

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUN 14 2011

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Farmington Field Office
Bureau of Land Management

1a. Type of Work DRILL	5. Lease Number USA SF-079761-A Unit Reporting Number
1b. Type of Well GAS	6. If Indian, All. or Tribe
2. Operator ConocoPhillips Company	7. Unit Agreement Name RCVD DEC 22 '11 OIL CONS. DIV. DIST. 3
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Valdez 9. Well Number 9
4. Location of Well Surface: Unit F(SE/NW), 1723' FNL & 1336' FWL Surface: Latitude: 36.6844533° N (NAD83) Longitude: 107.2625842° W	10. Field, Pool, Wildcat Gobernador Pictured Cliffs 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 33, T29N, R4W API # 30-039- 31073
14. Distance in Miles from Nearest Town 52 miles from Bloomfield	12. County San Juan 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1336'	
16. Acres in Lease 1280.000	17. Acres Assigned to Well 160 (NW/4)
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 2490 from Schalk 29-4 #3 / PC (P&A)	
19. Proposed Depth 4603	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 7427' GL	22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <u>Arleen R. Kellywood</u> Arleen R. Kellywood (Staff Regulatory Tech)	<u>6/13/11</u> Date

A COMPLETE C-144 MUST BE SUBMITTED TO AND
APPROVED BY THE NMOCD FOR: A PIT, CLOSED
LOOP SYSTEM, BELOW GRADE TANK, OR
PROPOSED ALTERNATIVE METHOD, PURSUANT
TO NMOCD PART 19.15.17, PRIOR TO THE USE OR
CONSTRUCTION OF THE ABOVE APPLICATIONS.

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

PERMIT NO.

APPROVAL DATE

APPROVED BY [Signature]

TITLE AFM

DATE 12/19/11

Archaeological Report attached

A gas recovery unit may or may not be used on this location.

Threatened and Endangered Species Report attached

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

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 presentations as to any matter within its jurisdiction.

Example Master Plan Type 2

Bond Numbers ES-0048 and ES-0085

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

JAN 10 2012
ca

NMOCD

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

PC

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, N.M. 87505

Form C-102
Revised October 15, 2009
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-31073	² Pool Code 77440	³ Pool Name GOVERNADOR PICTURED CLIFFS
⁴ Property Code 7620 38998	⁵ Property Name VALDEZ	⁶ Well Number 9
⁷ GRID No. 217817	⁸ Operator Name CONOCOPHILLIPS COMPANY	⁹ Elevation 7427

¹⁰ Surface Location

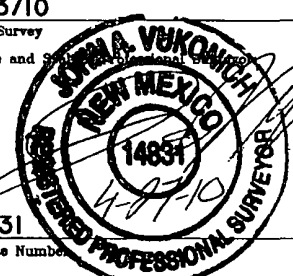
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	33	29 N	4 W		1723	NORTH	1336	WEST	RIO ARRIBA

¹¹ 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

¹² Dedicated Acres 160 (NW/4)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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 FOUND ROCK PILE (M) 5246.90' 80.00 CH. (R)	N 89°51'10" E (M) WEST (R) 1723'	5136.82' (M) 80.05 CH. (R)	CALCULATED SECTION CORNER 80.00 CH. (R)	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature <u>Dollie L. Busse</u> Date <u>4/29/10</u> Printed Name Dollie L. Busse
1336'	LAT: 36.6844533° N LONG: 107.2625842° W NAD 83 LAT: 36°41.06669' N LONG: 107°15.71908' W NAD 27			
USA SF-079761-A	SECTION 33			
N 0°18'32" W (M) NORTH (R)		NOTE: MEASURED BEARINGS & DISTANCES SHOWN ARE REFERENCED TO THE NEW MEXICO COORDINATE SYSTEM, WEST ZONE, NAD 83.		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 <u>4/13/10</u> Signature and Seal  Certificate Number <u>14831</u>
FOUND ROCK PILE	WEST (R)	80.00 CH. (R)	NORTH (R)	

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

VALDEZ 9

DEVELOPMENT

Lease:		AFE #: WAN.CDR.0008		AFE \$: 480,970.00	
Field Name: SAN JUAN		Rig: Aztec Rig 711		State: NM	County: RIO ARRIBA
Geologist:		Phone:		Geophysicist:	
Geoscientist:		Phone:		Prod. Engineer:	
Res. Engineer:		Phone:		Proj. Field Lead:	

Primary Objective (Zones):

Zone	Zone Name
R20003	PICTURED CLIFFS(R20003)

Location: Surface Datum Code: NAD27 Straight Hole

Latitude: 36.684445	Longitude: -107.261985	X:	Y:	Section: 33	Range: 004W
Footage X: 1336 FWL		Footage Y: 1723 FNL		Elevation: 7427 (FT)	Township: 029N

Tolerance:

Location Type: Restricted Start Date (Est.): 1/1/2012 Completion Date: Date In Operation:

Formation Data: Assume KB = 7442 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	MD (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	200	7242		☐			8-3/4 hole. 7" 20 ppf, J-55 STC csg. Cement with 77 cuft. Circulate cement to surface.
NACIMIENTO	2386	5056		☐			
OJO ALAMO	3760	3682		☐			
KIRTLAND	3933	3509		☐			
FRUITLAND	3946	3496		☐			Gas
FRUITLAND COAL	4252	3190		☐			Est. top perf 4408 (3034)
PICTURED CLIFFS	4403	3039		☐	656		Gas; TD - 200' below T/PCCF
Total Depth	4603	2839		☐			6-1/4" hole. 4-1/2" 10.5 ppf, J-55, STC casing. Cement with 614 cuft. Circulate cement to surface.

Reference Wells:

Reference Type	Well Name	Comments
Production	Federal 1	29N 4W 32 SW NE NE
Production	Schalk 29-4-3	29N 4W 32 SW NE NE
Production	SJ 29-4 18-33	29N 4W 33 SE NE

Logging Program:

Intermediate Logs: ☐ Log only if show ☐ GR/ILD ☒ Triple Combo ☒ Other

PC data well. eap 5-19-11

TD Logs: ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☐ TDT ☒ Other

Cased Hole GR / CBL

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
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CONOCOPHILLIPS COMPANY

VALDEZ 9

1723' FNL & 1336' FWL

LATITUDE: 36.6844533° N

LONGITUDE: 107.2625842° W

NAD 83

SECTION 33, T-29-N, R-4-W, N.M.P.M.

RIO ARriba COUNTY, NEW MEXICO

FROM THE INTERSECTION OF U.S. HIGHWAY 64 AND U.S. HIGHWAY 550 IN
BLOOMFIELD, NEW MEXICO.

TRAVEL EASTERLY 41.0 MILES ON U.S. HIGHWAY 64 TO APPROXIMATELY
MILE MARKER 106.

TURN RIGHT ONTO FOREST ROAD 314 AND TRAVEL SOUTHERLY 1.4 MILES.

AT A TEE INTERSECTION CONTINUE SOUTHERLY 2.9 MILES ON FR 314.

TURN LEFT AT A TEE INTERSECTION AND TRAVEL EASTERLY 0.9 MILE.

PASSING A CATTLE GUARD (CARSON NATIONAL FOREST BOUNDARY)

CONTINUE EASTERLY 2.9 MILES ON FOREST ROAD 314.

REACHING A 4-WAY INTERSECTION, TURN LEFT AND

TRAVEL NORTHEASTERLY 1.1 MILES ON FR 357 TO 4-WAY INTERSECTION.

TURN LEFT NORTHWESTERLY ONTO FR 357B AND TRAVEL 0.5 MILE,

PASSING THROUGH LOCKED GATE.

AT TEE INTERSECTION, TAKE LEFT AND CONTINUE NORTHWESTERLY

0.8 MILE TO PROPOSED VALDEZ 9 WELL LOCATION.