Form 3160-3 (August 1995)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

BUREAU OF LAND	MANAGEMENT	5. Lease Serial No. SF 079048		
APPLICATION FOR PERMIT	6. If Indian, Allottee or Tribe Name			
Ia. Type of Work: DRILL REENTER		7. If Unit or CA Agreement,	Name and No.	
/b. Type of Well: ☐ Oil Well Gas Well ☐ Oth	ner 🙀 Single Zone 🔲 Multiple Zone	Lease Name and Well No. SAN JUAN 32 FED COM	и 35 UNIT 1A	
2. Name of Operator CONOCOPHILLIPS COMPANY	VICKI WESTBY E-Mail: Vicki.R.Westby@conocophillips.com	9. API Well No. 30045	32 <i>५</i> ४०	
3a. Address 4001 PENBROOK, SUITE 346 ODESSA, TX 79762	3b. Phone No. (include area code) Ph: 915.368.1352	10. Field and Pool, or Explor FRUITLAND COAL	atory	
4. Location of Well (Report location clearly and in according	l ance with any State requirements.*)	11. Sec., T., R., M., or Blk. a	nd Survey or Area	
At surface SESE 1400FSL 660FEL At proposed prod. zone	18 18 11 18 70 July 18	TSec 35 T32N R9W M	er NMP	
14. Distance in miles and direction from nearest town or post	office*	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	this well	
rease file, it. (Also to hearest urig. difft file, it any)		314.95 E/	<u>5</u>	
 Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 	19. Proposed Dapto	20. BLM/BIA Bond No. on f	ile	
21. Elevations (Show whether DF, KB, RT, GL, etc. 6568 GL	22. Approximate date work will start	23. Estimated duration		
	24. Attachments			
The following, completed in accordance with the requirements	of Onshore Oil and Gas Order No. 1, shall be attached to	this form:	··	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Sys SUPO shall be filed with the appropriate Forest Service O 	Item 20 above). 5. Operator certification	ons unless covered by an existin		
25. Signature (Electronic Submission)	Name (Printed/Typed) VICKI WESTBY		Date 06/25/2004	
Title AGENT			·	
Approved by Signature	Name (Printed/Typed)		Date	
Title Title	Office		8-13-07	
Application approval does not warrant or certify the applicant hoperations thereon. Conditions of approval, if any, are attached.	olds legal or equitable title to those rights in the subject le	ase which would entitle the app	licant to conduct	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, States any false, fictitious or fraudulent statements or representa	make it a crime for any person knowingly and willfully to tions as to any matter within its jurisdiction.	o make to any department or ago	ency of the United	
Additional Operator Remarks (see next page)			-	
Electronic Submiss For CONO	sion #32389 verified by the BLM Well Inforn COPHILLIPS COMPANY, sent to the Farmi	nation System ngton		

DAILING 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

District I PO Box 1980, Hobbs, NM 8B241-1980 District II PO Drawer DD, Artesia, NM 8B211-0719 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

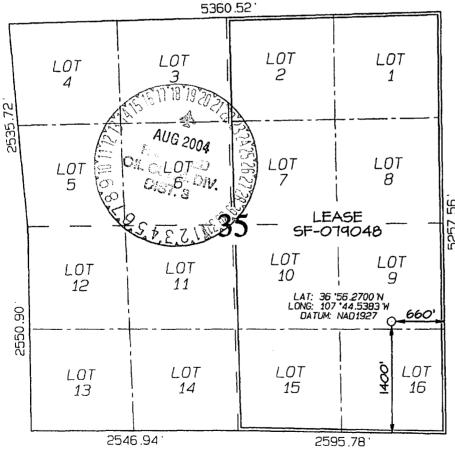
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1	'A	PI Number			*Pool Cod	e		Pool Nam	е		
Ó	30-04	5	3244	0	71629)	BAS	IN FRUITL	AND COAL	_	
	*Property	Code			****	Property	Name			Well	Number
	3134	3			SAN	JUAN 32 FE	DERAL COM 35	i		1	.A
	'OGRID N	10.				*Operator	Name			*Elev	ation
	21781	7			COI	NOCOPHILLI	PS COMPANY			65	i68 ·
						¹⁰ Surface	Location				
	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West	line	County
	_				1		1 1			_ 1 _	

	I	35	32N	9W		1400	SOUTH	660	EAST	SAN JUAN
•			11 E	Bottom	Hole L	ocation I	f Different	From Surf	ace	
	Ut or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	12 Dedicated Acres	24.	4.93) ACI	E	7.	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁸ Order No.		
Ì		314	4.13) ACI	.es - c	-/ -]		

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



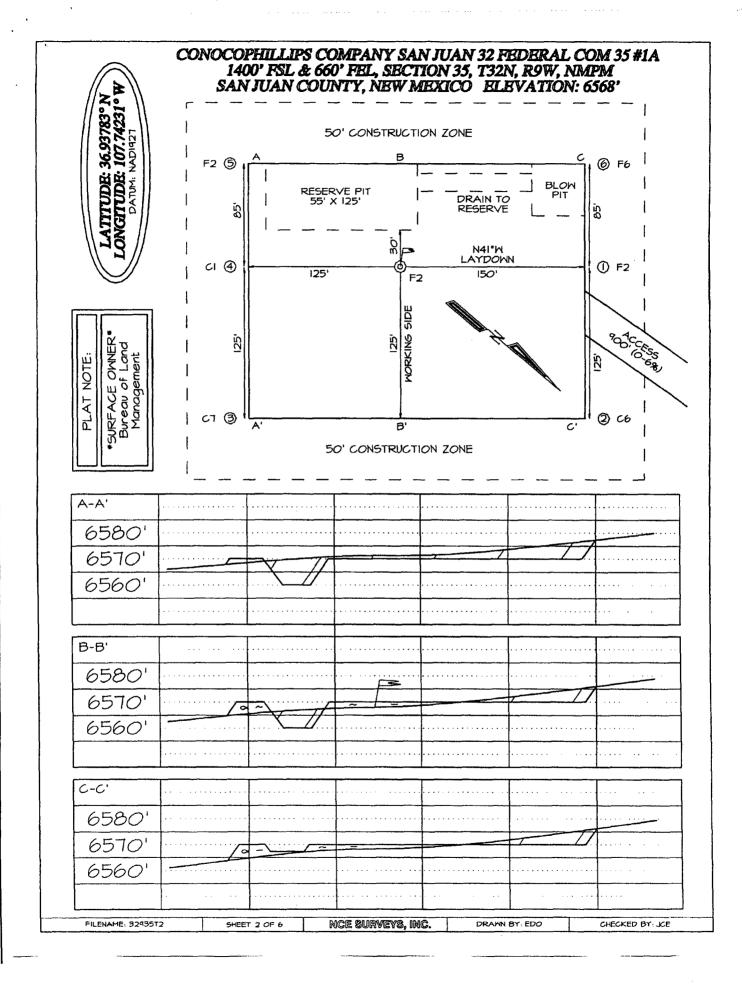
	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
	Vicki Wuthy Signature
I	Vicki R. Westby
١	Printed Name
	Sr. Analyst
١	Title
1	4/25/04
Į	Date
ı	18 SURVEYOR CERTIFICATION
	I hereby certify that the well location 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.
	Date of Survey: MAY 6, 2004
	Signature and Seal of Professional Surveyor
	PECH C. EDWARDS PECH MEXICO SESTENA AGESTICAL
	ACTES TOWN
	JASON C. EDWARDS Certificate Number 15269

Additional Operator Remarks:

ConocoPhillips Company proposes to drill a vertical wellbore to the 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". They will have 20 days from receipt of notification to turn their written objection into the NMOCD in Aztec, NM.

Submit 3 Copies To Appropriate District Office	State of New M Energy, Minerals and Na		Form C-103 March 4, 2004
<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u>			WELL API NO.
1301 W. Grand Ave., Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410	OIL CONSERVATION 1220 South St. Fr	ancis Dr.	5. Indicate Type of Lease STATE FEE
<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505	Santa Fe, NM	87303	6. State Oil & Gas Lease No.
	ES AND REPORTS ON WELL LS TO DRILL OR TO DEEPEN OR I		7. Lease Name or Unit Agreement Name
DIFFERENT RESERVOIR. USE "APPLICAT PROPOSALS.)	ION FOR PERMIT" (FORM C-101)	FOR SUCH	San Juan 32 Fed Com35 8. Well Number
1. Type of Well: Oil Well Gas Well X	Other		1 A
2. Name of Operator ConocoPhillips Company			9. OGRID Number 217817
3. Address of Operator 4001 Penbrook, Odessa, TX 79762			10. Pool name or Wildcat
4. Well Location			Basin Frutland Coal
Unit Letter I : 140	00 feet from the South	line and	feet from the <u>Fast</u> line
	Township 32N		
	1. Elevation (Show whether D		
Pit or Below-grade Tank Application (For pit			Distance from nearest fresh
	om nearest surface water 200-100	,	
UL Sect Twp Rng	;feet from the	line andfeet fro	om theline
12 Check An	propriate Box to Indicate	Nature of Notice 1	Report or Other Data
NOTICE OF INTE	ENTION TO:	SUBS	SEQUENT REPORT OF:
PERFORM REMEDIAL WORK F	LUG AND ABANDON	REMEDIAL WORK	☐ ALTERING CASING ☐
TEMPORARILY ABANDON 🔲 (CHANGE PLANS	COMMENCE DRIL	LING OPNS.□ PLUG AND □ ABANDONMENT
	MULTIPLE COMPLETION	CASING TEST AN CEMENT JOB	D 🗆
OTHER: Drill Pit Notification	√	OTHER:	
 Describe proposed or complete of starting any proposed work) or recompletion. 	d operations. (Clearly state all . SEE RULE 1103. For Multi	pertinent details, and ple Completions: Atta	give pertinent dates, including estimated date ach wellbore diagram of proposed completion
ConocoPhillips Company's Generic Pit	Plan is on file at NMOCD in A	Aztec, NM. See the att	tached diagram that details the location of the used after the well has been completed. The
solids left after the water has been dispo	osed of will be sampled and NN	MOCD approval will b	e obtained prior to closure of this pit.
I hereby certify that the information about grade tank has been/will be constructed or close	we is true and complete to the sed according to NMOCD guidelines	oest of my knowledge □, a general permit □ o	and belief. I further certify that any pit or below- r an (attached) alternative OCD-approved plan
SIGNATURE VICLE Westl	TITLE_	Sr. Analyst	DATE 6/25/04
Type or print name Vicki Westby	E-mail address: Vicki.R.V	estby@conocophillip/	s.com Telephone No. 432-368-1352
(This space for State use)		Ma kirina	
APPPROVED BY	TITLE	TOTY OIL & GAS INS	TECTOR, DIST. DA AUG 19 2004





PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 32 FED 35 1A

Lease:					AFE #: WA		1.4169		AFE \$:
Field Name: CBM	DRILL BLOC	KS	Rig: 3	320-2419	(2 200:2, 2	,	State: NM	County: SAN JUAN	API #:
Geoscientist: Mun	phy, Jim O.		Phone	e: 832-486-2	2361	Prod.	Engineer:		Phone:
Res. Engineer: Pet	erson, Brad	Τ	Phone	e: 486-2055		Proj.	Field Lead:		Phone:
Primary Objects	re (Zones):					14			
Zone	Zone Name	8							
JCV	BASIN FRU	ITLAND COAL	(GAS)						
		770001							
d Location e Surface									Unit Straight Hole : 13
Latitude: 36.94	Longi	tude: -107.74		X:	_	Y:		Section: 35	Range: 9W
Footage X: 660 FE	i. Foota	ge Y: 1400 FS	L	Elevation:	6568	(FT)	Township: 32N		
Tolerance:									
Location Type:			Start I	Date (Est.):		Co	mpletion Date:	Date In	Operation:
Formation Data:	Assume KB	= 6581 l	Jnits =	· FT					
Formation Call & Casing Points		Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)		внт		Remarks	;
SAN JOSE		11	6570		(313)	1	<u> Lances</u>		
Surface Casing		213	6368				12-1/4 hole. 9 to surface.	5/8" 32.3 ppf, H-40, S	TC casing. Circulate cement
NCMT		625	5956			-	to surface.		1
OJAM		2066	4515				Possible water	flows.	
KRLD		2146	4435						
FRLD		2996	3585				Possible gas.		
Intermediate Casing	1	3068	3513				8 3/4" Hole. 7 surface.	", 20 ppf, J-55, STC Ca	sing. Circulate cement to
BASE MAIN COAL		3336	3245		310		Juliucc.		İ
BASE LOWEST COA	Ļ	3436	3145						
PCCF		3441	3140						
Total Depth		3528	3053				6-1/4" hole pos	ssibly underreamed to 9 C - left uncemented.	9.5". Optional Liner: 5.5",
Reference Wells			1				19.9#, 5-59 E1	C - leit uncemented.	
Reference Type	Well Name			Commen	ts				
LoggingiProgran									
Intermediate Logs:		ly if show 🗍	GR/IL	D 🕅 Trinl	e Combo				
TD Logs:	Triple (pmete		Sonic 1	VSI	P TDT		
Additional Informat									
Comments: Location	n/Tops/Log	ging - HPA					-		
Zones	- HPA								
Genera	ıl/Work Desc	cription -							
Mud L	na from into	madiata cacin	a chee	to TO will be	obtained				

Printed on: 6/25/2004 1:25:12 PM

Drilling Mud Program:

Surface: spud mud
Intermediate: fresh water mud with bentonite and polymer as needed

San Juan 32 Fed 35 # 1A

SURFACE CASING:

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

9.001 ppf 40 ' cuft/sk

Casing Capacity Hole / Casing Annulus Capacity

0.0787 bbl/ft 0.4419 cuft/ft 0.0558 bbl/ft 0.3132 cuft/ft

Cement Required

147.1 sx

SHOE

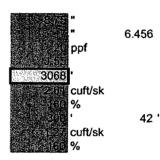
230 ', 9.625 ",

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



Casing Capacity Casing / Casing Annulus Capacity Hole / Casing Annulus Capacity

0.0405 bbl/ft 0.0311 bbl/ft 0.0268 bbl/ft

0.2273 cuft/ft 0.1746 cuft/ft 0.1503 cuft/ft

Lead Cement Required Tail Cement Required

395.4 sx 99.8 sx

LINER TOP

3048 '

SHOE

3068 ',

20 ppf,

J-55

LINER BOTTOM

3528 ' (Uncemented)

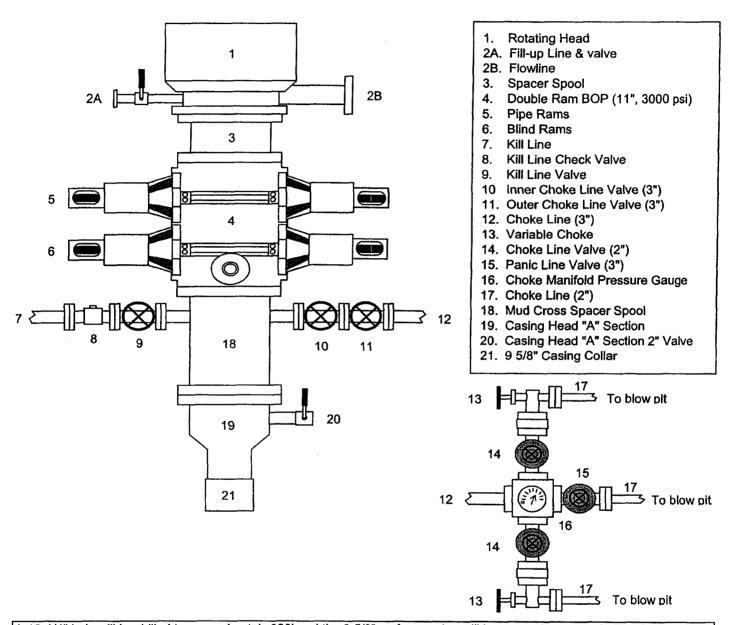
	- San Jua	n 32 Fed 35 # 1A
	9-5/8"	Surface Casing
Cement Slurry	Class G	
	+ 2% S0	01 Calcium Chloride
	+ 0.25 lb	/sx D029 Cellophane Flakes
Cement Volume	147	sx
Cement Yield	1.16	cuft/sx
Cement Volume	170.59	cuft
Cement Density	15.8	ppg
Water Required	4.983	gal/sx
Compressive Streng	<u> </u>	
12 hr	1174	4 psi
36 hr	2763	3 psi

San Juan 32 Fed 35 # 1A

	7" Intermedi	ate Casing
	Lead S	si ury
Cement Slurry	Class G	
	+ 3% D079	Extender
	+ 0.25 lb/sx	D029 Cellophane Flakes
	+ 0.2% D04	6 Antifoam
Cement Volume	395	sx
Cement Yield	2.61	cuft/sx
Cement Volume	1032.08	cuft
Cement Density	11.7	ppg
Water Required	15.876	gal/sx
Compressive Strength		
2 hr 37 min	50	psi
39 hr 40 min	500	psi

	7" Interme	diate Casing
		Slurry
Cement Slurry		7 / 50% Class G cement
	+ 2% D02	20 Bentonite
	+ 2% S00	1 Calcium Chloride
	+ 0.25 lb/s	sx D029 Cellophane Flakes
		Gilsonite Extender
	+ 0.2% DO	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	yth	
24 hr	90	08 psi
48 hr	195	50 psi

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



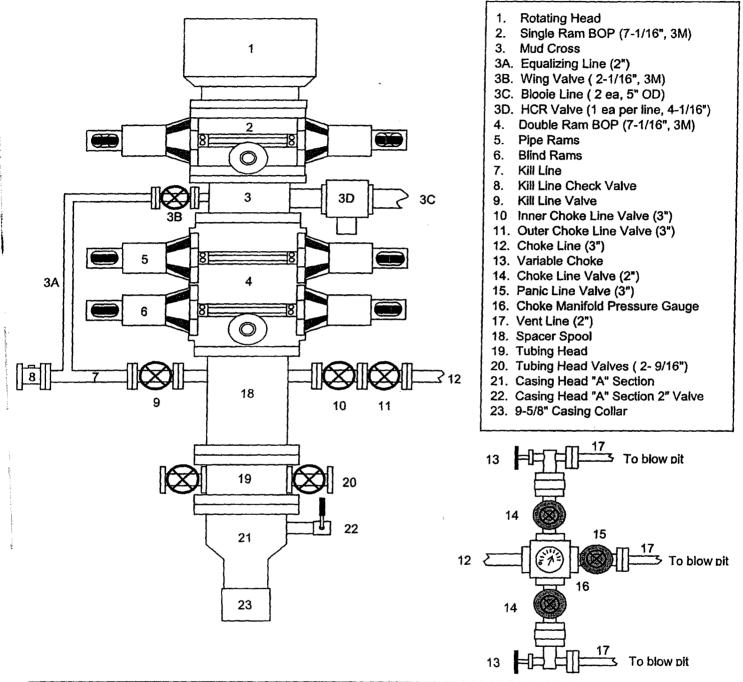
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe 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).

Callibuic Protection System Description

Anade Bed Type	Deep Well	
Hole Size	8*	
Hole Depth	200. • 200.	As required to place anodes below moisture and in low resistance strate.
Surface Casing	8" Diam., 2 20' Length. Cemented in Annular Space	When needed, casing will be installed at an adequate depth to control ground water flow. Casing will extend a minimum of 2' above grade, be surrounded by a concrete pad, and sealed with a PVC cap. Steel casing will be substituted when boulders are ancountered,
Vent Pipe	1° Diam. PVC	Vent pipe will extend from bottom of hole, through top of easing cap, and sealed with a 1- perforated PVC cap.
Type Of Anodes	Cast Iron Or Graphite	
Number Of Anodes	8 - 20	Sufficient quantity to achieve a total anode bed resistance of < 1 chm and a design life < 20 years.
Anode Bed Backfill	Lorasco SW Calcined Petrolsum Coke Braeze	installed from bottom of hole to 10' above top anode.
Anode Junction Box	8 - 20 Circult Fiberglass Or Metal	Sealed to prevent insact & radent intrusion.
Current Splitter Box	2 - 5 Circuit Metal	Sealed to prevent insect & rodant intrusion.
DC / AC Cable	DC: #2, #4, #8, #8 Stranded Copper (One Size Or Any Combination Off With High Molecular Weight Polyethylane (HMWPE) Insulation. AC: #8 Stranded Copper HMWPE	18" depth in typical situation. 24" depth in roadway. & 36" depth in erroyd's and streams. EXCEPTION: If wanching is in extremely hard substratum, depth will be 8 - 12" with cable installed in conduit. Installed above foreign pipelines if 1' clearance is available, if not, installed under foreign pipeline with 1' clearance (AC cable always installed under foreign pipeline in conduit).
Power Source	11 Rectifler 21 Solar Power Unit 3) Thermoelectric Generator	Choice of power source depending on availability of AC & other economic factors.
External Painting	Color to be selected according to BLM specifications.	Paint applied to any surface equipment associated with the CP system which can reasonably be painted.



July 9, 2004

NMOCD

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

RE:

San Juan 32 Fed 35 #1A Well

Section 35, T32N-R9W

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 Fed 35 #1A Well, located in Section 35, T32N-R9W, San Juan County, New Mexico. The 20 day waiting period for this notification should end on July 26, 2004.

Sincerely,

enclosures

ConocoPhillips Company PTRRC

Peggy James 4001 Penbrook St., Ste. 302 Odessa TX, 79762 Phone (432)368-1230 Fax (432)368-1287

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailblece, or on the front if space permits 1. Article Addressed to: Burling to Resources Oil + Ga5 Inc.:	A. Signature Age Add B. Ricelyed by (Printed Name) G. Date of De D. Is delivery address different from Item 1? Yes If YES, enter delivery address below: No
P.O. Box 4289 Farmington, NM 87499	S. Service Type ID Certified Mail. □ Express Mail: □ Registered. □ Return Receipt for Mercha □ Insured Mail; □ C.O.D. 4. Restricted Delivery* (Extra Fee) □ Yes



ConocoPhillips Company PTRRC

Peggy James 4001 Penbrook St., Ste. 302 Odessa TX, 79762 Phone (432)368-1230 Fax (432)368-1287

CERTIFIED MAIL - RETURN RECEIPT REQUESTED - TRACKING # 7000 0600 0028 7723 4833

June 25, 2004

RE: San Juan 32 Federal Com 35 #1A Well

Basin Fruitland Coal

1400' FSL & 660' FEL, Section 35, T32N-R9W

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,

Peggy James

PTRRC / Odessa

enclosures

SAN JUAN 32 FED 35 #1A

OFFSET OPERATOR PLAT

VNSHIP 32	NORTH,	RANGE 9
	700' FSL 700' FEL	
ConocoPhillips		Burlington Resources O & G
3	5	
ConocoPhillips		Burlington
		Resources O & G
Burlington	Burlington	Burlington
ecources O & G	Recourses O&G	Recourses O & G