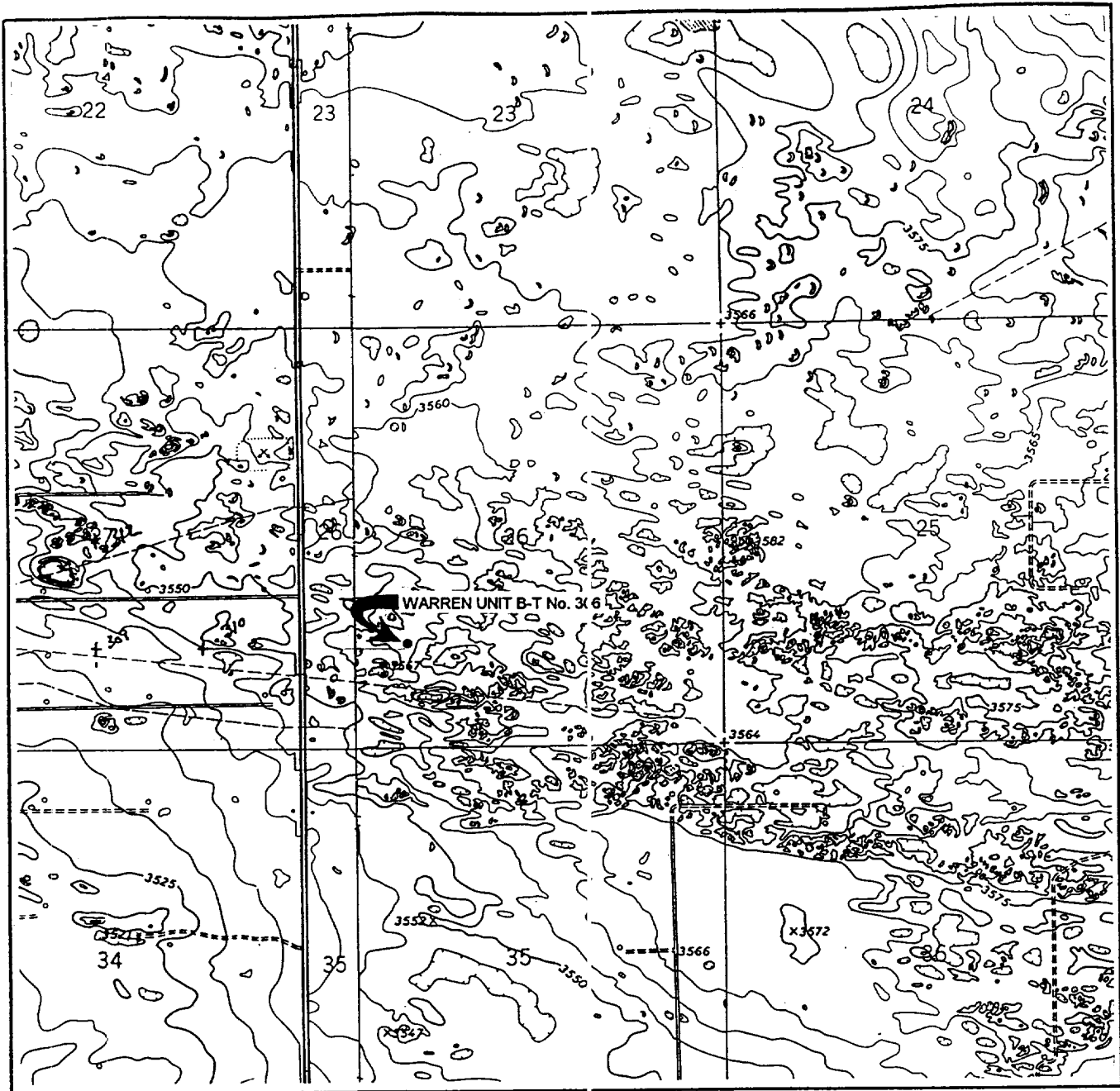
ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

915-685-3800

APR 1998  
Received  
HARRIS  
000

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'  
WTC 45166

CONTOUR INTERVAL 5'

SEC. 26 TWP. 20-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA STATE NM

DESCRIPTION 1330' FSL & 1330' FWL

ELEVATION 3552'

OPERATOR CONOCO INC.

LEASE WARREN UNIT B-T NO. 306

USGS TOPO MAP HOBBS SW, NEW MEXICO - HOBBS SE  
TEXAS-NEW MEXICO

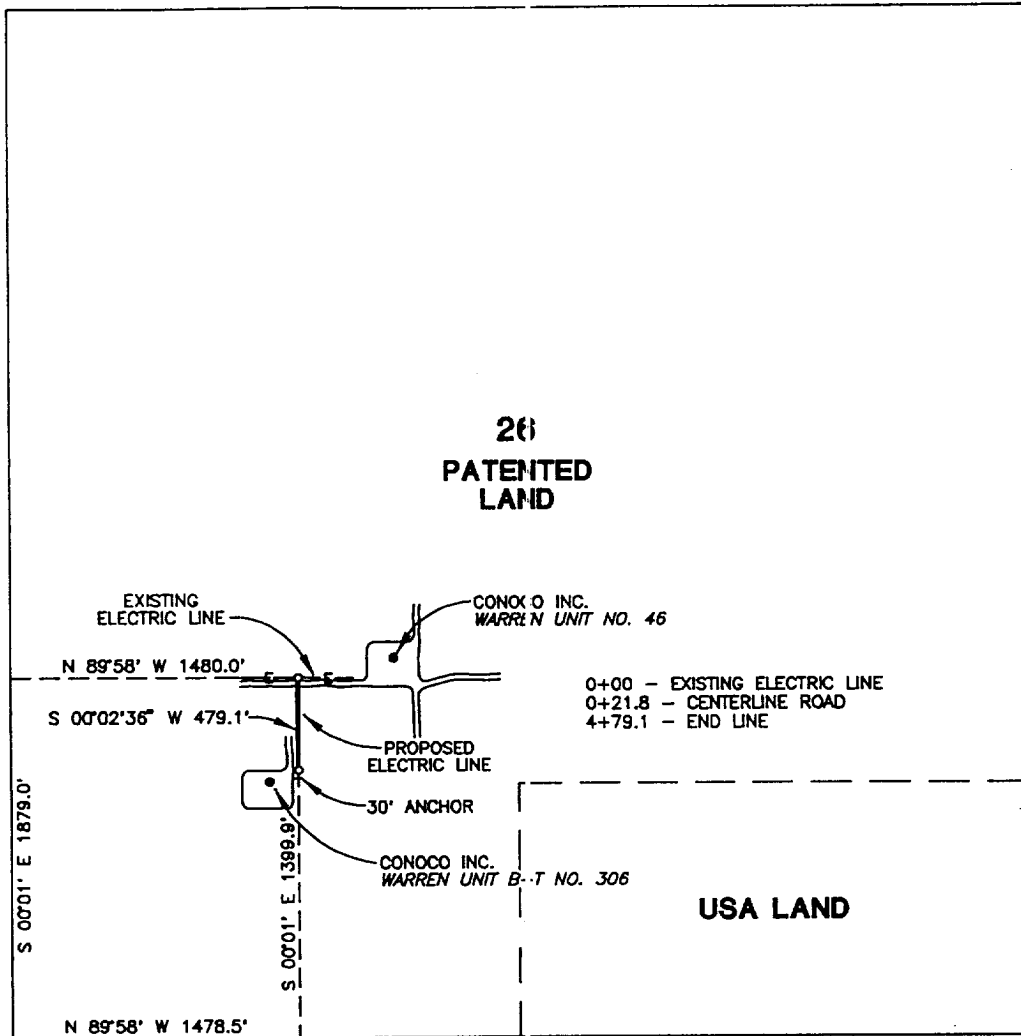
**WEST TEXAS CONSULTANTS, INC.**

**ENGINEERS-PLANNERS-SURVEYORS**

**MIDLAND, TEXAS**

**915-685-3800**

SECTION 26, TOWNSHIP 20 SOUTH, RANGE 38 EAST, N.M.P.M.  
LEA COUNTY, NEW MEXICO

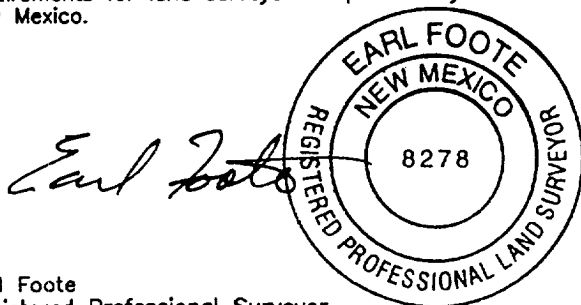


CENTERLINE DESCRIPTION OF A PROPOSED ELECTRIC LINE:

BEGINNING at a point in an existing electric line, from which point the southwest corner of Section 26, T-20-S, R-38-E, N.M.P.M., Lea County, New Mexico bears N 89° 58' W, 1480.0 feet and S 00° 01' E, 1879.0 feet;

THENCE S 00° 02' 36" W, with the centerline of proposed electric line, 479.1 feet to a point for the end of this line, from which point an anchor easement bears S 00° 02' 36" W, 30.0 feet and the southwest corner of Section 26 bears S 00° 01' E, 1399.9 feet and N 89° 58' W, 1478.5 feet.

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

PROPOSED ELECTRIC LINE TO SERVE  
WARREN UNIT B-T WELL No. 306

CONOCO INC.

479.1 feet of proposed electric line in  
Section 26, T-20-S, R-38-E, N.M.P.M.,  
Lea County, New Mexico

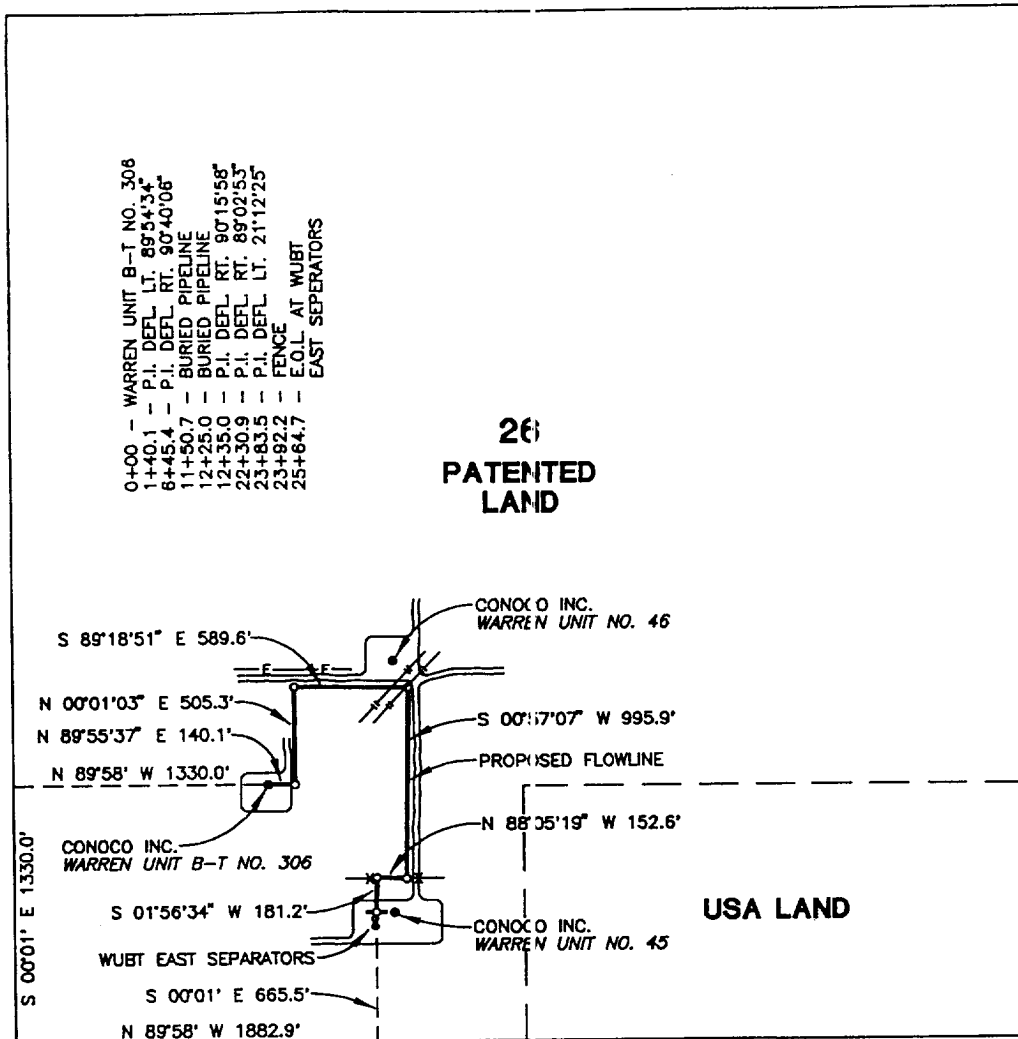
WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

Survey Date: 2-5-98	Date: 3-4-98	Scale: 1" = 1000'
WTC No. 45166	Drawn By: R.S.	Sheet 1 of 1

SECTION 26, TOWNSHIP 20 SOUTH, RANGE 38 EAST, N.M.P.M.  
LEA COUNTY, NEW MEXICO



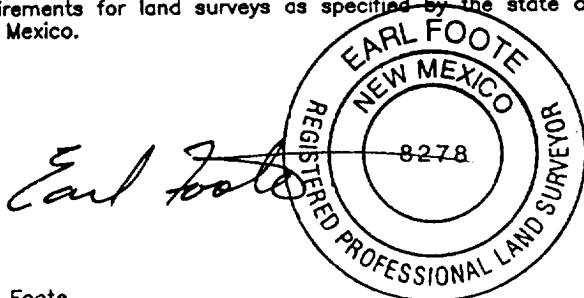
CENTERLINE DESCRIPTION OF A PROPOSED FLOWLINE:

BEGINNING at Conoco Inc. WARREN UNIT B-T WELL No. 306, from which point the southwest corner of Section 26, T-20-S, R-38-E, N.M.P.M., Lea County, New Mexico bears N 89° 58' W, 1330.0 feet and S 00° 01' E, 1330.0 feet;

THENCE with the centerline of proposed flowline as follows: N 89° 55' 37" E, 140.1 feet; N 00° 01' 03" E, 505.3 feet; S 89° 18' 51" E, 589.6 feet; S 00° 57' 07" W, 995.9 feet; N 88° 05' 19" W, 152.6 feet and S 01° 56' 34" W, 181.2 feet to a point at WUBT EAST SEPARATORS, for the end of this line, from which point the southwest corner of Section 26 bears S 00° 01' E, 665.5 feet and N 89° 58' W, 1882.9 feet.

PROPOSED FLOWLINE TO SERVE  
WARREN UNIT B-T WELL No. 306

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.

2564.7 feet of proposed flowline in  
Section 26, T-20-S, R-38-E, N.M.P.M.,  
Lea County, New Mexico

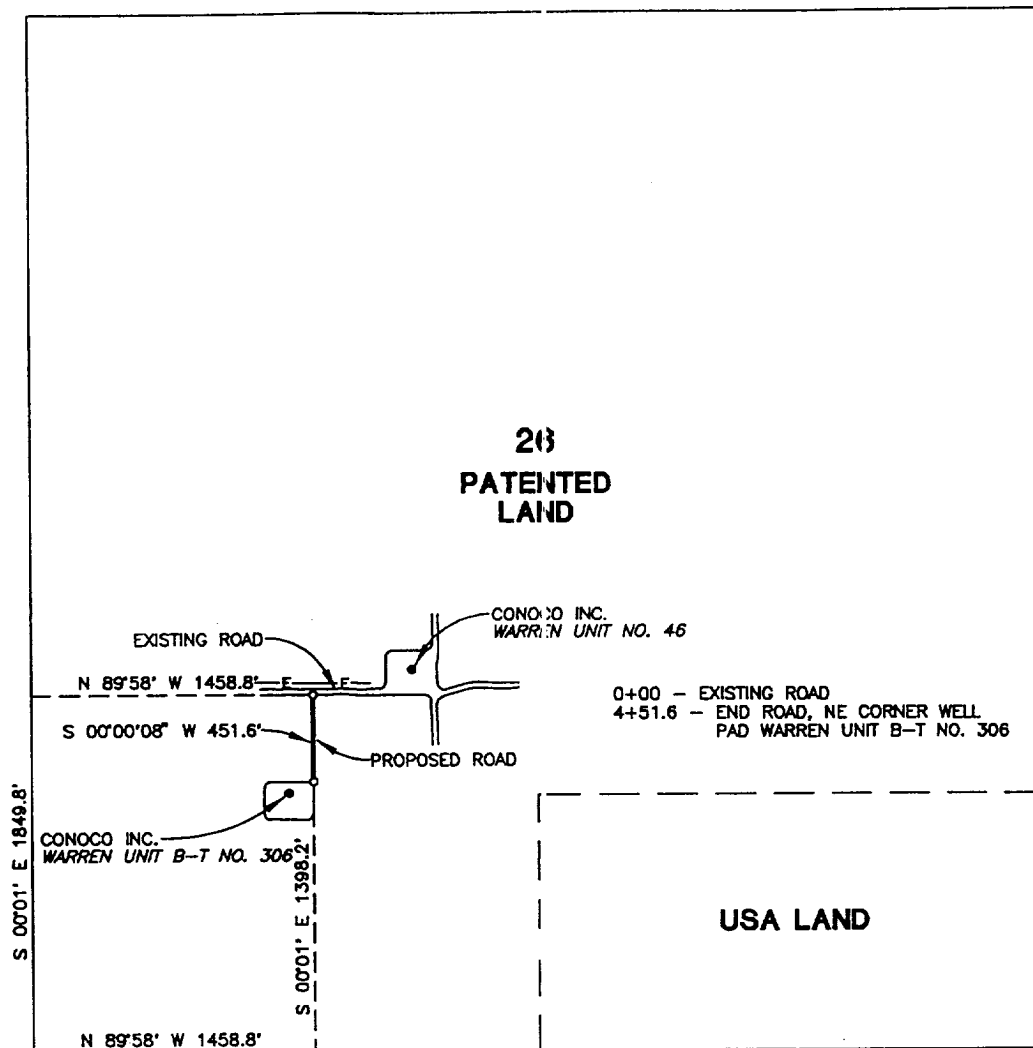
WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

Survey Date: 2-5-98	Date: 3-4-98	Scale: 1" = 1000'
WTC No. 45166	Drawn By: R.S.	Sheet 1 of 1

SECTION 26, TOWNSHIP 20 SOUTH, RANGE 38 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 southwest corner of Section 26, T-20-S, R-38-E, N.M.P.M., Lea County, New Mexico, bears N 89° 58' W, 1458.8 feet and S 00° 01' E, 1849.8 feet;  
THENCE S 00° 00' 08" W, with the centerline of proposed road, 451.6 feet to a point in the northeast corner of well pad for Conoco Inc. WARREN UNIT B-T WELL No. 306, for the end of this line, from which point the southwest corner of Section 26 bears S 00° 01' E, 1398.2 feet and N 89° 58' W, 1458.8 feet.

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.



PROPOSED ROAD TO SERVE  
WARREN UNIT B-T WELL No. 306

CONOCO INC.

451.6 feet of proposed road in  
Section 26, T-20-S, R-38-E, N.M.P.M.,  
Lea County, New Mexico

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

Survey Date: 2-5-98	Date: 3-4-98	Scale: 1" = 1000'
WTC No. 45166	Drawn By: R.S.	Sheet 1 of 1



# PROPOSED WELL PLAN OUTLINE

GL = 3532'

WELL NAME **Warren Unit No. 306**  
LOCATION **1330' FSL & 1330' FWL S26-T20S-R38E**

ALL DEPTHS ARE  
BELOW GROUND LEVEL

TVD	MD	FORMATION	DRILLING PROBLEMS & COMMENTS	FORMATION EVALUATION	HOLE SIZE	CASING PROGRAM	FRAC GRAD	FORMATION PRESSURE GRADIENT	MUD WEIGHT & TYPE	DAYS
0	0		Possible hole enlargement and sloughing		12-1/4"				Spud	
1000	1000					8-5/8", 23#, M-50 ST&C @ 1400'		Less than 8.3		1
		Fluettier @ 1300'				565 sx. Circulate Cement				
		Top Salt @ 1400'	Washouts in Salt Section		7-7/8"				10 ppg Brine	2
2000	2000							Less than 8.4		
		Base Salt @ 2800'								
		Yates @ 2822'	Possible Deviation							
3000	3000	7. Rivers @ 3090'								
		Queen @ 3650'		H2S Monitor on at : 500'						
		Parrose @ 3800'		No Mud Log						
		Grayburg @ 3995'								
4000	4000	San Andree @ 4270'	Possible losses and seepage to TD			Mud up with Gel-Starch if necessary to control losses.				
5000	5000	Glorieta @ 5510'	Possible differential sticking through Glorieta							7
		Blinberry @ 5896'				Top Tail Cement @ 5700				
6000	6000	Tubb Mrr @ 6448'								
									Starch"-alt gel	16
		Drinkard @ 6738'		GR-CAL-CNL-FDC: ALL-DLL-PE		5-1/2", 17#, K-55, LT&C				
7000	7000	TD @ 6850'		2800' - TD		@ 6850' 1280 sx. Circulate Cement				
8000	8000									

*Jim Tietema*  
Jim Tietema, Staff Engineer

4-Mar-98

*Tim Schneider*  
Tim Schneider, Production Engineer

4-Mar-98

*Joe Miller*  
Joe Miller, Reservoir Engineer

4-Mar-98



**Well Name** : Warren Unit #306

**Location** : 1330' FSL & 1330' FWL, Sec 26, T-20S, R-38E, Lea County, New Mexico

**Casing Program** :

**Surface** 8 5/8" casing in 12 1/4" Hole at 1400 ft.  
**Production** 5 1/2" casing in 7 7/8" Hole at 6850 ft.

**Cementing Program** :

**Surface**

**Lead** 365 sacks Class C  
**Additives** 35:65:6 (Poz:Cem:Gel) + 2% CACL2  
+ 0.25 pps Cello-Flake  
**Mixed at** 12.7 ppg **Yield** 1.87 cuft/sk

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

**Production**

**Lead** 1020 sacks Class C  
**Additives** 16% Gel + 0.4% CD-32 + 0.2% SMS  
**Mixed at** 12 ppg **Yield** 2.68 cuft/sk

**Tail** 260 sacks Class C  
**Additives** 1.1% FL-62 + 1% BA-58 + 3% Salt + 0.3% CD-32  
+ 0.2% SMS  
**Mixed at** 14.8 ppg **Yield** 1.37 cuft/sk  
**Free Water** 0 % **Fluid Loss** 45 cc/30 min.

## **SURFACE USE PLAN**

**Cor oco Inc.**

### **Warren Unit B-T #306**

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 1330' FSL & 1330' FWL, Sec. 26, T20S, R38E
- B. Directions to the location are as follows:

South of Hobbs on Hwy. 18 to ½ mile south of Mile Marker #39; turn east and travel ½ mile; turn north and travel ½ mile; turn west and travel ¼ mile; then turn north to location.

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

2. Planned Access Roads

- A. 451.6' of new access road will be required.
- B. Turnouts as required by surface managing agency.
- C. Culverts as required by surface managing agency.
- D. Gates, cattleguards, or fences as required by surface managing agency.

3. Topographic Map and Well Location

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

4. Additional Rights-of-Way

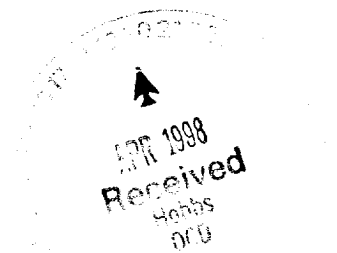
Electric line, access road and flowline as shown on attached plats.

5. Water Supply

Fresh and brine water will be obtained from Goldstar's Water Station located 1 mile north of Eunice, NM, 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 SE/4 SE/4, Sec. 15, T20S, R38E, 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 Robert A. McCasland and Dallas M. McCasland.

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**  
**10 Desta Drive, Suite 430E**  
**Midland, Texas 79705**  
**(915) 686-5794**

APR 1998  
Received  
Hobbs  
OCD

*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*  
*LM*

Mike L. Mankin  
Right-of-Way Agent

*3-11-98*

Date





WELLSITE LAYOUT

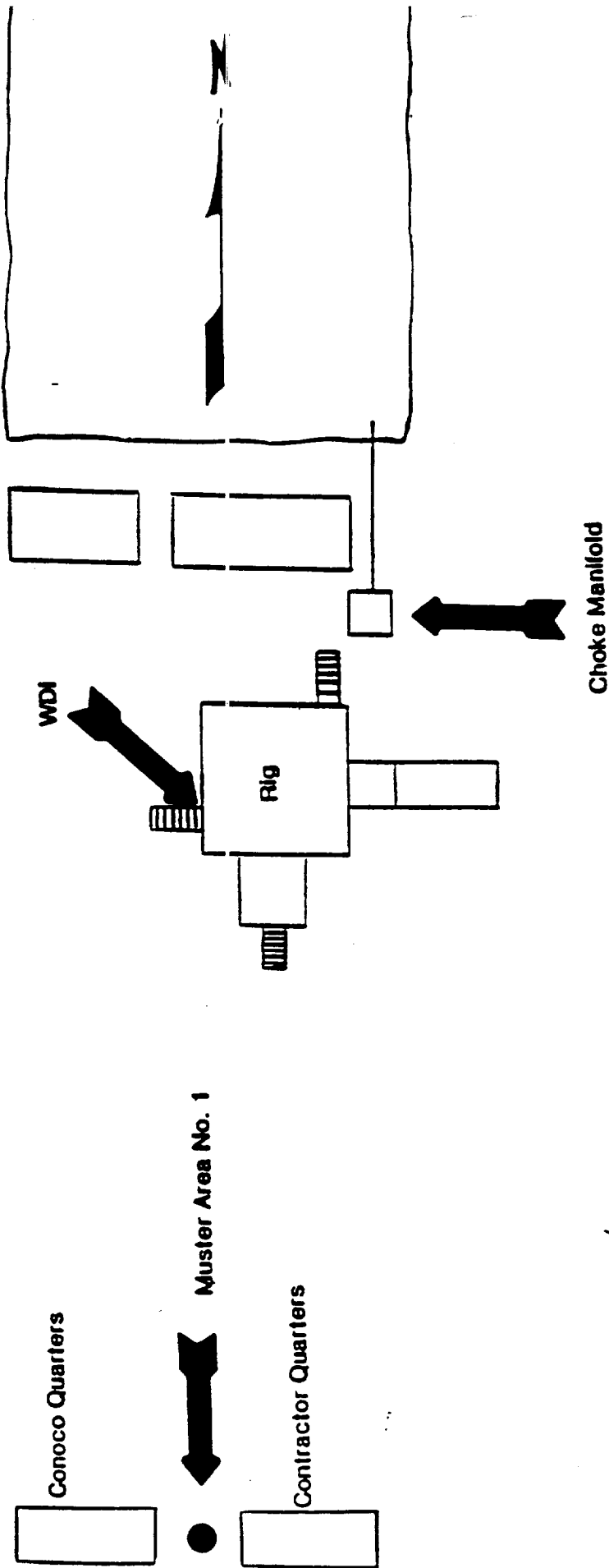


WDI



H2S Safety Contractor

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



Muster Area No. 2  
WDI





# TRAILER - MOUNTED RIG LAYOUT

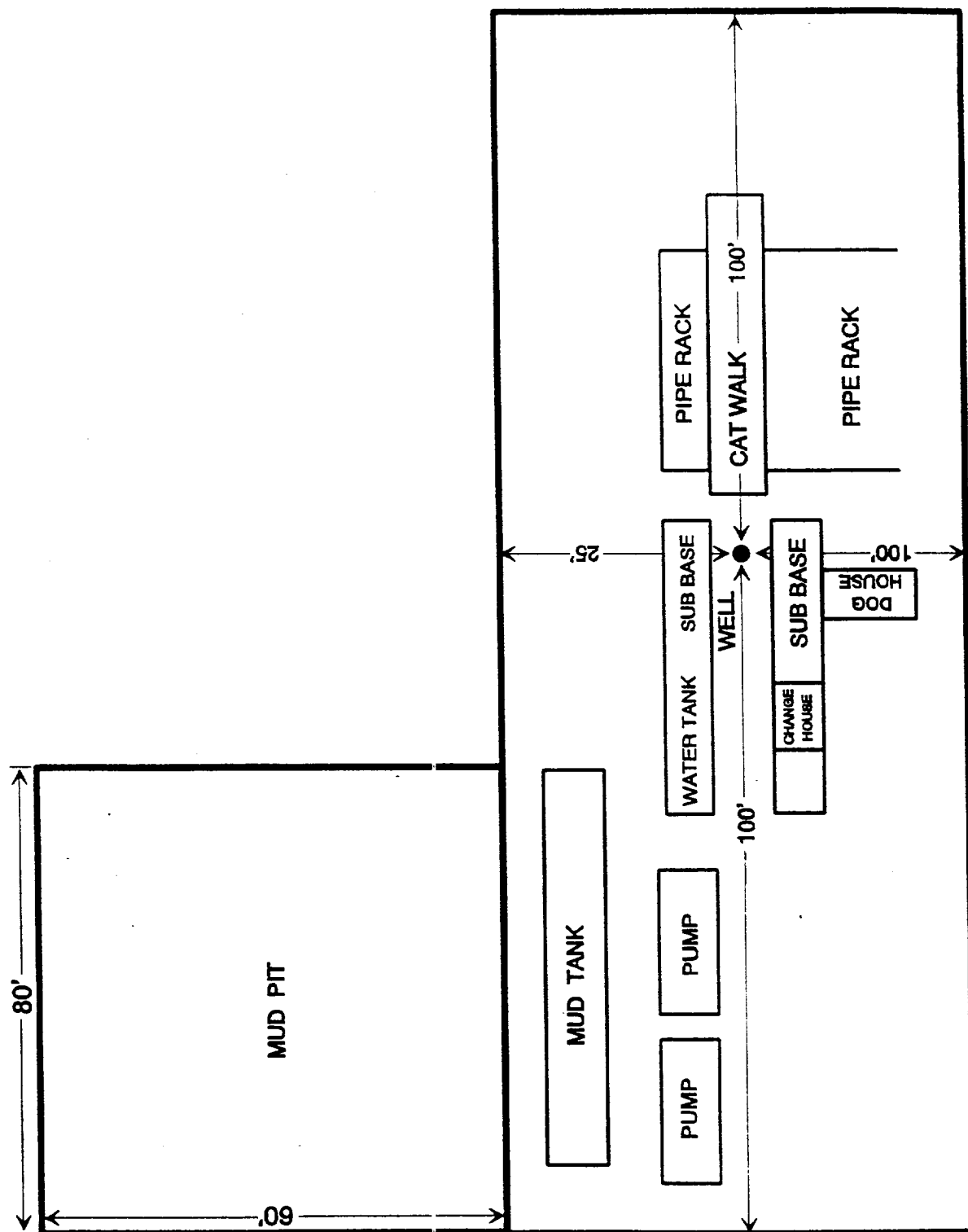
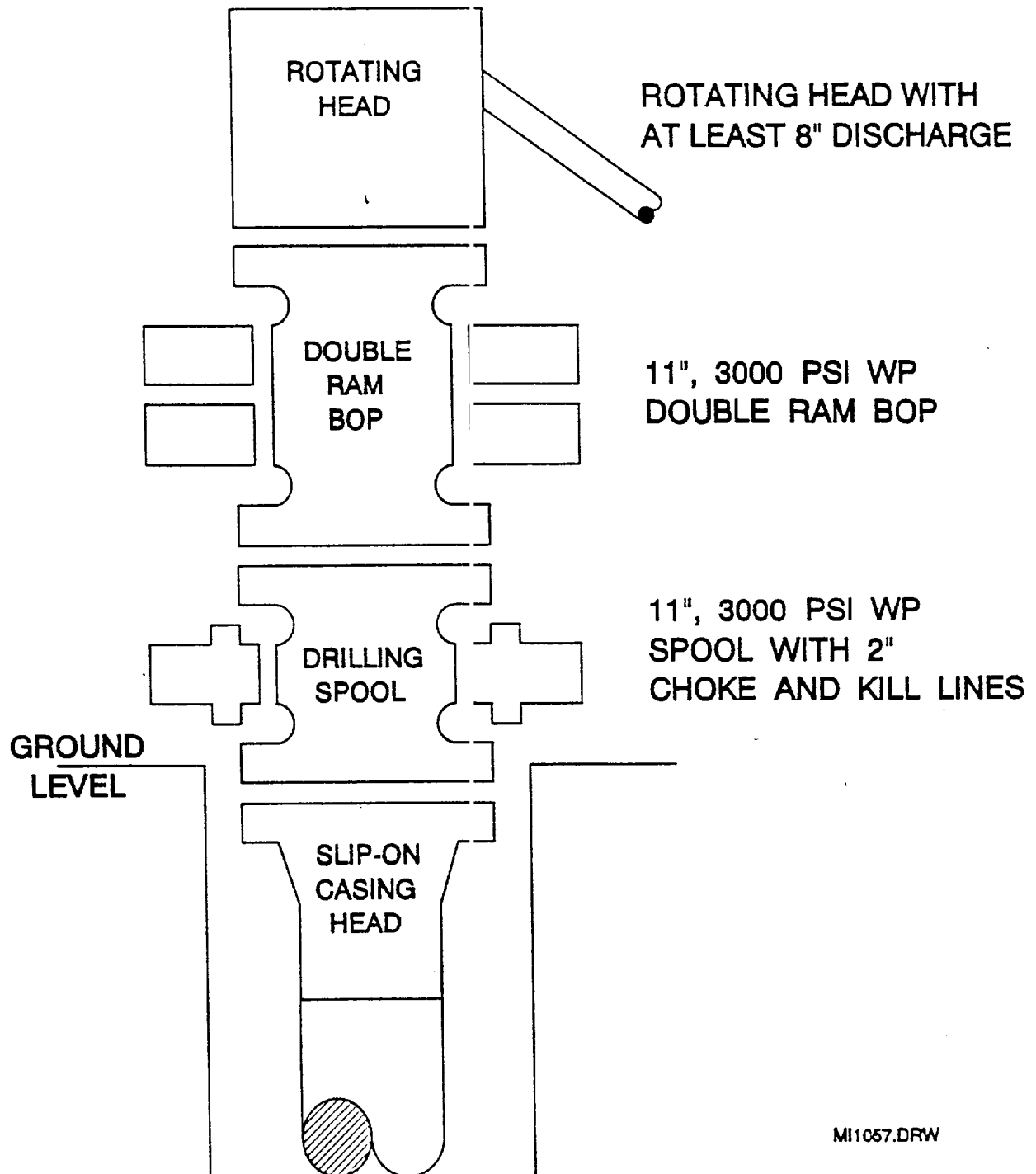


EXHIBIT D



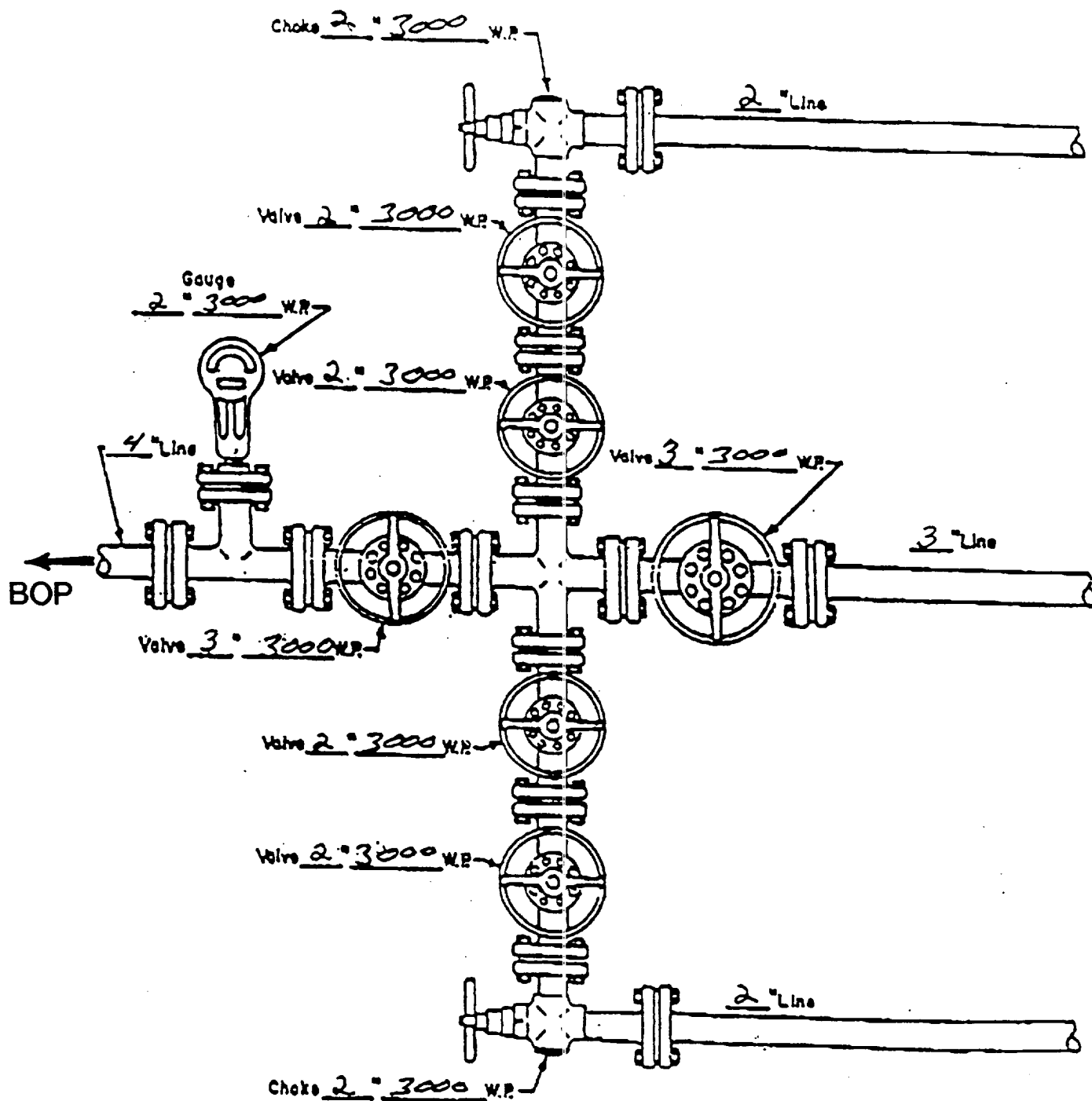
# BOP SPECIFICATIONS



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 (H<sub>2</sub>S)
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 H<sub>2</sub>S 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.

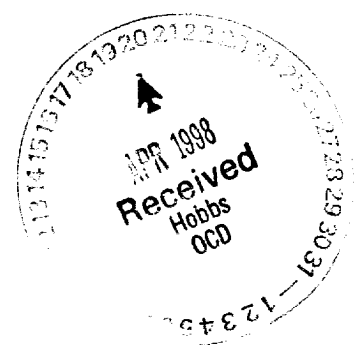
All personnel will be required to carry documentation of the above training on their person.

### **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 H<sub>2</sub>S 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 H<sub>2</sub>S circulated to surface. Proper mud weight, safe drilling practices, and the use of H<sub>2</sub>S scavengers when appropriate will minimize hazards when penetrating H<sub>2</sub>S bearing zones.

### **D. Drill Stem Tests**

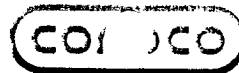
There are no drill stem tests proposed for this well.

## **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





Mike L. Mankin  
Right of Way Agent  
Right of Way and Claims

Conoco Inc.  
10 Desta Drive, Suite 430E  
Midland, Texas 79705  
(915) 686-5794

February 19, 1998

Bureau of Land Management  
620 E. Greene  
Carlsbad, New Mexico 88221

Attn: Mr. Barry Hunt, Surface Protection Specialist

Re: Settlement for Well Location and Appurtenances  
WARREN UNIT B-T, Well # 306  
Section 26, T20S, R38E  
Lea County, New Mexico

Dear Mr. Hunt:

By this letter Conoco Inc. has made settlement, with surface owner, for the construction of the above referenced location and appurtenances..

If you have any questions, please contact me at 915-686-5794.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mike L. Mankin".

Mike L. Mankin

A large, solid black rectangular redaction mark covering several lines of text.

