

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

5. Lease Serial No.
NM-12641

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
BLANCO #9B

9. API Well No.
30-045-33023

10. Field and Pool, or Exploratory
BLANCO MESAVERDE

11. Sec., T. R. M. or Blk. and Survey or Area
14 SECTION 35, T31N, R8W

12. County or Parish
SAN JUAN

13. State
NM

1a. Type of work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone

2. Name of Operator

ConocoPhillips Company

3a. Address

4001 Penbrook, Odessa, TX 79762

3b. Phone No. (include area code)

432-368-1352

4. Location of Well (Report location clearly and in accordance with any State requirements, *)

At surface

1840 FNL - 660 FEL

At proposed prod. zone

14. Distance in miles and direction from nearest town or post office*

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

1280

17. Spacing Unit dedicated to this well

E/2 - 320.00 ACRES

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.

19. Proposed Depth

5832

20. BLM/BIA Bond No. on file

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

6319 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, must 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 must 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
BLM-

25. Signature

Vicki Westby

Name (Printed/Typed)

Vicki Westby

Date

4/12/05

Title

Staff Agent

Approved by (Signature)

D. Markes
AFM

Name (Printed/Typed)

Office

FEO

Date

2005-5-05

Application approval 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.

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.

*(Instructions on page 2)

ConocoPhillips Company proposes to drill a vertical wellbore to the Blanco Mesaverde
formation. This well will be drilled and equipped in accordance with the attachments
submitted herewith.

This application is for APD / ROW.

NMOCD

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 30-045-33023		*Pool Code 72319	*Pool Name BLANCO MESAVERDE
*Property Code 31323	*Property Name BLANCO		*Well Number 9B
*GRID No. 217817	*Operator Name CONOCOPHILLIPS COMPANY		*Elevation 6319'

¹⁰ Surface Location

UL or lot no. H	Section 35	Township 31N	Range 8W	Lot Idn	Feet from the 1840	North/South line NORTH	Feet from the 660	East/West line EAST	County SAN JUAN
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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 320.0 Acres - E/2					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

<div><p>¹⁶</p><p>RECEIVED APR 14 PM 2 27 2005</p><p>070 FARMINGTON NM</p></div>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Vicki Westby</i> Signature Vicki R. Westby Printed Name Staff Agent Title <i>April 5, 2005</i> Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Survey Date: SEPTEMBER 23, 2004</p> <p>Signature and Seal of Professional Surveyor</p> <div><p>JASON C. EDWARDS Certificate Number 15269</p></div>

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103

May 27, 2004

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO.
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator ConocoPhillips Company		6. State Oil & Gas Lease No.
3. Address of Operator 4001 Penbrook, Odessa, TX 79762		7. Lease Name or Unit Agreement Name BLANCO
4. Well Location Unit Letter <u>H</u> <u>1840</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>East</u> line Section <u>35</u> Township <u>31N</u> Range <u>8W</u> NMPM <u>SAN JUAN</u> County		8. Well Number 9B
		9. OGRID Number 217817
		10. Pool name or Wildcat BLANCO MESAVERDE

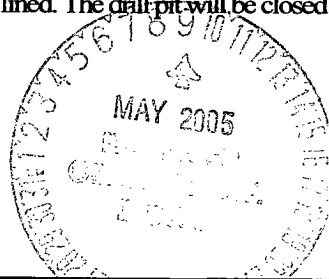
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6319 GL	
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> Closure <input type="checkbox"/>	
Pit type <u>DRILL</u> Depth to Groundwater <u>70'</u> Distance from nearest fresh water well <u><1 MILE</u> Distance from nearest surface water <u>100'</u>	
Liner Thickness: <u>mil</u> Below-Grade Tank: Volume <u>bb1s</u> ; Construction Material	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL. <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The pit will be constructed and closed in accordance with Rule 50 and as per the Nov. 1, 2004 Guidelines. See the attached diagram that details the location of the pit in reference to the proposed wellhead. The drill pit will be lined. The drill pit will be closed after the well has been completed.



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Vicki Westby

TITLE Staff Agent

DATE 4/12/05

Type or print name

E-mail address:

Telephone No.

For State Use Only

APPROVED BY: [Signature]

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. #5

DATE

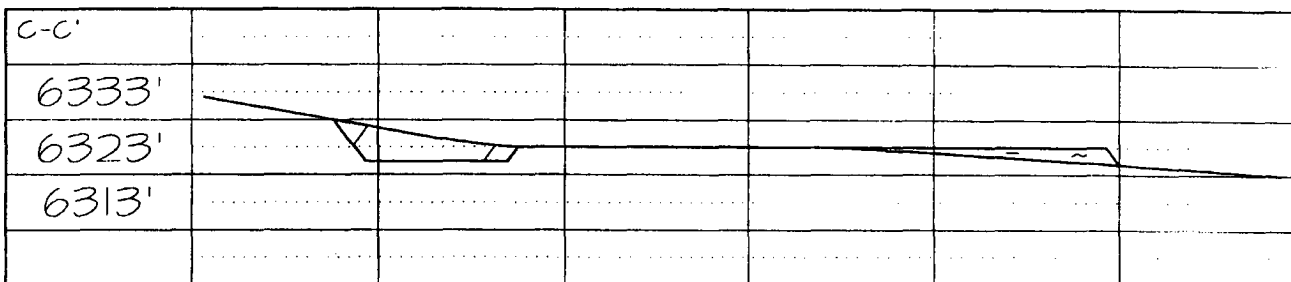
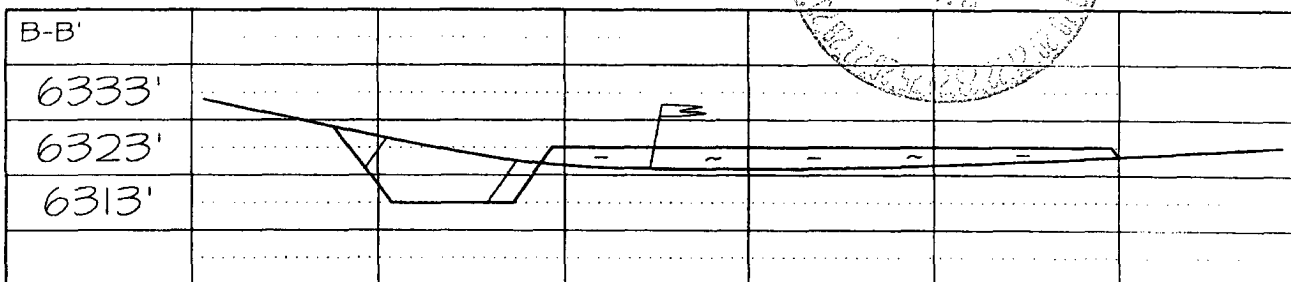
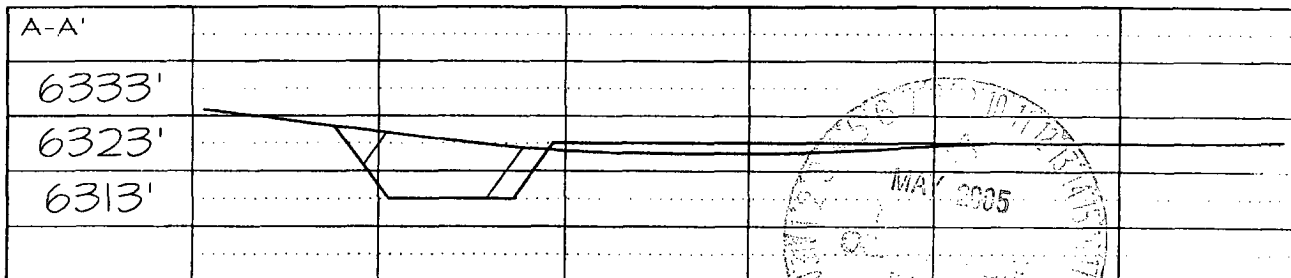
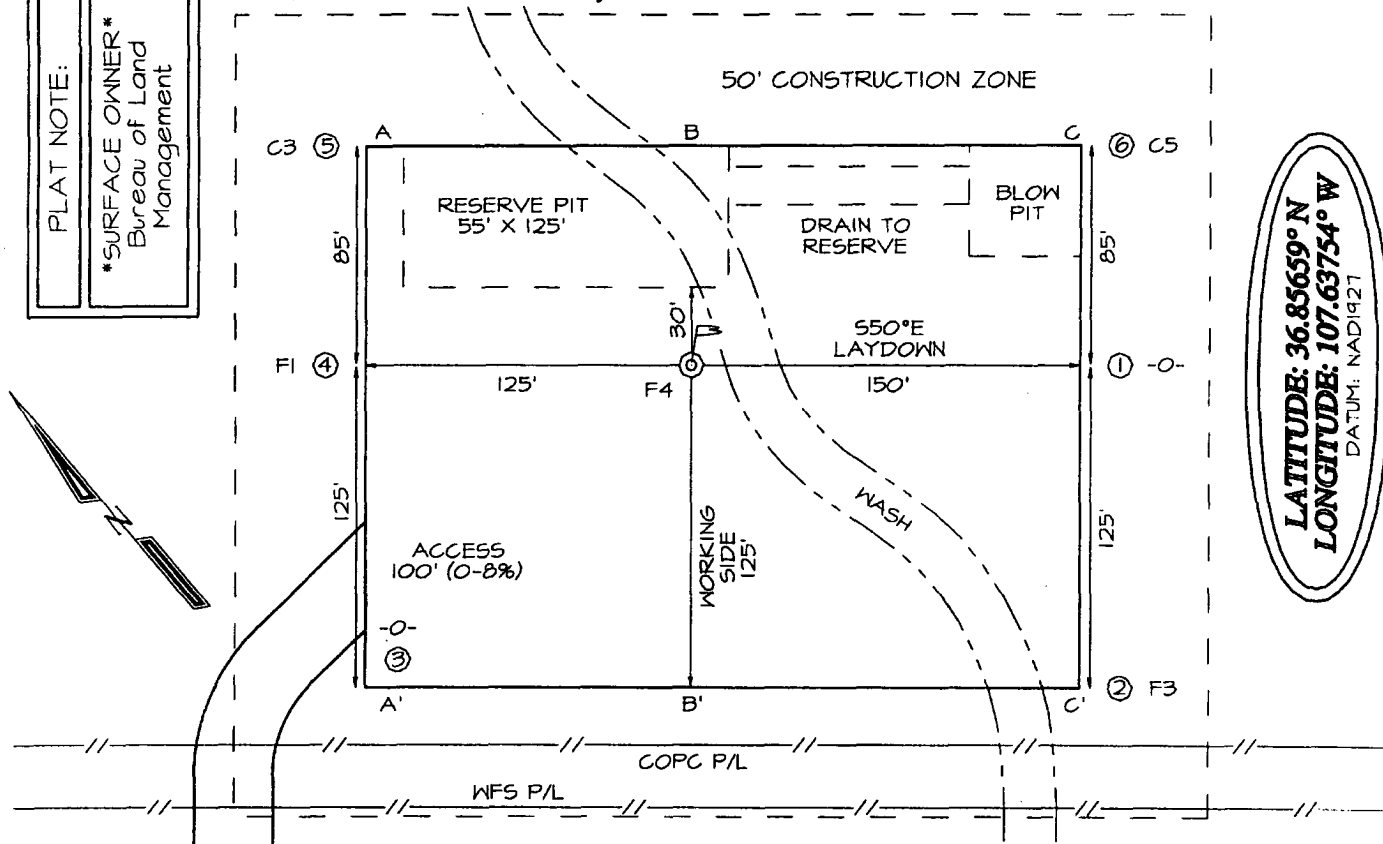
Conditions of Approval (if any):

MAY - 9 2005

CONOCOPHILLIPS COMPANY BLANCO #9B
1840' FNL & 660' FEL, SECTION 35, T31N, R8W, NMPM
SAN JUAN COUNTY, NEW MEXICO ELEVATION: 6319'

PLAT NOTE:

SURFACE OWNER
 Bureau of Land
 Management



PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

BLANCO 9B

Lease:		AFE #:		AFE \$:	
Field Name: NEW MEXICO-NORTH		Rig:	State: NM	County: SAN JUAN	API #:
Geoscientist: Glaser, Terry J		Phone: (832)486-2332	Prod. Engineer: Pusch, Jennye		Phone: 832-486-2345
Res. Engineer: Tomberlin, Timothy A		Phone: (832) 486-2328	Proj. Field Lead: Fransen, Eric E.		Phone:

Primary Objective (Zones):

Zone	Zone Name
R20002	MESAVERDE(R20002)

Location: Surface

Straight Hole

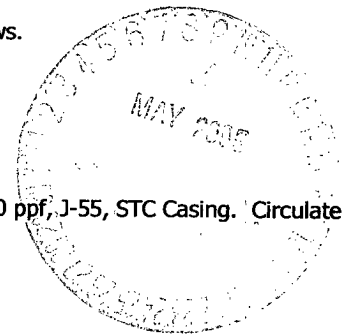
Latitude: 36.86	Longitude: -107.64	X:	Y:	Section: 35	Range: 8W
Footage X: 660 FEL	Footage Y: 1840 FNL	Elevation: 6319	(FT)	Township: 31N	

Tolerance:

Location Type: Year Round Start Date (Est.): Completion Date: Date In Operation:

Formation Data: Assume KB = 6332 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	213	6119	<input type="checkbox"/>			12-1/4 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.
NCMT	582	5750	<input type="checkbox"/>			
OJAM	2082	4250	<input type="checkbox"/>			Possible water flows.
KRLD	2222	4110	<input type="checkbox"/>			
FRLD	2922	3410	<input type="checkbox"/>			Possible gas.
PCCF	3232	3100	<input type="checkbox"/>			
LEWS	3432	2900	<input type="checkbox"/>			
Intermediate Casing	3532	2800	<input type="checkbox"/>			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
CHRA	4327	2005	<input type="checkbox"/>			
CLFH	5102	1230	<input type="checkbox"/>			Gas; possibly wet
MENF	5172	1160	<input type="checkbox"/>			Gas.
PTLK	5482	850	<input type="checkbox"/>			Gas.
MNCS	5732	600	<input type="checkbox"/>			
Total Depth	5832	500	<input type="checkbox"/>			6-1/4" Hole. 4-1/2", 10.5 ppf, J-55, STC casing. Circulate cement a minimum of 100' inside the previous casing string. No open hole logs. Cased hole TDT with GR to surface.



Reference Wells:

Reference Type	Well Name	Comments
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Logging Program:

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

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

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
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PROJECT PROPOSAL - New Drill / Sidetrack

BLANCO 9B

Comments: Zones - Drilling Mud Program:

Surface: spud mud

Intermediate: fresh water mud with bentonite and polymer as needed

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

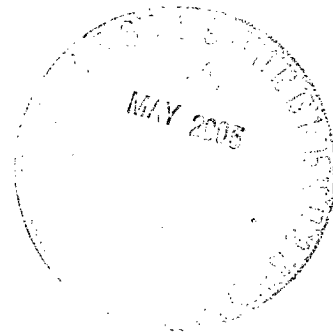
Centralizer Program:

Surface: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 3rd, & 4th joints

Intermediate: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 4th, 6th, 8th, & 10th joints

Turbolizers placed one per joint from the top of the Ojo Alamo to the top of the Kirtland Shale

Below Intermediate: no centralizers used in air holes. In mud holes centralizers are spaced out appropriately



Blanco #9B
Halliburton Cement Calculations

SURFACE CASING :

Drill Bit Diameter	12.25"	
Casing Outside Diameter	9.625"	Casing Inside Diam. 9.001"
Casing Weight	32.3	ppf
Casing Grade	H-40	
Shoe Depth	230'	
Cement Yield	1.21	cuft/sk
Excess Cement	125	%
Cement Required	147	sx

SHOE 230', 9.625", 32.3 ppf, H-40 STC

INTERMEDIATE CASING :

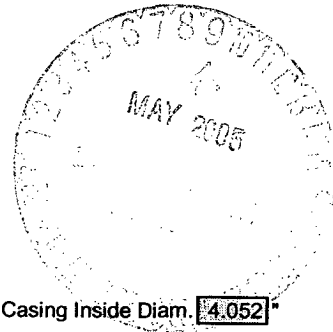
Drill Bit Diameter	8.75"	
Casing Outside Diameter	7"	Casing Inside Diam. 6.456"
Casing Weight	20	ppf
Casing Grade	J-55	
Shoe Depth	3532'	
Lead Cement Yield	2.88	cuft/sk
Lead Cement Excess	150	%
Tail Cement Length	706.4'	
Tail Cement Yield	1.33	cuft/sk
Tail Cement Excess	150	%
Lead Cement Required	352	sx
Tail Cement Required	207	sx

SHOE 3532', 7", 20 ppf, J-55 STC

PRODUCTION CASING :

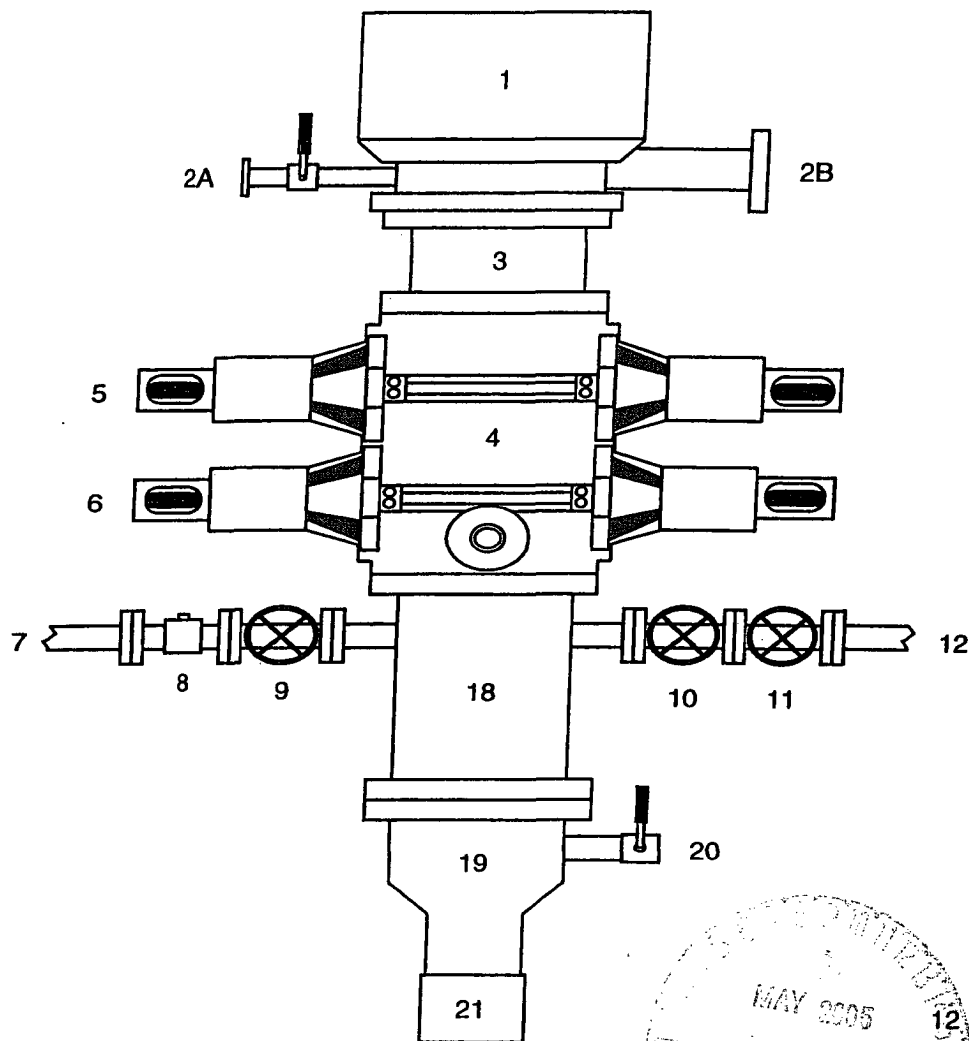
Drill Bit Diameter	6.25"	
Casing Outside Diameter	4.5"	Casing Inside Diam. 4.052"
Casing Weight	10.5	ppf
Casing Grade	J-55	
Top of Cement	3332'	200' inside intermediate casing
Shoe Depth	5832'	
Cement Yield	1.45	cuft/sk
Cement Excess	50	%
Cement Required	260	sx

SHOE 5832', 4.5", 10.5 ppf, J-55 STC

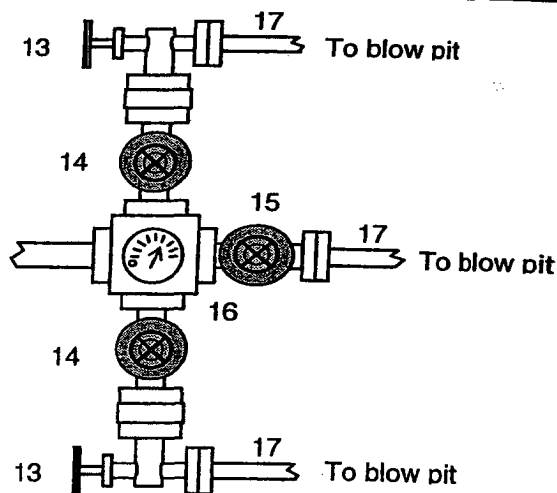


BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

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



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Flowline
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
19. Casing Head "A" Section
20. Casing Head "A" Section 2" Valve
21. 9 5/8" Casing Collar



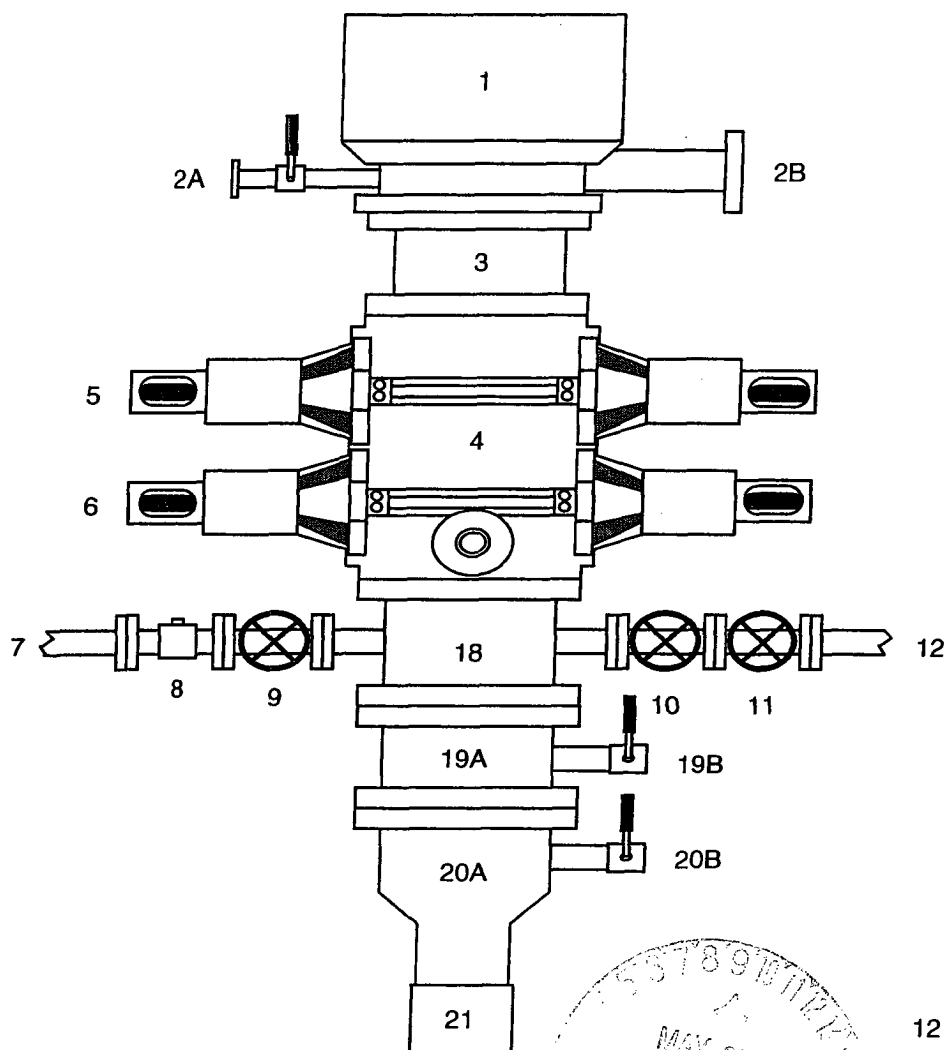
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 10 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 10 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:

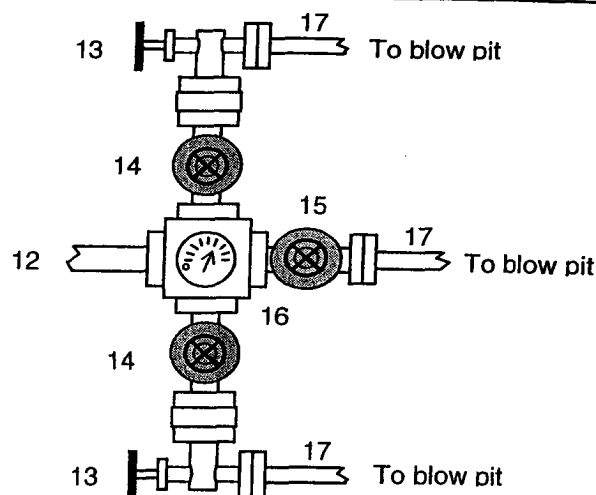
1. Upper Kelly cock Valve with handle
2. Stab-in TIW valve for all drillstrings in use

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to TD and Setting 4.5 inch Casing



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Bleeie 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 10 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 10 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 6-1/4" 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

Property : BLANCO Well #: 9B

Surface Location:

Unit: H Section: 35 Township: 31N Range: 8W

County: SAN JUAN State: New Mexico

Footage: 1840 from the North line, 660 from the East line.

CATHODIC PROTECTION

ConocoPhillips (COP) proposes to drill a cathodic protection deep well groundbed for the subject well. COP will drill a hole vertically at the surface large enough to accommodate 20 feet of 8 inch diameter PVC pipe for surface casing to assist in further drilling and loading. Casing may be cemented in place for stability if needed. COP 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 the existing well pad and a Farmington based company will be doing the drilling for ConocoPhillips.