

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

RECEIVED

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2

| | | |
|--|--|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NM-03998 |
| 2. Name of Operator ConocoPhillips Company | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address PO Box 4289, Farmington, NM 87499 | 3b. Phone No. (include area code) (505) 326-9700 | 7. If Unit of CA/Agreement, Name and/or No. |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Surface UNIT J (NWSE), 2570' FSL & 1696' FEL, Sec. 33, T30N, R10W | | 8. Well Name and No. TRIEB FEDERAL 2N |
| | | 9. API Well No. 30-045-35309 |
| | | 10. Field and Pool or Exploratory Area BLANCO MV/BASIN DK |
| | | 11. Country or Parish, State San Juan, New Mexico |

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|--|---|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other <u>Intermediate</u> |
| | <input checked="" type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>Casing Setting Depth</u> |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once Testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Burlington Resources requests permission to change the intermediate casing setting depth from the APD approved depth of 2756' to 4405' (150' into Menefee). Well is located below wet Cliffhouse line and to facilitate air drilling would like to deepen. The new Project Proposal is attached.

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

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

| | |
|--|---------------------------------------|
| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Denise Journey | Title Regulatory Technician |
| Signature <i>Denise Journey</i> | Date 12/3/2012 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|------------------------------------|-------------------------|
| Approved by Troy L. Sellers | Title Petroleum Engineer | Date 12/13/12 |
| Conditions of approval, if any, are attached. Approval of this notice 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. | Office FFO | |

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.

AV

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

TRIEB FEDERAL 2N

DEVELOPMENT

| | | | | | |
|---|------------------------|-----------------------------|---------|--------------------------|------------------|
| Lease: | | AFE #: WAN.CDR.0128 | | AFE \$: | |
| Field Name: SAN JUAN | | Rig: Aztec Rig 711 | | State: NM | County: SAN JUAN |
| Geologist: | | Phone: | | Geophysicist: | |
| Geoscientist: | | Phone: | | Prod. Engineer: | |
| Res. Engineer: | | Phone: | | Proj. Field Lead: | |
| Primary Objective (Zones): | | | | | |
| Zone | Zone Name | | | | |
| R20076 | DAKOTA(R20076) | | | | |
| R20002 | MESAVERDE(R20002) | | | | |
| Location: Surface | | | | | |
| Datum Code: NAD 27 | | Straight Hole | | | |
| Latitude: 36.768451 | Longitude: -107.885972 | X: | Y: | Section: 33 | Range: 010W |
| Footage X: 1696 FEL | Footage Y: 2570 FSL | Elevation: 6055 | (FT) | Township: 030N | |
| Tolerance: | | | | | |
| Location Type: Year Round | | Start Date (Est.): 1/1/2013 | | Completion Date: | |
| Formation Data: Assume KB = 6070 | | Units = FT | | | |
| Formation Call & Casing Points | Depth (TVD in Ft) | SS (Ft) | MD (Ft) | Depletion (Yes/No) | BHP (PSIG) |
| Surface Casing | 200 | 5870 | | <input type="checkbox"/> | |
| 12-1/4 hole. 200' 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 121 cuft. Circulate cement to surface. | | | | | |
| OJO ALAMO | 1203 | 4867 | | <input type="checkbox"/> | |
| KIRTLAND | 1353 | 4717 | | <input type="checkbox"/> | |
| FRUITLAND | 1925 | 4145 | | <input type="checkbox"/> | Possible Gas |
| PICTURED CLIFFS | 2509 | 3561 | | <input type="checkbox"/> | |
| LEWIS | 2656 | 3414 | | <input type="checkbox"/> | |
| HUERFANITO BENTONITE | 3275 | 2795 | | <input type="checkbox"/> | |
| CHACRA | 3519 | 2551 | | <input type="checkbox"/> | |
| MASSIVE CLIFF HOUSE | 4176 | 1894 | | <input type="checkbox"/> | 485 Gas |
| MENEFEE | 4255 | 1815 | | <input type="checkbox"/> | |
| Intermediate Casing | 4405 | 1665 | | <input type="checkbox"/> | |
| 8 3/4" Hole. 7", 20/23 ppf, J-55, STC/LTC Casing. Cement with 992 cuft. Circulate cement to surface. | | | | | |
| POINT LOOKOUT | 4796 | 1274 | | <input type="checkbox"/> | |
| MANCOS | 5198 | 872 | | <input type="checkbox"/> | |
| UPPER GALLUP | 6031 | 39 | | <input type="checkbox"/> | |
| GREENHORN | 6763 | -693 | | <input type="checkbox"/> | |
| GRANEROS | 6819 | -749 | | <input type="checkbox"/> | |
| TWO WELLS | 6878 | -808 | | <input type="checkbox"/> | 2035 Gas |
| PAGUATE | 6949 | -879 | | <input type="checkbox"/> | |
| CUBERO | 7002 | -932 | | <input type="checkbox"/> | |
| Total Depth | 7012 | -942 | | <input type="checkbox"/> | |
| 6-1/4" hole, 4-1/2" 11.6 ppf, L-80, LTC casing. Cement w/ 352 cuft. Circulate cement a minimum of 100' inside the previous casing string. | | | | | |
| ENCINAL | 7061 | -991 | | <input type="checkbox"/> | |
| Reference Wells: | | | | | |
| Reference Type | Well Name | Comments | | | |

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

TRIEB FEDERAL 2N

DEVELOPMENT

Logging Program:

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

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

Mud log from ~100' above the Upper Gallup to TD. Mud loggers will call final TD. Suggested TD is ~10' below the T/Cubero for rat hole only. Plan on completing Twls and Pgte only.

Additional Information:

| Log Type | Stage | From (Ft) | To (Ft) | Tool Type/Name | Remarks |
|----------|-------|-----------|---------|----------------|---------|
|----------|-------|-----------|---------|----------------|---------|