

District I

1625 N French Dr, Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720

District II

811 S First St, Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720

District III

1000 Rio Brazos Rd, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170

District IV

1220 S St Francis Dr, Santa Fe, NM 87505
Phone (505) 476-3470 Fax (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011

Permit 142710

RCVD FEB 17 '12
OIL CONS. DIV.
DIST. 3

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1 Operator Name and Address CONOCOPHILLIPS COMPANY 3401 E. 30th Street Farmington, NM 87402		2 OGRID Number 217817
		3 API Number 30-045-35347
4 Property Code 38774	5 Property Name ZACHARY LS	6 Well No 001M

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	25	31N	11W	I	1665	S	570	E	SAN JUAN

8. Pool Information

BLANCO-MESAVERDE (PRORATED GAS)	72319
BASIN DAKOTA (PRORATED GAS)	71599

Additional Well Information

9 Work Type New Well	10 Well Type GAS	11 Cable/Rotary	12 Lease Type Private	13 Ground Level Elevation 5952
14 Multiple Y	15 Proposed Depth 7161	16 Formation Dakota Formation	17 Contractor	18 Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	32.3	200	121	0
Intl	8.75	7	23	4575	1062	0
Prod	6.25	4.5	11.6	7161	340	4475

Casing/Cement Program: Additional Comments

This is a Type 3 well as indicated in the BR/COPC Master Drilling Plan. Cement volumes are indicated in cubic feet instead of sacks. The C144 will be submitted after the APD is approved.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	Schafer

I hereby certify that the information given above is true and complete to the best of my knowledge and belief I further certify that the drilling pit will be constructed according to NMOC guidelines ☐ , a general permit ☐ , or an (attached) alternative OCD-approved plan ☐ .	OIL CONSERVATION DIVISION
Printed Name: Arleen Kellywood	Approved By: <i>[Signature]</i> 2-23-12
Title: Staff Regulatory Tech	Title: SUPERVISOR DISTRICT # 3
Email Address: arleen.r.kellywood@conocophillips.com	Approved 1 FEB 23 2012 Expiration Date: 2-23-14
Date: 2/15/12 Phone: 505-326-9517	Conditions of Approval Attached

FEB 23 2012

ca

Hold C104

for Directional Survey
and "As Drilled" plat

**NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT**

Hold C104
for Directional Survey
and "As Drilled" plat

pc

District I

1625 N French Dr , Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720

District II

811 S First St , Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720

District III

1000 Rio Brazos Rd , Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170

District IV

1220 S St Francis Dr , Santa Fe, NM 87505
Phone (505) 476-3470 Fax (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
August 1, 2011

Permit 142710

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-045-35347	2 Pool Code 71599	3 Pool Name BASIN DAKOTA (PRORATED GAS)
4 Property Code 38774	5 Property Name ZACHARY LS	6 Well No 001M
7 OGRID No 217817	8 Operator Name CONOCOPHILLIPS COMPANY	9 Elevation 5952

10. Surface Location

UL - Lot I	Section 25	Township 31N	Range 11W	Lot Idn	Feet From 1665	N/S Line S	Feet From 570	E/W Line E	County SAN JUAN
---------------	---------------	-----------------	--------------	---------	-------------------	---------------	------------------	---------------	--------------------

11. Bottom Hole Location If Different From Surface

UL - Lot P	Section 25	Township 31N	Range 11W	Lot Idn	Feet From 710	N/S Line S	Feet From 710	E/W Line E	County SAN JUAN
12 Dedicated Acres 320.00	13 Joint or Infill	14 Consolidation Code	15 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

**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(s) 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.

E-Signed By: *Arleen Kellywood*
Title: *Staff Regulatory Tech*
Date: *2/6/12*

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.

Surveyed By: GLEN RUSSELL
Date of Survey: 8/22/2011
Certificate Number: 15703

District I

1625 N French Dr, Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720

District II

811 S First St, Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720

District III

1000 Rio Brazos Rd, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170

District IV

1220 S St Francis Dr, Santa Fe, NM 87505
Phone (505) 476-3470 Fax (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
August 1, 2011

Permit 142710

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-045-35347	2 Pool Code 72319	3 Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4 Property Code 38774	5 Property Name ZACHARY LS	6 Well No 001M
7 OGRID No 217817	8 Operator Name CONOCOPHILLIPS COMPANY	9 Elevation 5952

10. Surface Location

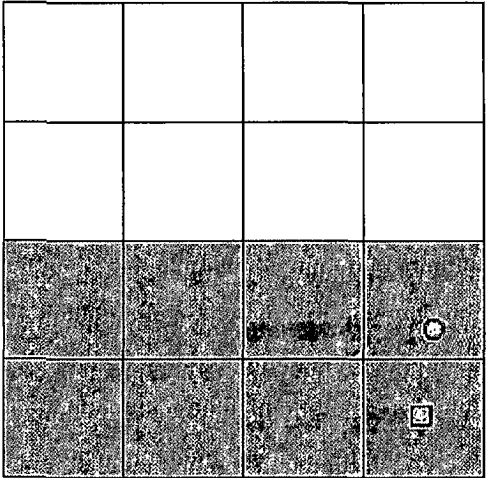
UL - Lot I	Section 25	Township 31N	Range 11W	Lot Idn	Feet From 1665	N/S Line S	Feet From 570	E/W Line E	County SAN JUAN
---------------	---------------	-----------------	--------------	---------	-------------------	---------------	------------------	---------------	--------------------

11. Bottom Hole Location If Different From Surface

UL - Lot P	Section 25	Township 31N	Range 11W	Lot Idn	Feet From 710	N/S Line S	Feet From 710	E/W Line E	County SAN JUAN
---------------	---------------	-----------------	--------------	---------	------------------	---------------	------------------	---------------	--------------------

12 Dedicated Acres 320.00	13 Joint or Infill	14 Consolidation Code	15 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

	OPERATOR CERTIFICATION <i>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(s) 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.</i> E-Signed By: <u>Arleen Kellywood</u> Title: <u>Staff Regulatory Tech</u> Date: <u>2/15/12</u> 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 the best of my belief.</i> Surveyed By: <u>GLEN RUSSELL</u> Date of Survey: <u>8/22/2011</u> Certificate Number: <u>15703</u>
---	---

Permit Conditions of Approval

Operator: CONOCOPHILLIPS COMPANY , 217817

Well: ZACHARY LS #001M

API: 30-045-35347

OCD Reviewer	Condition
CPerrin	requires drilled plat & directional survey
CPerrin	Requires BLM notification

Permit Comments

Operator: CONOCOPHILLIPS COMPANY , 217817

Well: ZACHARY LS #001M

API:

Created By	Comment	Comment Date
CPerrin	19.15.14 9 APPLICATIONS. An operator shall file a complete form C-101 and complete form C-102 with the division and meet the following requirements, if applicable: A. an applicant for a permit to drill a well within the corporate limits of a city, town or village shall give notice to the duly constituted governing body of the city, town or village or its duly authorized agent and certify on form C-101 that it gave such notice, B. an applicant for a permit to drill in a quarter-quarter section containing an existing well or wells operated by another operator shall concurrently file a plat or	2/1/2012

ConocoPhillips or its affiliates

Planning Report

Database:	EDM Central Planning	Local Co-ordinate Reference:	Well Zachary LS #1M
Company:	ConocoPhillips SJB	TVD Reference:	RKB @ 5967.0ft (Original Well Elev)
Project:	San Juan Basin - New Mexico West Wells	MD Reference:	RKB @ 5967.0ft (Original Well Elev)
Site:	Other Named Wells	North Reference:	True
Well:	Zachary LS #1M	Survey Calculation Method:	Minimum Curvature
Wellbore:	Zachary LS #1M		
Design:	Plan #1		

Project	San Juan Basin - New Mexico West Wells, New Mexico, Directional "S"		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico West 3003		Using geodetic scale factor

Site		Other Named Wells			
Site Position:		Northing:	2,108,178.26ft	Latitude:	36° 47' 33.793 N
From:	Lat/Long	Easting:	643,887.63ft	Longitude:	107° 20' 30.932 W
Position Uncertainty:	15.0 ft	Slot Radius:	6-1/8"	Grid Convergence:	0.29 °

Well	Zachary LS #1M, Directional S Curve - Short					
Well Position	+N/-S	0.0 ft	Northing:	2,134,850.06 ft	Latitude:	36° 52' 1.044 N
	+E/-W	0.0 ft	Easting:	470,450.28 ft	Longitude:	107° 56' 3.660 W
Position Uncertainty		3.5 ft	Wellhead Elevation:	ft	Ground Level:	5,952.0 ft

Wellbore	Zachary LS #1M
-----------------	----------------

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	BGGM2011	11/1/2011	9.93	63.53	50,725

Design	Plan #1
---------------	---------

Audit Notes:	
Version:	Phase: PLAN Tie On Depth: 0.0

Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.0	0.0	0.0	188.62

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,266.3	21.33	188.62	2,241.8	-193.9	-29.4	2.00	2.00	0.00	188.62	
4,025.3	21.33	188.62	3,880.5	-826.4	-125.2	0.00	0.00	0.00	0.00	
4,736.2	0.00	0.00	4,575.0	-955.7	-144.8	3.00	-3.00	0.00	180.00	Zachary LS #1M IC
7,322.2	0.00	0.00	7,161.0	-955.7	-144.8	0.00	0.00	0.00	0.00	Zachary LS #1M PC

ConocoPhillips or its affiliates

Planning Report

Database:	EDM Central Planning	Local Co-ordinate Reference:	Well Zachary LS #1M
Company:	ConocoPhillips SJB	TVD Reference:	RKB @ 5967.0ft (Original Well Elev)
Project:	San Juan Basin - New Mexico West Wells	MD Reference:	RKB @ 5967.0ft (Original Well Elev)
Site:	Other Named Wells	North Reference:	True
Well:	Zachary LS #1M	Survey Calculation Method:	Minimum Curvature
Wellbore:	Zachary LS #1M		
Design:	Plan #1		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
Surface									
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,160.0	0.00	0.00	1,160.0	0.0	0.0	0.0	0.00	0.00	0.00
Ojo Alamo									
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,250.0	1.00	188.62	1,250.0	-0.4	-0.1	0.4	2.00	2.00	0.00
Kirtland									
1,300.0	2.00	188.62	1,300.0	-1.7	-0.3	1.7	2.00	2.00	0.00
1,400.0	4.00	188.62	1,399.8	-6.9	-1.0	7.0	2.00	2.00	0.00
1,500.0	6.00	188.62	1,499.5	-15.5	-2.4	15.7	2.00	2.00	0.00
1,600.0	8.00	188.62	1,598.7	-27.6	-4.2	27.9	2.00	2.00	0.00
1,700.0	10.00	188.62	1,697.5	-43.0	-6.5	43.5	2.00	2.00	0.00
1,800.0	12.00	188.62	1,795.6	-61.9	-9.4	62.6	2.00	2.00	0.00
1,900.0	14.00	188.62	1,893.1	-84.1	-12.7	85.1	2.00	2.00	0.00
2,000.0	16.00	188.62	1,989.6	-109.7	-16.6	111.0	2.00	2.00	0.00
2,072.4	17.45	188.62	2,059.0	-130.3	-19.7	131.8	2.00	2.00	0.00
Fruitland									
2,100.0	18.00	188.62	2,085.3	-138.6	-21.0	140.2	2.00	2.00	0.00
2,200.0	20.00	188.62	2,179.8	-170.8	-25.9	172.8	2.00	2.00	0.00
2,266.3	21.33	188.62	2,241.8	-193.9	-29.4	196.1	2.00	2.00	0.00
2,300.0	21.33	188.62	2,273.2	-206.1	-31.2	208.4	0.00	0.00	0.00
2,400.0	21.33	188.62	2,366.4	-242.0	-36.7	244.8	0.00	0.00	0.00
2,500.0	21.33	188.62	2,459.5	-278.0	-42.1	281.2	0.00	0.00	0.00
2,600.0	21.33	188.62	2,552.7	-313.9	-47.6	317.5	0.00	0.00	0.00
2,666.9	21.33	188.62	2,615.0	-338.0	-51.2	341.8	0.00	0.00	0.00
Pictured Cliffs									
2,700.0	21.33	188.62	2,645.9	-349.9	-53.0	353.9	0.00	0.00	0.00
2,800.0	21.33	188.62	2,739.0	-385.8	-58.5	390.2	0.00	0.00	0.00
2,837.6	21.33	188.62	2,774.0	-399.4	-60.5	403.9	0.00	0.00	0.00
Lewis									
2,900.0	21.33	188.62	2,832.2	-421.8	-63.9	426.6	0.00	0.00	0.00
3,000.0	21.33	188.62	2,925.3	-457.8	-69.4	463.0	0.00	0.00	0.00
3,100.0	21.33	188.62	3,018.5	-493.7	-74.8	499.3	0.00	0.00	0.00
3,200.0	21.33	188.62	3,111.6	-529.7	-80.3	535.7	0.00	0.00	0.00
3,300.0	21.33	188.62	3,204.8	-565.6	-85.7	572.1	0.00	0.00	0.00
3,400.0	21.33	188.62	3,297.9	-601.6	-91.2	608.4	0.00	0.00	0.00
3,422.6	21.33	188.62	3,319.0	-609.7	-92.4	616.7	0.00	0.00	0.00
Huerfano Bentonite									
3,500.0	21.33	188.62	3,391.1	-637.5	-96.6	644.8	0.00	0.00	0.00
3,600.0	21.33	188.62	3,484.2	-673.5	-102.1	681.2	0.00	0.00	0.00
3,700.0	21.33	188.62	3,577.4	-709.4	-107.5	717.5	0.00	0.00	0.00
3,786.5	21.33	188.62	3,658.0	-740.6	-112.2	749.0	0.00	0.00	0.00

ConocoPhillips or its affiliates

Planning Report

Database:	EDM Central Planning	Local Co-ordinate Reference:	Well Zachary LS #1M
Company:	ConocoPhillips SJB	TVD Reference:	RKB @ 5967.0ft (Original Well Elev)
Project:	San Juan Basin - New Mexico West Wells	MD Reference:	RKB @ 5967.0ft (Original Well Elev)
Site:	Other Named Wells	North Reference:	True
Well:	Zachary LS #1M	Survey Calculation Method:	Minimum Curvature
Wellbore:	Zachary LS #1M		
Design:	Plan #1		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
Chacra									
3,800.0	21.33	188.62	3,670.5	-745.4	-112.9	753.9	0.00	0.00	0.00
3,900.0	21.33	188.62	3,763.7	-781.4	-118.4	790.3	0.00	0.00	0.00
4,000.0	21.33	188.62	3,856.8	-817.3	-123.8	826.6	0.00	0.00	0.00
4,025.3	21.33	188.62	3,880.5	-826.4	-125.2	835.9	0.00	0.00	0.00
4,100.0	19.09	188.62	3,950.5	-851.9	-129.1	861.6	3.00	-3.00	0.00
4,200.0	16.09	188.62	4,045.8	-881.8	-133.6	891.9	3.00	-3.00	0.00
4,300.0	13.09	188.62	4,142.6	-906.7	-137.4	917.0	3.00	-3.00	0.00
4,378.1	10.74	188.62	4,219.0	-922.6	-139.8	933.2	3.00	-3.00	0.00
Massive Cliff House									
4,400.0	10.09	188.62	4,240.5	-926.5	-140.4	937.1	3.00	-3.00	0.00
4,500.0	7.09	188.62	4,339.4	-941.3	-142.6	952.0	3.00	-3.00	0.00
4,586.0	4.50	188.62	4,425.0	-949.9	-143.9	960.7	3.00	-3.00	0.00
Menefee									
4,600.0	4.09	188.62	4,438.9	-950.9	-144.1	961.8	3.00	-3.00	0.00
4,700.0	1.09	188.62	4,538.8	-955.4	-144.8	966.3	3.00	-3.00	0.00
4,736.2	0.00	0.00	4,575.0	-955.7	-144.8	966.6	3.00	-3.00	0.00
Intermediate - Zachary LS #1M ICP									
4,800.0	0.00	0.00	4,638.8	-955.7	-144.8	966.6	0.00	0.00	0.00
4,900.0	0.00	0.00	4,738.8	-955.7	-144.8	966.6	0.00	0.00	0.00
4,984.2	0.00	0.00	4,823.0	-955.7	-144.8	966.6	0.00	0.00	0.00
Pt. Lookout									
5,000.0	0.00	0.00	4,838.8	-955.7	-144.8	966.6	0.00	0.00	0.00
5,100.0	0.00	0.00	4,938.8	-955.7	-144.8	966.6	0.00	0.00	0.00
5,200.0	0.00	0.00	5,038.8	-955.7	-144.8	966.6	0.00	0.00	0.00
5,300.0	0.00	0.00	5,138.8	-955.7	-144.8	966.6	0.00	0.00	0.00
5,354.2	0.00	0.00	5,193.0	-955.7	-144.8	966.6	0.00	0.00	0.00
Mancos Shale									
5,400.0	0.00	0.00	5,238.8	-955.7	-144.8	966.6	0.00	0.00	0.00
5,500.0	0.00	0.00	5,338.8	-955.7	-144.8	966.6	0.00	0.00	0.00
5,600.0	0.00	0.00	5,438.8	-955.7	-144.8	966.6	0.00	0.00	0.00
5,700.0	0.00	0.00	5,538.8	-955.7	-144.8	966.6	0.00	0.00	0.00
5,800.0	0.00	0.00	5,638.8	-955.7	-144.8	966.6	0.00	0.00	0.00
5,900.0	0.00	0.00	5,738.8	-955.7	-144.8	966.6	0.00	0.00	0.00
6,000.0	0.00	0.00	5,838.8	-955.7	-144.8	966.6	0.00	0.00	0.00
6,100.0	0.00	0.00	5,938.8	-955.7	-144.8	966.6	0.00	0.00	0.00
6,200.0	0.00	0.00	6,038.8	-955.7	-144.8	966.6	0.00	0.00	0.00
6,289.2	0.00	0.00	6,128.0	-955.7	-144.8	966.6	0.00	0.00	0.00
Gallup									
6,300.0	0.00	0.00	6,138.8	-955.7	-144.8	966.6	0.00	0.00	0.00
6,400.0	0.00	0.00	6,238.8	-955.7	-144.8	966.6	0.00	0.00	0.00
6,500.0	0.00	0.00	6,338.8	-955.7	-144.8	966.6	0.00	0.00	0.00
6,600.0	0.00	0.00	6,438.8	-955.7	-144.8	966.6	0.00	0.00	0.00
6,700.0	0.00	0.00	6,538.8	-955.7	-144.8	966.6	0.00	0.00	0.00
6,800.0	0.00	0.00	6,638.8	-955.7	-144.8	966.6	0.00	0.00	0.00
6,900.0	0.00	0.00	6,738.8	-955.7	-144.8	966.6	0.00	0.00	0.00
7,000.0	0.00	0.00	6,838.8	-955.7	-144.8	966.6	0.00	0.00	0.00
7,013.2	0.00	0.00	6,852.0	-955.7	-144.8	966.6	0.00	0.00	0.00
Greenhorn									
7,066.2	0.00	0.00	6,905.0	-955.7	-144.8	966.6	0.00	0.00	0.00
Graneros									
7,100.0	0.00	0.00	6,938.8	-955.7	-144.8	966.6	0.00	0.00	0.00
7,118.2	0.00	0.00	6,957.0	-955.7	-144.8	966.6	0.00	0.00	0.00

ConocoPhillips or its affiliates

Planning Report

Database:	EDM Central Planning	Local Co-ordinate Reference:	Well Zachary LS #1M
Company:	ConocoPhillips SJB	TVD Reference:	RKB @ 5967.0ft (Original Well Elev)
Project:	San Juan Basin - New Mexico West Wells	MD Reference:	RKB @ 5967.0ft (Original Well Elev)
Site:	Other Named Wells	North Reference:	True
Well:	Zachary LS #1M	Survey Calculation Method:	Minimum Curvature
Wellbore:	Zachary LS #1M		
Design:	Plan #1		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
Two Wells									
7,200.0	0.00	0.00	7,038.8	-955.7	-144.8	966.6	0.00	0.00	0.00
7,202.2	0.00	0.00	7,041.0	-955.7	-144.8	966.6	0.00	0.00	0.00
Paguate									
7,239.2	0.00	0.00	7,078.0	-955.7	-144.8	966.6	0.00	0.00	0.00
Cubero									
7,300.0	0.00	0.00	7,138.8	-955.7	-144.8	966.6	0.00	0.00	0.00
7,322.2	0.00	0.00	7,161.0	-955.7	-144.8	966.6	0.00	0.00	0.00
Production - Zachary LS #1M PCP									

Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
- hit/miss target									
- Shape									
Zachary LS #1M PCP	0.00	0.00	7,161.0	-955.7	-144.8	2,133,894.59	470,304.48	36° 51' 51.594 N	107° 56' 5.442 W
- plan hits target center									
- Point									
Zachary LS #1M ICP	0.00	0.00	4,575.0	-955.7	-144.8	2,133,894.57	470,304.46	36° 51' 51.594 N	107° 56' 5.442 W
- plan hits target center									
- Point									

Casing Points					
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (")	Hole Diameter (")	
200.0	200.0	Surface	9-5/8	12-1/4	
4,736.2	4,575.0	Intermediate	7	8-3/4	
7,322.2	7,161.0	Production	4-1/2	6-1/4	

ConocoPhillips or its affiliates

Planning Report



Database:	EDM Central Planning	Local Co-ordinate Reference:	Well Zachary LS #1M
Company:	ConocoPhillips SJB	TVD Reference:	RKB @ 5967.0ft (Original Well Elev)
Project:	San Juan Basin - New Mexico West Wells	MD Reference:	RKB @ 5967 0ft (Original Well Elev)
Site:	Other Named Wells	North Reference:	True
Well:	Zachary LS #1M	Survey Calculation Method:	Minimum Curvature
Wellbore:	Zachary LS #1M		
Design:	Plan #1		

Formations					
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
1,160.0	1,160.0	Ojo Alamo		0.00	
4,984.2	4,823.0	Pt. Lookout		0.00	
6,289.2	6,128.0	Gallup		0.00	
3,422.6	3,319.0	Huerfanto Bentonite		0.00	
5,354.2	5,193.0	Mancos Shale		0.00	
2,072.4	2,059.0	Fruitland		0.00	
2,837.6	2,774.0	Lewis		0.00	
7,239.2	7,078.0	Cubero		0.00	
7,013.2	6,852.0	Greenhorn		0.00	
7,118.2	6,957.0	Two Wells		0.00	
7,202.2	7,041.0	Paguate		0.00	
3,786.5	3,658.0	Chacra		0.00	
1,250.0	1,250.0	Kirtland		0.00	
4,378.1	4,219.0	Massive Cliff House		0.00	
2,666.9	2,615.0	Pictured Cliffs		0.00	
4,586.0	4,425.0	Menefee		0.00	
7,066.2	6,905.0	Graneros		0.00	

REFERENCE INFORMATION

RKB @ 5967.0ft (Original Well Elev)
Ground Elevation 5952.0
Reference Lat: 36° 52' 1.044 N
Reference Long: 107° 56' 3.660 W

Project: San Juan Basin - New Mexico West W

Site: Other Named Wells

Well: Zachary LS #1M

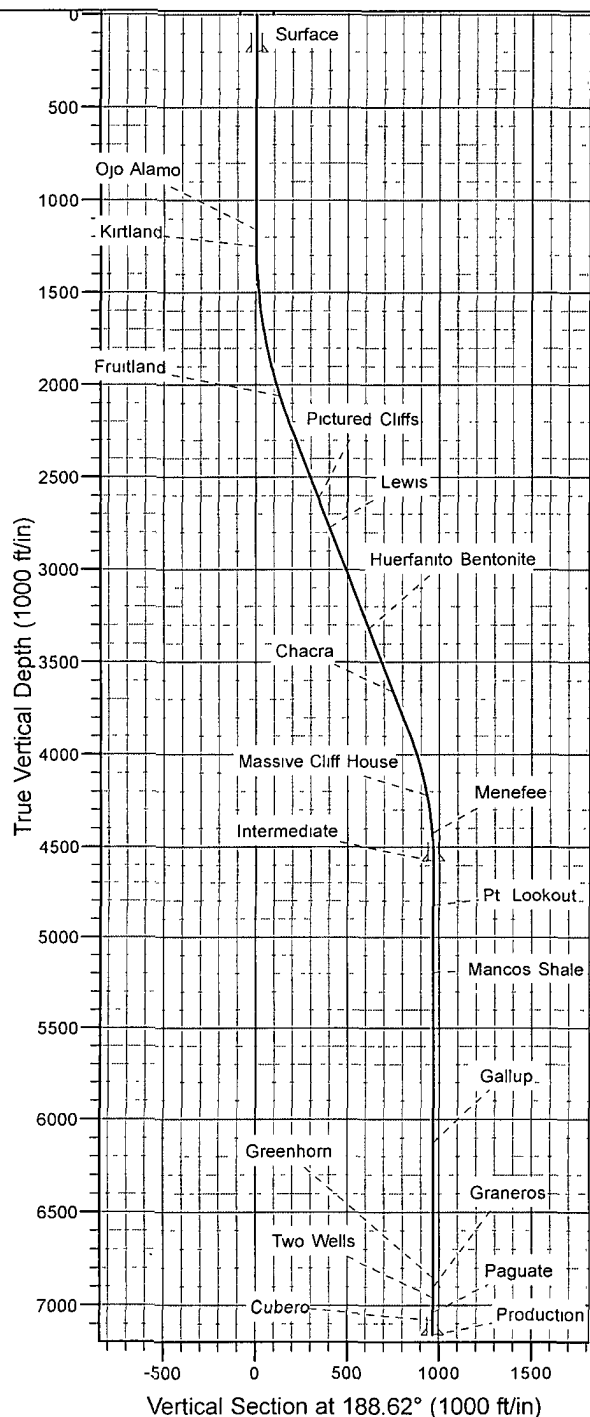
Wellbore: Zachary LS #1M

Design: Plan #1

ConocoPhillips

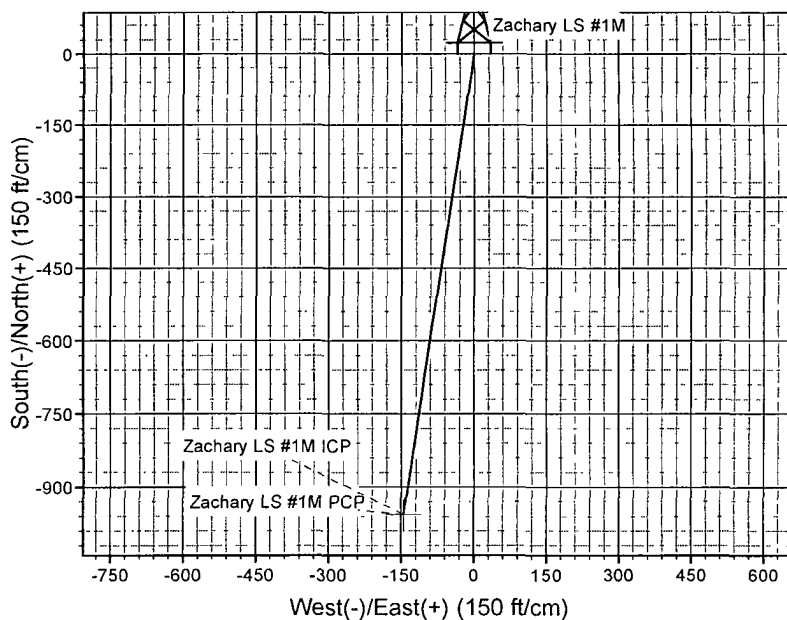
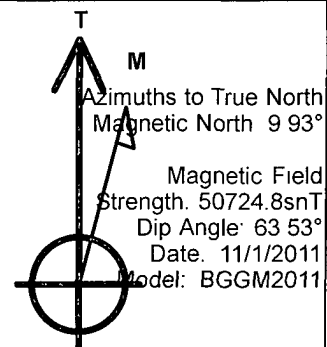
SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	1200.0	0.00	0.00	1200.0	0.0	0.0	0.00	0.00	0.0	
3	2266.3	21.33	188.62	2241.8	-193.9	-29.4	2.00	188.62	196.1	
4	4025.3	21.33	188.62	3880.5	-826.4	-125.2	0.00	0.00	835.9	
5	4736.2	0.00	0.00	4575.0	-955.7	-144.8	3.00	180.00	966.6	Zachary LS #1M ICP
6	7322.2	0.00	0.00	7161.0	-955.7	-144.8	0.00	0.00	966.6	Zachary LS #1M PCP



FORMATION TOP DETAILS

TVDPath	MDPath	Formation
1160.0	1160.0	Ojo Alamo
1250.0	1250.0	Kirtland
2059.0	2072.4	Fruitland
2615.0	2666.9	Pictured Cliffs
2774.0	2837.6	Lewis
3319.0	3422.6	Huerfano Bentonite
3658.0	3786.5	Chacra
4219.0	4378.1	Massive Cliff House
4425.0	4586.0	Menefee
4823.0	4984.2	Pt. Lookout
5193.0	5354.2	Mancos Shale
6128.0	6289.2	Gallup
6852.0	7013.2	Greenhorn
6905.0	7066.2	Graneros
6957.0	7118.2	Two Wells
7041.0	7202.2	Pagate
7078.0	7239.2	Cubero

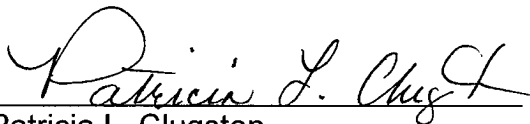


CERTIFICATION

Zachary LS 1M
UL O (SWSE), Sec. 28, T31N, R11W)
San Juan County, NM)

This Certification serves to state that in accordance with Oil Conservation Division Rule 19.15.15.12 B BP America Production Company, an Operator in the above referenced drillblock has entered into a Letter Agreement dated May 3, 2011 with the Applicant, ConocoPhillips Company, wherein BP America Production Company has agreed to allow ConocoPhillips Company "to propose, drill, test and operate" the above referenced well at the above referenced location. Please see attached signature page from the Letter Agreement. Based on this Letter Agreement actual notice has been given to BP America Production Company and therefore, the notice requirements have been fulfilled.

I hereby certify that the information given on this form is true to the best of my knowledge and belief.



Patricia L. Clugston
Senior Regulatory Specialist
ConocoPhillips, SJB
(505) 326-9518

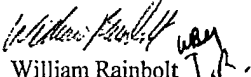
Letter Agreement – Delhi Taylor Operating Agreement
May 3, 2011

withheld. In the event COPC desires to change the bottom hole location from the Proposed Bottom Hole location, it will provide BP with a written notification explaining why the change is being requested and delineating the alternative bottom hole location. If BP does not object in writing to the alternative bottom hole location within thirty (30) days from its receipt of the change request, it will be conclusively presumed to be an approval of such alternative location.

Please evidence your consent and approval by forwarding one fully executed original of this Letter Agreement to the attention of Terry Ruby at the Letterhead address. Any questions may be directed to Mr. Ruby at 505-326-9519. Thank you for your consideration of this request. We will appreciate your favorable response by May 14, 2011.

Respectfully,

CONOCOPHILLIPS COMPANY


William Rainbolt
Attorney-in-Fact

AGREED TO AND ACCEPTED THIS 12th DAY OF MAY, 2011.
BP AMERICA PRODUCTION CO.

Name: Debra Bacon
Title: Attorney-in-Fact
J.B.
SEM