

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMSF078278
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator CONOCOPHILLIPS COMPANY		7. If Unit or CA Agreement, Name and No.
3a. Address 5525 HWY. FARMINGTON, NM 87401		8. Lease Name and Well No. SAN JUAN 29-6 UNIT 90F
3b. Phone No. (include area code) Ph: 505.599.3454 Fx: 505-599-3442		9. API Well No. 3003927623
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENE 400FNL 400FEL 36.73185 N Lat, 107.44212 W Lon At proposed prod. zone		10. Field and Pool, or Exploratory BASIN DK & BLANCO MV
14. Distance in miles and direction from nearest town or post office*		11. Sec., T., R., M., or Blk. and Survey or Area A Sec 15 T29N R6W Mer NMP SME: BLM
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in Lease	12. County or Parish RIO ARRIBA
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 8161 MD 8161 TVD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc. 6748 GL	22. Approximate date work will start 04/01/2004	17. Spacing Unit dedicated to this well 320.00 N2 DK E2 MV
		20. BLM/BIA Bond No. on file ES0085
		23. Estimated duration 30 DAYS

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

25. Signature (Electronic Submission)	Name (Printed/Typed) PATSY CLUGSTON	Date 02/23/2004
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 6-3-04
Title AFM	Office FEO	

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 #28198 verified by the BLM Well Information System  
For CONOCOPHILLIPS COMPANY, sent to the Farmington

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

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3  
and appeal pursuant to 43 CFR 3165.4

HOLD C104 FOR Change in Status to #360#90

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

NMOCN

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer 00, 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 <b>30-039-27623</b>		*Pool Code <b>72319 \ 71599</b>	*Pool Name <b>BLANCO MESAVERDE \ BASIN DAKOTA</b>
*Property Code <b>31326</b>	*Property Name <b>SAN JUAN 29-6 UNIT</b>		*Well Number <b>90F</b>
*GRIID No. <b>217817</b>	*Operator Name <b>CONOCOPHILLIPS COMPANY</b>		*Elevation <b>6748</b>

10 Surface Location

UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
A	15	29N	6W		400	NORTH	400	EAST	RIO ARriba

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
*Dedicated Acres 320.0 Acres - E/2 (MV) 320.0 Acres - N/2 (DK)					*Joint or Infill		*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

	<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Vicki Westby</i> Signature Vicki R. Westby Printed Name Sr. Analyst Title Date <i>February 17, 2004</i>	
	<b>18 SURVEYOR CERTIFICATION</b> 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. Survey Date: SEPTEMBER 16, 2003 Signature and Seal of Professional Surveyor  <i>JASON C. EDWARDS</i> Certificate Number 15269	

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF078278
2. Name of Operator CONOCOPHILLIPS COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address 5525 HIGHWAY 64 FARMINGTON, NM 87401		7. If Unit or CA/Agreement, Name and/or No. NMNM78416B
3b. Phone No. (include area code) Ph: 505.599.3454 Fax: 505-599-3442		8. Well Name and No. SAN JUAN 29-6 UNIT 90F
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 15 T29N R6W NENE 400FNL 400FEL 36.73185 N Lat, 107.44212 W Lon		9. API Well No. 30-039-27623-00-X1
		10. Field and Pool, or Exploratory BASIN DAKOTA BLANCO MESAVERDE
		11. County or Parish, and State RIO ARRIBA COUNTY, NM

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Change to Original
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal <input type="checkbox"/> PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

ConocoPhillips submitted an APD for the subject well knowing that there were already four MV wells within the MV Spacing Unit for this 1/2 section. Plans are to abandon one of the four wells currently within the spacing unit, if the MV interval on this proposed well proves productive.

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #28611 verified by the BLM Well Information System For CONOCOPHILLIPS COMPANY, sent to the Farmington Committed to AFMSS for processing by ADRIENNE GARCIA on 03/08/2004 (04AXG2011SE)	
Name (Printed/Typed) PATSY CLUGSTON	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 03/05/2004

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <i>[Signature]</i>	Title AFM	Date 6-3-04
Conditions of approval, if any, are attached. Approval of this notice 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.	Office FFO	

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.

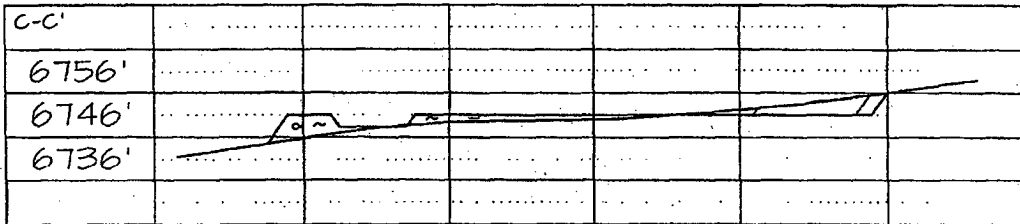
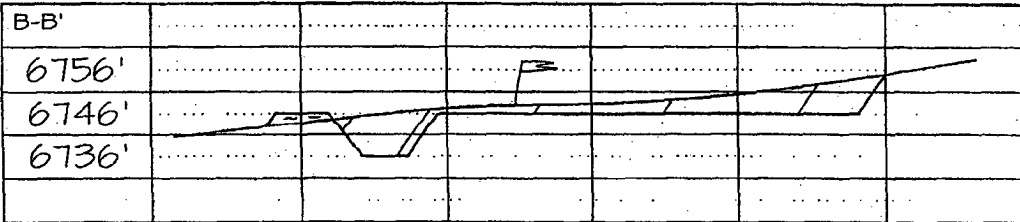
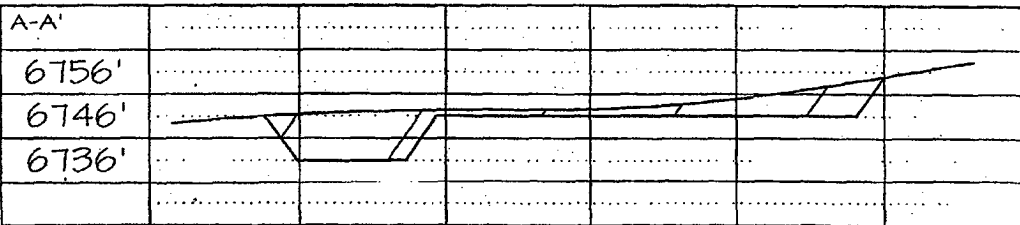
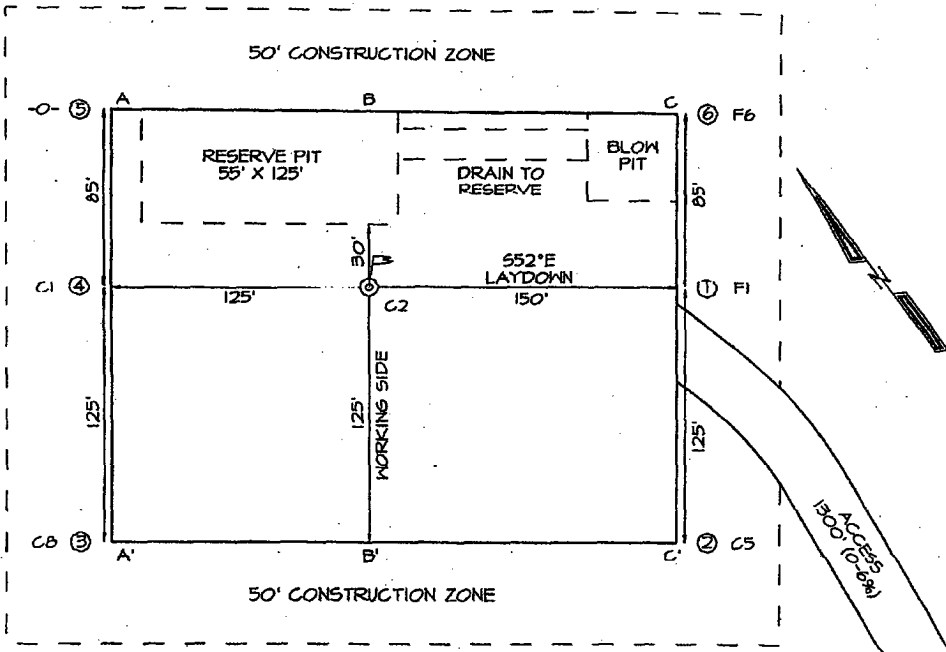
*NMCCD*

**CONOCOPHILLIPS COMPANY SAN JUAN 29-6 UNIT #90F**  
**400' FNL & 400' FEL, SECTION 15, T29N, R6W, NMPM**  
**RIO ARriba COUNTY, NEW MEXICO ELEVATION: 6748'**

LATITUDE: 36.73185° N  
 LONGITUDE: 107.44212° W  
 DATUM: NAD83

PLAT NOTE:

\*SURFACE OWNER\*  
 Bureau of Land  
 Management



FILENAME: 2961SAT

SHEET 2 OF 6

NCE SURVEYS, INC.

DRAWN BY: EDO

CHECKED BY: JCE

CONOCOPHILLIPS COMPANY

WELL NAME: San Juan 29-6 Unit #90F (MV/DK)

DRILLING PROGNOSIS

1. Location of Proposed Well: Unit A, 400 FNL & 400 FEL  
Section 15, T29N, R6W
2. Unprepared Ground Elevation: @ 6748' (unprepared)
3. The geological name of the surface formation is San Jose.
4. Type of drilling tools will be rotary.
5. Proposed drilling depth is 8161'.
6. The estimated tops of important geologic markers are as follows:

<u>Nacimiento - 1376'</u>	<u>Menefee - 5536'</u>
<u>Ojo Alamo - 2771'</u>	<u>Pt. Lookout - 5836'</u>
<u>Kirtland Sh - 2951'</u>	<u>Mancos Shale - 6086'</u>
<u>Fruitland Fm. - 3381'</u>	<u>Gallup - 7121'</u>
<u>Pictured Cliffs - 3631'</u>	<u>Greenhorn - 7811'</u>
<u>Lewis Shale - 3831'</u>	<u>Two Wells - 7936'</u>
<u>Chacra - 4661'</u>	<u>Cubero - 8011'</u>
<u>Cliffhouse - 5341'</u>	<u>Intermediate Casing - 3931'</u>
	<u>T.D. - 8161'</u>
7. The estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

Water:	<u>Ojo Alamo - 2771' - 2951'</u>
Gas & Water:	<u>Fruitland - 3381' - 3631'</u>
Gas:	<u>Pictured Cliffs - 3631' - 3831'</u>
	<u>Mesaverde - 3831' - 6086'</u>
	<u>Dakota - 7936' - 8161'</u>
8. The proposed casing program is as follows:

Surface String: 9-5/8", 32.3# H-40 @ 209' \*

Intermediate String: 7", 20#, J-55 @ 3931' (J-55 will be used, unless the K-55 is the only casing available)

Production String: 4-1/2", 11.6#, I-80 @ 8161' (TD)

\* The surface casing will be set at a minimum of 200', but could be set deeper if required to maintain hole stability.

## 9. Cement Program:

Surface String:

135 sx 50/50 POZ, + 2% Bentonite, 3% CaCl<sub>2</sub>, 5#/sx Gilsonite, 0.25#/sx Cellophane flakes, & 0.2% CFR-3 Friction Reducer (1.34 yield = 180.6 cf); Cement density – 13.5 ppg. Water required 5.39 gal/sx. Compressive Strength – Sample cured at 70 deg F for 8 hours; 3 hrs 05 min. 50 psi; 7 hrs 45 min 500 psi; cement to surface w/150% excess of casing/hole annulus volume.

Intermediate String:

**Lead Cement:** 397 sx Standard cement + 3% Econolite (extender) + 10#/sx Pheno-seal; (2.88 yield = 1142.6 cf). Cement Density 11.5 ppg; Water required – 16.91 gal/sx. Compressive strength – Sample cured at 130 deg F for 24 hrs – 1 hr 47 min – 50 psi; 12 hrs – 350 psi; 24 hrs – 450 psi; Cement to surface with 150% excess of casing/hole annulus volume.

**Tail Cement:** 229 sx 50/50 POZ – Standard cement + 2% Bentonite + 6#/sx Pheno Seal; (1.33 yield = 305.1 cf); Cement Density – 13.5 ppg; Water required – 5.52 gal/sx; Compressive strength – Sample cured at 130 deg F for 24 hrs – 2 hrs 5 min – 50 psi; 2 hr 6 min 500 psi; 12 hr – 1250 psi; 24 hrs – 1819. Cement to surface with 150% excess of casing/hole annulus volume.

Production String \*:

Cement: 465 sx 50/50 POZ – Standard cement + 3% Bentonite + 5#/sx PhenoSeal + 0.2% CFR-3 Friction Reducer + 0.1% HR-5 Retarder + 0.8% Halad-9 Fluid Loss Additive (1.45 Yield – 674.7 cf) Cement density – 13.1 ppg; Water required 6.47 gal/sx; Compressive Strength – Sample cured at 200 de F for 23 hrs; 9 hr 50 min – 50 psi; 13 hrs 45 min – 500 psi; 16 hrs – 1500 psi; 23 hrs 2525 psi.

\*The production casing cement is calculated to cover the openhole interval with 50% excess and annular volume 200' within intermediate shoe. Depending on hole conditions, the well may be cemented in a single stage or two staged.

Centralizer Program:

## Surface:

Total four (4) - 1<sup>st</sup> joint - 10' above the shoe & 1 at the top of the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> joints latched over the casing collar.

## Intermediate:

Total seven (9) – 10' above shoe, top of 2<sup>nd</sup>, 4<sup>th</sup>, 6<sup>th</sup>, & 8<sup>th</sup>, 10<sup>th</sup> jts & 10<sup>th</sup> 1 jt. above surface casing, and on first two casing collars below the wellhead.

## Production:

None planned.

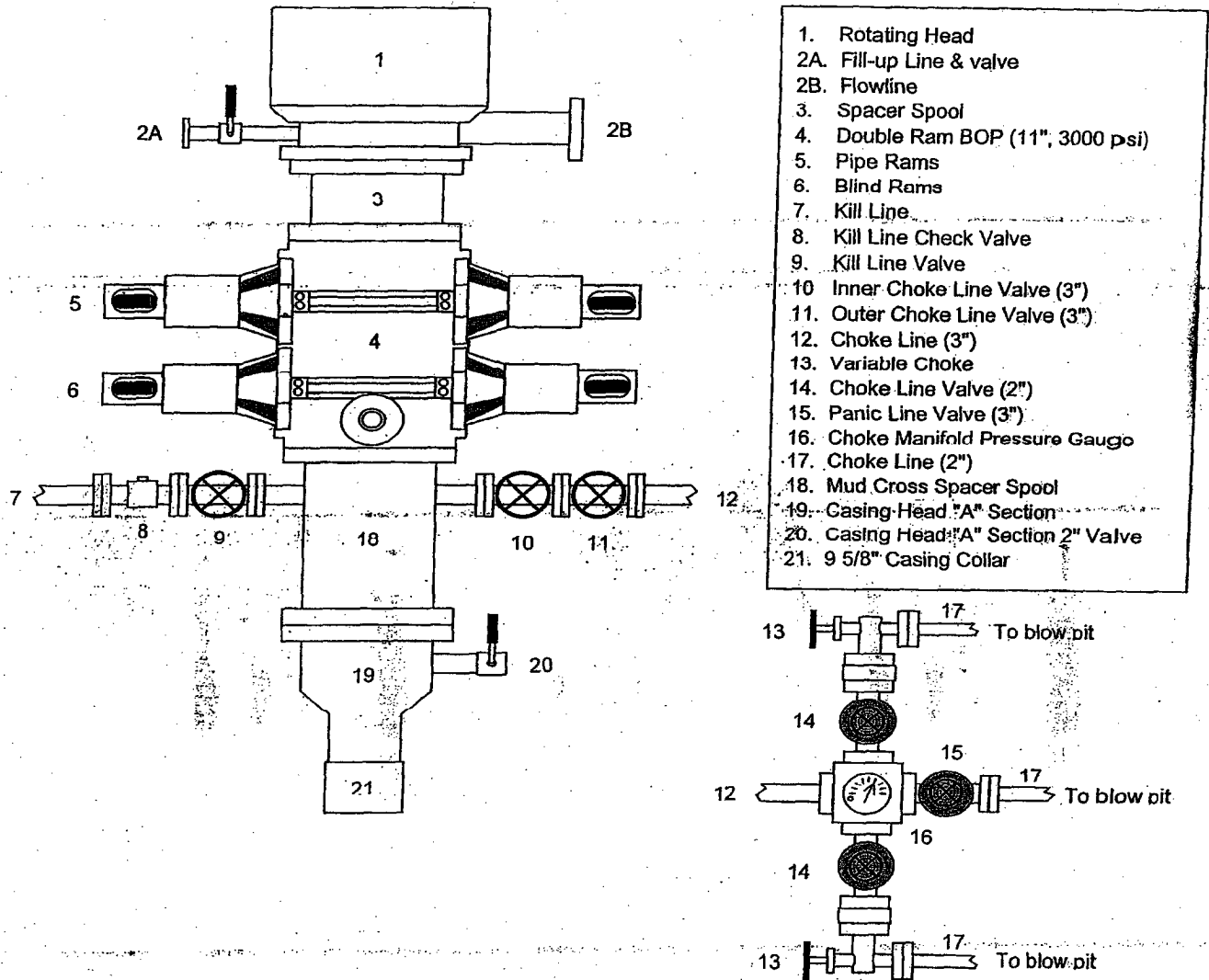
## Turbulators:

Total Three (3) – on intermediate casing at 1<sup>st</sup> jt. below the Ojo Alamo and next 2 jts up.

10. The minimum specifications for pressure control equipment which are to be used, a schematic diagram thereof showing sizes, pressure ratings (or) API series and the testing procedure and testing frequency are enclosed within the APD packet.
11. Drilling Mud Prognosis: Surface - spud mud on surface casing.  
Intermediate - spud mud generated from natural clays with gel sweeps pretreated w/LCM before entering coal interval.  
Below Intermediate - air or gas drilled.
12. The testing, logging, and coring programs are as follows:  
D.S.T.s or cores: \_\_\_\_\_  
Logs: Cased hole TDT with GR to surface
13. Anticipated no abnormal pressures or temperatures to be encountered or any other potential hazards such as Hydrogen Sulfide Gas. Low risk H<sub>2</sub>S equipment will be used.  
  
Estimated Bottomhole pressure:  
Dakota - 3300 psi  
Mesaverde - 1300 psi
14. The anticipated starting date is approximately April 1, 2004 with duration of drilling / completion operations for approximately 20 days thereafter.

# BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to Intermediate Casing Point & Setting 7" Intermediate Casing



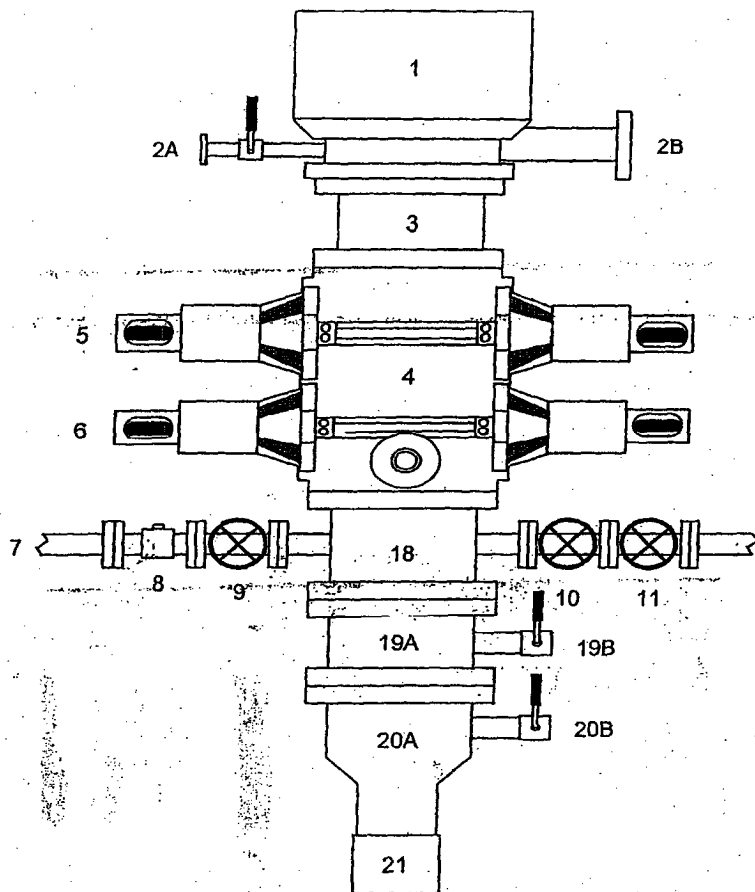
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 2-3 minutes and to 1000 psi (high pressure test) for 10 minutes. Then the test plug will be removed and the 9-5/8" casing will be pressure tested against closed blind rams to 200 psi to 300 psi for 2-3 minutes and to 1000 psi for 30 minutes (this value is one 44% of the minimum internal yield pressure of the 9-5/8" casing). An 8-3/4" hole will be drilled to intermediate casing point and 7" casing will be run and cemented.

In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

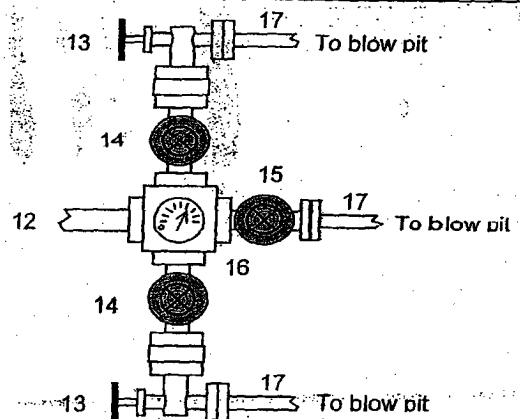
1. Upper Kelly cock Valve with handle
2. Stab-in TIW valve for all drillstrings in use



# **BLOWOUT PREVENTER ARRANGEMENT & PROGRAM** For Drilling to TD and Setting 4.5 inch Casing



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Bore Line (for Air Drilling)
3. Spacer Spool
4. Double Ram BOP (11", 3000 psi)
5. Pipe Rams
6. Blind Rams
7. Kill Line
8. Kill Line Check Valve
9. Kill Line Valve
10. Inner Choke Line Valve (3")
11. Outer Choke Line Valve (3")
12. Choke Line (3")
13. Variable Choke
14. Choke Line Valve (2")
15. Panic Line Valve (3")
16. Choke Manifold Pressure Gauge
17. Choke Line (2")
18. Mud Cross Spacer Spool
- 19A Csg Spool "B" Section (11", 3M)
- 19B "B" Section Csg Valve (2", 3M)
- 20A Csg Head "A" Section (11", 3M)
- 20B "A" Section Csg Valve (2", 3M)
21. 9 5/8" Casing Collar



After the 7" intermediate casing has been run and cemented, the Casing Spool ("B" Section) will be installed on the wellhead ("A" Section) and the BOP will be installed on the Casing Spool. A test plug will be set in the wellhead and the pipe rams, blind rams, and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 2-3 minutes and to 3000 psi (high pressure test) for 10 minutes. Then the test plug will be removed and the 7" casing will be pressure tested against closed blind rams to 200 psi to 300 psi for 2-3 minutes and to 1800 psi for 30 minutes - this test pressure is 48% of the minimum internal yield strength of 3740 psi for the 7", 20#, J-55, STC casing. Then we will air drill the 5-1/4" hole to TD and run and cement the 4-1/2" casing.

In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

1. Upper Kelly cock Valve with handle
2. Stab-in TIW valve for all drillstrings in use

**San Juan 29-6 Unit #90F  
NMSF078278; Unit A, 400 FNL & 400 FWL  
Section 15, T29N, R6W; Rio Arriba County, NM**

**Cathodic Protection**

ConocoPhillips proposes to drill a cathodic protection deep well groundbed for the subject well. Will drill a 6-7/8" hole to an anticipated minimum depth of 300' (maximum depth of 500'). Cement plugs will not be used unless more than one water zone is encountered. Prior drilling history for the area indicates only one zone to that depth. If more than one water zone is encountered, notification will be made and details of cement and casing will be provided.

All drilling activity will remain on existing well pad and a Farmington based company will be doing the drilling for ConocoPhillips.

See attached drawing on proposed placement of groundbed & underground AC & DC cables and rectifier.