Form 3160-3 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

BUREAU OF LAN	D MANAGEMENT	5. Lease Serial No. SF-079004	
APPLICATION FOR PERMI	IT TO DRILL OR REENTER	6. If Indian, Allottee or Tribe	Name
Ia. Type of Work: DRILL REENTER		7. If Unit or CA Agreement, N	lame and No.
1b. Type of Well: ☐ Oil Well 🙀 Gas Well ☐	Other Single Zone Multiple Zone	8. Lease Name and Well No. SAN JUAN 32-8 UNIT 22	 21A
Name of Operator Control CONOCOPHILLIPS COMPANY	act: VICKI WESTBY E-Mail: Vicki.R.Westby@conocophillips.com	9. API Well No. 300453	2406
3a. Address 4001 PENBROOK, SUITE 346 ODESSA, TX 79762	3b. Phone No. (include area code) Ph: 915.368.1352	10. Field and Pool, or Explora BASIN FRUITLAND C	
74. Location of Well (Report location clearly and in accordance) At surface SWNW 2115FNL 670FV At proposed prod. zone	ordance with any State requirements.*) NL School 18910	11. Sec., T., R., M., or Blk. an Sec 9 T31N R8W Mer	
14. Distance in miles and direction from nearest town or p	N 4 2 300 5	12. County or Parish SAN JUAN	13. State NM
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	17. Spacing Unit dedicated to 320. W/2	this well
18. Distance from proposed location to nearest well, drillin completed, applied for, on this lease, ft.	ng, 19. Proposed Depth 3608 MD	20. BLM/BIA Bond No. on fil	le
21. Elevations (Show whether DF, KB, RT, GL, etc. 6615 GL	22. Approximate date work will start	23. Estimated duration	
	24. Attachments	<u> </u>	
 The following, completed in accordance with the requirement. Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest SUPO shall be filed with the appropriate Forest Service) 	4. Bond to cover the operati Item 20 above). System Lands, the 5. Operator certification	o this form: ons unless covered by an existing aformation and/or plans as may be	
25. Signature (Electronic Submission)	Name (Printed/Typed) VICKI WESTBY		Date 06/02/2004
Title AGENT			N
Approved by Signature Title AF4	Name (Printed/Typed) Office		Date 7-8-04
Application approval does not warrant or certify the applicant operations thereon. Conditions of approval, if any, are attached.	t holds legal or equitable title to those rights in the subject l	ease which would entitle the appli	cant to conduct
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 121 States any false, fictitious or fraudulent statements or representations.	12, make it a crime for any person knowingly and willfully t ntations as to any matter within its jurisdiction.	o make to any department or agen	icy of the United
Additional Operator Remarks (see next page)			
Electronic Subm For CON	ission #31426 verified by the BLM Well Inforr IOCOPHILLIPS COMPANY, sent to the Farmi	nation System ngton	

DMCL.
SUBJECT ARE ARREST AUTHORIZED ARE
"GENERATO BOMPLIANCE WITH ATTACHED

Land I LE COUREMENTS'.

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

Additional Operator Remarks:

ConocoPhillips Company proposes to drill a vertical wellbore to the Basin Fruitland Coal formation. This well will be drilled and equipped in accordance with the attachments submitted herewith. This application is for APD/ROW.

This is a HPA FC well and notification has been mailed to the "Affected Parties" and they will have 20 days from receipt of notification to turn their written objection into the NMOCD in Aztec, NM.

District I PO 80x 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

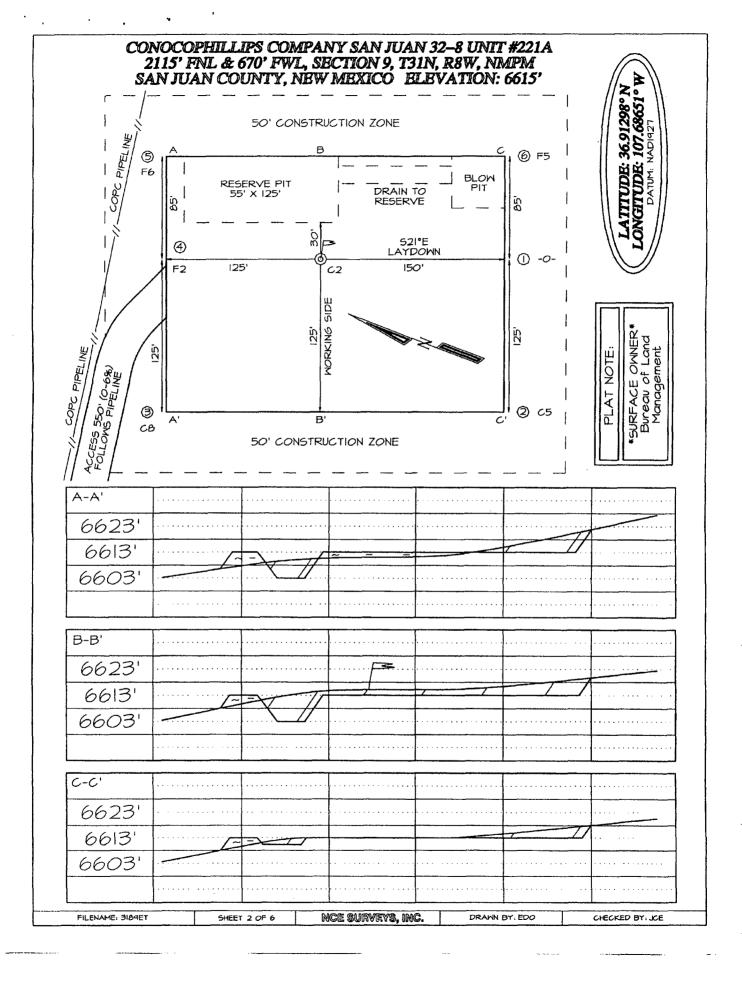
Certificate Number

AMENDED REPORT

API Number	rula l	*Pool Coo 71629	de	CREAGE DED	*Pool Name N FRUITLAND		
50-045-56 Property Code	406	/ 1025	Property		N I MOTILAINE		Well Number
31330			SAN JUAN 3	32-8 UNIT			221A
'OGRID No. 217817			Operator CONOCOPHILL				Elevation 6615
			¹⁰ Surface	Location			
UL or lot no. Section	Township		et Idn Feet from the	North/South line	Feet from the	East/West line	County
E 9		8W	2115	NORTH	670	WEST	SAN JUAN
Ut or lot no. Section	11 BO		ole Location I	f Different North/South line	From Surf	ace East/West line	County
² Deducated Acres 320	.0 Acres	- (W/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.		
NO ALLOWABLE W	ILL BE ASS	SIGNED T NON-STAN	O THIS COMPLETI DARD UNIT HAS BE	ON UNTIL ALL EEN APPROVED	INTERESTS H BY THE DIVI	IAVE BEEN CO	NSOL IDATED
LONG: 10	*54.7787 N 7 *41.1903 W 1: NAD27	- 9	29 10 11 Sul 20 CONST. 30 CONST. 30		Signatur Vicki Printed Sr. A Title Date 18 SURVE shown on notes of any supervised correct Surve Signature	R. Westby	IFICATION IFICATION Rell location reld from field te by me or under e same is true my belief. L 9, 2004 ressional Surveyor

5317.621

Submit 3 Copies To Appropriate District Office District I	State of Energy, Minerals			Form C-103 March 4, 2004
1625 N. French Dr., Hobbs, NM 88240	3,7			WELL API NO.
District II 1301 W. Grand Ave., Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410	OIL CONSERV 1220 South	St. Fran	ncis Dr.	5. Indicate Type of Lease STATE FEE
<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505	Santa Fe	, INIVI O	7303	6. State Oil & Gas Lease No.
SUNDRY NOTI (DO NOT USE THIS FORM FOR PROPOSE DIFFERENT RESERVOIR, USE "APPLIC		EN OR PL	UG BACK TO A	7. Lease Name or Unit Agreement Name
PROPOSALS.)	ATION TORIEST (FORM	// C-101) I C	JK SOCII	San Juan 32-8 Unit 8. Well Number
1. Type of Well: Oil Well Gas Well X	Other			221A .
2. Name of Operator				9. OGRID Number
ConocoPhillips Company 3. Address of Operator				217817 10. Pool name or Wildcat
4001 Penbrook, Odessa, TX 79762				Basin Fruitland Coal
4. Well Location			L	
Unit Letter <u>E</u> :		<u>th</u> lin	e and <u>670</u> feet	from the <u>West</u> line
Section 9	Township 11. Elevation (Show wh		Range 8W	NMPM San Juan County
	6615' GL			
Pit or Below-grade Tank Application (For	_] Distance from nearest fresh water well >1 000'
Distance from nearest surface water >200				
line and feet from the			2.000	,, oct nom de
12. Check A	appropriate Box to Inc	licate N	ature of Notice, I	Report or Other Data
NOTICE OF IN			1	SEQUENT REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON		REMEDIAL WORK	☐ ALTERING CASING ☐
TEMPORARILY ABANDON	CHANGE PLANS		COMMENCE DRIL	ABANDONMENT
PULL OR ALTER CASING	MULTIPLE COMPLETION		CASING TEST AND CEMENT JOB	D 📙
OTHER: Drill Pit Notification		4	OTHER:	
				give pertinent dates, including estimated date ach wellbore diagram of proposed completion
pit in reference to the proposed wellh	ead. The drill pit will be	lined. Th	e drill pit will be clo	tached diagram that details the location of the sed after the well has been completed. The
solids left after the water has been dis	sposed of will be sampled	and NMC	JCD approvat with o	e obtained prior to closure of this pit.
I hereby certify that the information	phove is true and complete	to the he	est of my knowledge	and belief. I further certify that any pit or below-
				r an (attached) alternative OCD-approved plan .
SIGNATURE/Licke U	estly I	TTLE	Sr. Analyst	DATE 6/1/04
Type or print name Vicki Westby	E-mail address: Vi	cki.R.We	stby@conocophillip	s.com Telephone No. 432-368-1352
(This space for State use)	11,			
APPPROVED BY Conditions of approval, if any:	T	ITLE		DATE





PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 32-8 221A

Casing Points (TVD in Ft) (Ft) (Yes/No) (PSIG) BHT Remarks SAN JOSE 78 6550	Lease:				A	FE #: WA	N.CBM.	4133		Α	FE \$:
Res. Engineer: Peterson, Brad T	Field Name: hPHILL	IPS 32-8		Rig: 32	20-2419	· · · · · · · · · · · · · · · · · · ·		State: NM	County: SAN JUAN	I A	PI #:
Zone Zone Name JCV	Geoscientist: Murph	ny, Jim O.		Phone:	832-486-236	51	Prod.	Engineer: Ens	z, Jeremy R	Phon	e: 832-486-2254
Zone Zone Name	Res. Engineer: Pete	rson, Brad T	NAME OF STREET	Phone:	486-2055		Proj. I	Field Lead:		Phone	e:
Epeation: Surface	Primary Objective	(Zones):				1 1				1	
Latitude: 36.91	Zone Z	one Name									
Latitude: 36.91	JCV E	SASIN FRUIT	LAND COAL	(GAS)							
Latitude: 36.91											
Latitude: 36.91											
Latitude: 36.91											
Footage X: 670 FWL	Location: Surface			1	er de la companya de La companya de la companya de						Straight Hole
Tolerance: Location Type: Start Date (Est.): Completion Date: Date In Operation:	Latitude: 36.91	Longitu	de: -107.69	: : :	X:		Y:		Section: 9	İ.	Range: 8W
Location Type: Start Date (Est.): Completion Date: Date In Operation:	Footage X: 670 FWL	Footage	e Y: 2115 FN	IL j	Elevation: 66	15 ((FT)	Township: 31N			
Depth SS Depletion Crows Cro	Tolerance:	<u> </u>	<u> </u>					وروح مسمست والمستساحة والمرتبع والمستمين			
Commation Call & Depth (TVD in Ft) (Ft) (Yes/No) (PSIG) BHT Remarks SAN JOSE 78 6550	Location Type:			Start D	ate (Est.):		Con	npletion Date:	Date	In Opera	tion:
Casing Points (TVD in Ft) (Ft) (Yes/No) (PSIG) BHT Remarks	Formation Data: A	ssume KB =	6628 U	Inits =	FT						
SURFACE CSG 213 6415	Formation Call & Casing Points						внт		Rem	arks	
H-40, STC casing. Circulate cement to surface. Test casing to 500 psi. NCMT	SAN JOSE		78	6550			•	1			
NCMT	SURFACE CSG		213	6415				H-40, STC cas	rculation is possible ing. Circulate ceme	. 12 1/4" nt to surfa	Hole. 9 5/8" 32.3 ppf, ce. Test casing to
Reference Type Well Name Comments	NCMT		648	5980				300 psi.			1
FRLD 3098 3530	OJAM		2248	4380				Possible water	flows.		
Intermediate Casing 3278 3350	KRLD		2308	4320							
SASE LOWEST COAL 3528 3100	FRLD		3098	3530				Possible gas.			
SASE LOWEST COAL 3528 3100	Intermediate Casing		3278	3350						Casing.	Circulate cement to
Reference Type Well Name Comments Logging Program: Intermediate Logs: Log only if show GR/ILD Triple Combo TD Logs: Triple Combo Dipmeter RFT Sonlc VSP TDT Additional Information:	BASE LOWEST COAL		3528	3100				Surface. Test	casing to 1500 psi.		1
Comments Logging Program: Intermediate Logs: Log only if show GR/ILD Triple Combo TD Logs: Triple Combo Dipmeter RFT Sonic VSP TDT Additional Information:	Total Depth		3608	3020							
Logging Program: Intermediate Logs: Log only if show GR/ILD Triple Combo TD Logs: Triple Combo Dipmeter RFT Sonic VSP TDT Additional Information:	kaferiiceWalls										
Intermediate Logs: Log only if show GR/ILD Triple Combo TD Logs: Triple Combo Dipmeter RFT Sonic VSP TDT Additional Information:	Reference Type W	ell Name			Comments						
Intermediate Logs: Log only if show GR/ILD Triple Combo TD Logs: Triple Combo Dipmeter RFT Sonic VSP TDT Additional Information:											
TD Logs:			if show 🗀	CB/II D	Triple (Combo					
Additional Information:		Triple Co	mbo Dir	owster OWILL	☐ BET ☐	Sonic F	 7 VSP	Г тот			
				21.11CUCI		Source E	7 1				
Comments: Location/Tops/Logging - HPA	- Santa San San San San San San San San San Sa										
	Comments: Location	/Tops/Loggir	na - HPA								<u></u>
Zones - HPA											

General/Work Description - Provide funds to drill and complete the Fruitland Coal formation in the San Juan 32-8 # 221A located in the NW 1/4 of Section 9, T31N,R8W, Basin Fruitland Coal Field, San Juan County, New Mexico.

Mud Log from intermediate casing shoe to TD will be obtained. 5 1/2" liner is optional.

Drilling Mud Program:

Surface: spud mud

Intermediate: fresh water mud with bentonite and polymer as needed

Below Intermediate: air/mist drilling media with foamer, polymer, & corrosion inhibitor as needed

Printed on: 06/02/2004 1:39:45 PM

San Juan 32-8 # 221A

SURFACE CASING:

Drill Bit Diameter Casing Outside Diameter Casing Weight Casing Grade Shoe Depth Cement Yield **Excess Cement**

32.3 ppf 1.16 cuft/sk 9.001

40 '

42 '

0.0787 bbl/ft Casing Capacity 0.4419 cuft/ft Hole / Casing Annulus Capacity 0.0558 bbl/ft 0.3132 cuft/ft

Cement Required

155.0 sx

SHOE

230 ', 9.625 ",

32.3 ppf,

H-40

INTERMEDIATE CASING:

Drill Bit Diameter Casing Outside Diameter Casing Weight Casing Grade Shoe Depth Lead Cement Yield **Lead Cement Excess** Tail Cement Length Tail Cement Yield **Tail Cement Excess**

6.456 20 ppf 3278 2.61 cuft/sk % cuft/sk

0.0405 bbl/ft 0.2273 cuft/ft **Casing Capacity** Casing / Casing Annulus Capacity 0.0311 bbi/ft 0.1746 cuft/ft Hole / Casing Annulus Capacity 0.0268 bbl/ft 0.1503 cuft/ft

Lead Cement Required 426.9 sx **Tail Cement Required** 99.8 sx

LINER TOP

3258 '

SHOE

3278 ',

7 ",

20 ppf,

J-55

LINER BOTTOM 3608 ' (Uncemented) Circulate cement

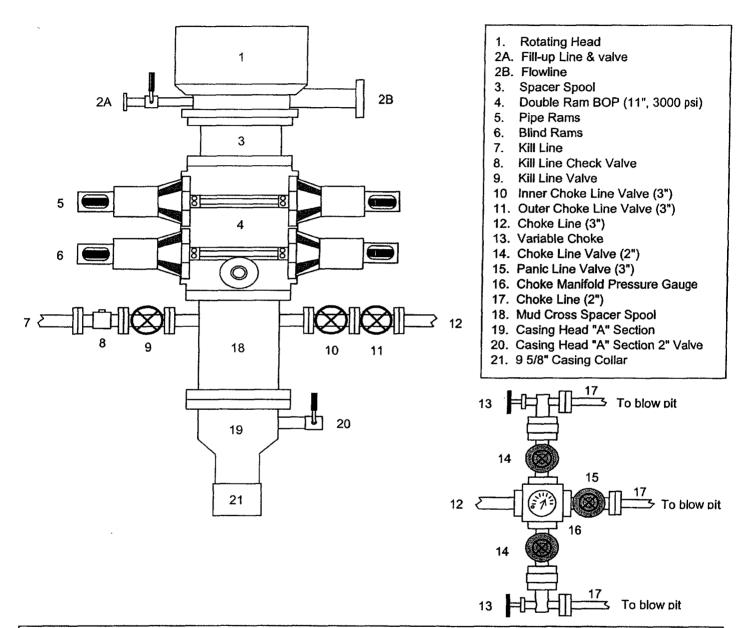
	San Ju	an 32-8 # 221A					
	9-5/8"	Surface Casing					
Cement Slurry	Class G						
	+ 2% S0	01 Calcium Chloride					
	+ 0.25 lb/sx D029 Cellophane Flakes						
Cement Volume	155	sx					
Cement Yield	1.16	cuft/sx					
Cement Volume	179.75	cuft					
Cement Density	15.8	ppg					
Water Required	4.983	gal/sx					
Compressive Streng							
12 hr	1174	l psi					
36 hr	2763	Blpsi					

Civevlate cement San Juan 32-8#221A

	7" Intermed	diate Casing
	Lead	Slurry
Cement Slurry	Class G	
		9 Extender
	+ 0.25 lb/s	sx D029 Cellophane Flakes
	+ 0.2% D0	046 Antifoam
Cement Volume	427	sx
Cement Yield	2.61	cuft/sx
Cement Volume	1114.16	cuft
Cement Density	11.7	ppg
Water Required	15.876	gal/sx
Compressive Streng	gth	
2 hr 37 min	5	0 psi
39 hr 40 min	50	0 psi

	7" Interme	diate Casing
	Tail	Slurry
Cement Slurry	50% POZ	7 / 50% Class G cement
	+ 2% D02	20 Bentonite
	+ 2% S00	1 Calcium Chloride
	+ 0.25 lb/	sx D029 Cellophane Flakes
	+ 5 lb/sx	Gilsonite Extender
	+ 0.2% D	046 Antifoam
Cement Volume	100	SX
Cement Yield	1.27	cuft/sx
Cement Volume	126.80	cuft
Cement Density	13.5	ppg
Water Required	5.182	gal/sx
Compressive Streng	jth	
24 hr	90	08 psi
48 hr	198	50 psi

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM For Drilling to Intermediate Casing Point & Setting 7" Intermediate Casing



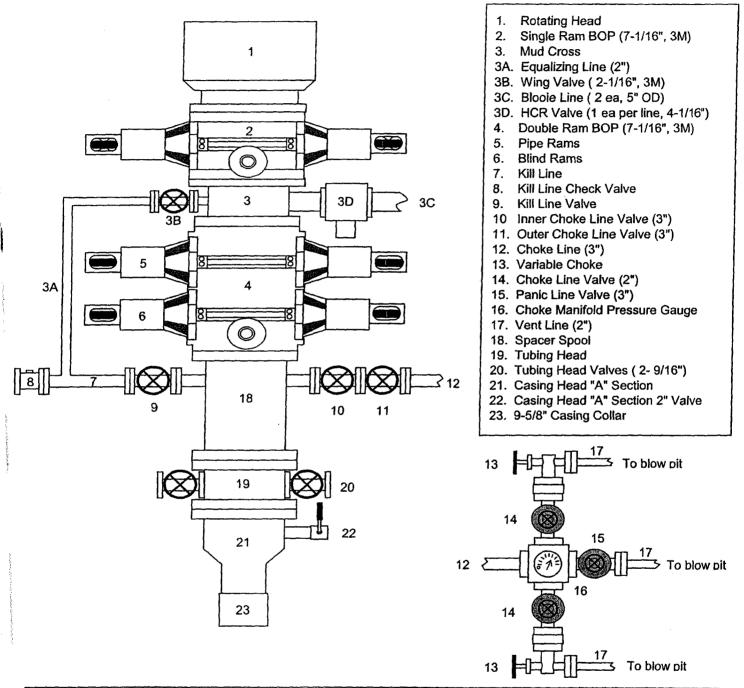
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe 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). (Note: per regulatory requirements we will wait on cement at least 8 hrs after placement before testing the 9-5/8" surface casing). Then an 8-3/4" hole will be drilled to intermediate casing point and 7" intermediate 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 Cavitation Program



This BOP arrangement and test program is for the cavitation program. The BOP will be installed on the tubing head. 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. The pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 2-3 minutes and to 1800 psi (high pressure test) for 10 minutes - This test will be done with a test plug or possibly without a test plug (ie against casing). If we conduct this test without a test plug we will ensure that we have sufficient drillstring weight in the hole to exceed the upward force generated by the test.

We use a power swivel and air/mist to drill the 6-1/4" hole in our cavitation program. We do not use a kelly. In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

- 1. String floats will be used inside the drillpipe
- 2. Stab-in TIW valve for all drillstrings in use
- 3. Each blooie line is equipped with a hydraulically controlled valve (HCR valve).



ConocoPhillips

NMOCD

Attn: Steve Hayden 1000 Rio Brazos Road Aztec, NM 87410

RE:

San Juan 32-8 #221A Well Section 9, T31N-R8W

San Juan County, New Mexico

Dear Steve:

Please find attached a copy of the HPA Notification Letter and a copy of the certified return receipts for the San Juan 32-8 #221A well located in Section 9, T31N-R8W, San Juan County. New Mexico.

Sincerely,

Dicki Westby Sr. Analyst

ConocoPhillips Company RPA - Property Tax, Real Estate, Right of Way and Claims

Vicki R. Westby Sr. Analyst 4001 Penbrook St., Ste. 317 Odessa TX, 79762 Phone (432)368-1352 Fax (432)368-1287





ConocoPhillips Company RPA – Property Tax, Real Estate, Right of Way and Claims Vicki R. Westby Sr. Analyst 4001 Penbrook St., Ste. 317 Odessa TX, 79762 Phone (432)368-1352 Fax (432)368-1287

June 4, 2004

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

RE:

San Juan 32-8 #221A Well

Basin Fruitland Coal

2115' FNL & 660' FWL, Section 9, T31N-R8W

San Juan County, New Mexico

To the Affected Parties:

ConocoPhillips Company is submitting the enclosed Application for Permit to Drill to the appropriate regulatory agency(s) for approval. This well is located inside the High Productivity Area of the Basin-Fruitland Coal Pool as indicated on the attached plat. Notice is being made pursuant to New Mexico Oil Conservation Commission Order R-8768-F dated July 17, 2003.

The affected parties have twenty (20) days from receipt of this notice in which to file with the District Office of the New Mexico Oil Conservation Division written objection to the proposed Application for Permit to Drill.

Sincerely,

Vicki Westby

Sr. Analyst

Cc: NMOCD Aztec Well File

San Juan 32-8 #221A - HPA "Affected Parties"

Burlington Resource Oil & Gas, Inc. Attn: Dawn Howell P. O. Box 4289 Farmington, NM 87499 (Certified Receipt #7003 0500 0001 8091 4471)

BP America Attn: Bryan Anderson 501 Westlake Park Blvd. Westlake 1, Rm 19.128 Houston, TX 77079 (Certified Receipt #7003 0500 0001 8091 4464)

implete items 1, 2, and 3. Also complete em 4 if Restricted Delivery is desired. This your name and address on the reverse of that we can return the card to you. Itach this card to the back of the mailpiece of the front if space permits.	B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? Yes
BP America Attn: Bryan Anderson	if YES, enter delivery address below: No
501 Westlake Park Blvd. Westlake 1, Rm 19.128 Houston, TX 77079	3. Service Type SL Certified Mail □ Express Mail □ Registered □ Beturn Receipt for Merchandise □ Insured Mail □ C.O.D.
rticle Number	4. Restricted Delivery? (Extra Fee)
ransfer from service labe.	9500 0001 8091 4464
complete THIS SECTION te items 1, 2, and 3. Also complete Restricted Delivery is desired. ur name and address on the reverse ve can return the card to you. nis card to the back of the mailpiece, e front if space permits.	A. Signature A. Signature A. Signature Adgent Addressee B. Recaived by firinged Name) C. Date of Delivery C. Date of Delivery C. Date of Delivery D. Is delivery address different from item 1? Yes if YES, enter delivery address below:
illullullullullullullullullullullullullu	3. Service Type Certified Mail
umber 7003 0500	
from service labe 7003 0500	0001 8091 4471

811, August 2001

Domestic Return Receipt

2ACPRI-03-P-4081

SAN JUAN 32-8 #221A

OFFSET OPERATOR PLAT

2115' FNL; 660' FWL

		_
ConocoPhillips	ConocoPhillips	
9:	ConocoPhillips	
	ConocoPhillips	
	ConocoPhillips 9	ConocoPhillips 9