

2006 JAN 11 AM 7 41

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
FARMINGTON NM

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF-078917	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator ConocoPhillips Company		7. If Unit or CA Agreement, Name and No. NMNM-078415A-MV NMNM078415B DK	
3a. Address 4001 Penbrook, Odessa, TX 79762		8. Lease Name and Well No. SAN JUAN 29-5 #90M	
3b. Phone No. (include area code) 432-368-1230		9. API Well No. 30-039-29737	
4. Location of Well (Report location clearly and in accordance with any State requirements) At surface SENW 2090 FNL - 1735 FWL At proposed prod. zone		10. Field and Pool, or Exploratory BLANCO MESAVERDE/BASIN DAKOTA	
11. Sec., T. R. M. or Blk. and Survey or Area SECTION 35, T29N, R5W NMPM		12. County or Parish RIO ARRIBA	
13. State NM		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 2379.36 ACRES	
17. Spacing/Unit dedicated to this well MV & DK - W/2 - 320.0 ACRES		18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	
19. Proposed Depth 8832'		20. BLM/BIA Bond No. on file	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 7466' 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 	Name (Printed/Typed) Peggy James	Date 1/09/2006
Title Sr. Associate		

Approved by (Signature) 	Name (Printed/Typed) AFM	Date 2/15/06
Title AFM	Office FFO	

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 / Basin Dakota formations. This well will be drilled and equipped in accordance with the attachments submitted herewith. This application is for APD / ROW.

This well will be downhole commingled pursuant to the terms and conditions outlined in Order R-11363.

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

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

NMOCDD

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

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070 FARMINGTON NM
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-29737	*Pool Code 72319 / 71599	*Pool Name BLANCO MESAVERDE / BASIN DAKOTA
*Property Code 31325 ✓	*Property Name SAN JUAN 29-5 UNIT	*Well Number 90M ✓
*GRID No. 217817 ✓	*Operator Name CONOCOPHILLIPS COMPANY ✓	*Elevation 7466' ✓

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	35	29N	5W		2090	NORTH	1735	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 320.0 Acres - W/2	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

<p>16</p> <p>5282.64'</p> <p>2090'</p> <p>1735'</p> <p>LAT: 36°41.0107'N LONG: 107°19.7643'W DATUM: NAD27</p> <p>35</p> <p>5280.00'</p> <p>LEASE SF-078917</p> <p>5280.00'</p>	<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>Virgil E. Chavez</i> Signature Virgil E. Chavez</p> <p>Printed Name Projects & Operations Lead</p> <p>Title <i>December 13, 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>Date Revised: DECEMBER 12, 2005 Date of Survey: JULY 20, 2005</p> <p>Signature and Seal of Professional Surveyor</p> <p><i>JASON C. EDWARDS</i> Certificate Number 15269</p>
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Submitt 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

Form C- 1 03
May 27, 2004

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

WELL API NO.

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

SAN JUAN 29-5 UNIT

8. Well Number 90M

9. OGRID Number 217817

10. Pool name or Wildcat

BLANCO MESAVERDE / BASIN DAKOTA

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.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
ConocoPhillips Company

3. Address of Operator
4001 Penbrook, Odessa, TX 79762

4. Well Location
Unit Letter F 2090 feet from the NORTH line and 1735 feet from the WEST line
Section 35 Township 29N Range 5W NMPM RIO ARRIBA County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
7466' GL

Pit or Below-grade Tank Application ☒ Closure ☐

Pit type DRILL Depth to Groundwater 280' Distance from nearest fresh water well 11,405' Distance from nearest surface water 240'

Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

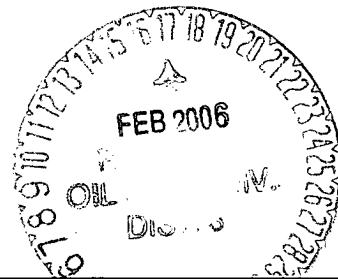
SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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 11 03. 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 COPC June 2005 General Pit Plan on file with the NMOCD. 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 NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OGD approved plan ☐

SIGNATURE Peggy James

TITLE Sr. Associate

DATE 1/09/2006

Type or print name
For State Use Only

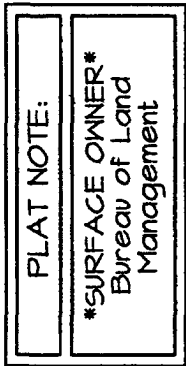
E-mail address peggy.s.james@conocophillips.com:

Telephone No.: (432)368-1230

APPROVED BY:
Conditions of Approval (if any):

TITLE DEPUTY OIL & GAS INSPECTOR, DIST. IV DATE FEB 17 2006

LATITUDE: 36.68351° N
LONGITUDE: 107.32941° W
DATUM: NAD1927



C-C'							
7474'							
7464'							
7454'							

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 29-5 90M

Lease:		AFE #: WAN.CNV.6184		AFE \$:	
Field Name: 29-5		Rlg:	State: NM	County: RIO ARRIBA	API #:
Geoscientist: Glaser, Terry J		Phone: (832)486-2332	Prod. Engineer: Moody, Craig E.		Phone: 486-2334
Res. Engineer: Johnson, Tom B.		Phone: (832)-486-2347	Proj. Field Lead: Fransen, Eric E.		Phone:

Primary Objective (Zones)

Zone	Zone Name
R20002	MESAVERDE(R20002)
R20076	DAKOTA(R20076)

Location: Surface

Latitude: 36.68	Longitude: -107.33	X: 0.00	Y: 0.00	Section: 35	Range: 5W
Footage X: 1735 FWL		Footage Y: 2090 FNL		Elevation: 7466 (FT)	Township: 29N

Tolerance:

Location Type: Summer Only	Start Date (Est.):	Completion Date:	Date In Operation:
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Formation Data: Assume KB = 7482 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
SURFACE CSG	216	7266	<input type="checkbox"/>			12 1/2 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.
NCMT	2332	5150	<input type="checkbox"/>			
CJAM	3662	3820	<input type="checkbox"/>			Possible water flows.
KRLD	3862	3620	<input type="checkbox"/>			
FRLD	4152	3330	<input type="checkbox"/>			Possible gas.
PCCF	4452	3030	<input type="checkbox"/>			
LEWS	4652	2830	<input type="checkbox"/>			
Intermediate Casing	4752	2730	<input type="checkbox"/>			8 3/4" Hole. 4000' of 7", 20 ppf, J-55, STC Casing on top, 752' of 7", 23 ppf, J-55, LTC on bottom (special drift to 6.125" ID). Circulate cement to surface.
CHRA	5407	2075	<input type="checkbox"/>			
CLFH	6312	1170	<input type="checkbox"/>			Gas; possibly wet
MENF	6352	1130	<input type="checkbox"/>			Gas.
PTLK	6632	850	<input type="checkbox"/>			Gas.
CLLP	7872	-390	<input type="checkbox"/>			Gas. Possibly wet.
CRHN	8582	-1100	<input type="checkbox"/>			Gas possible, highly fractured
QBBO	8737	-1255	<input type="checkbox"/>			Gas
TOTAL DEPTH DK	8832	-1350	<input type="checkbox"/>			6-1/4" Hole. 4-1/2", 11.6 ppf, N-80, LTC 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

San Juan 29-5 # 90M
Halliburton Cementing Program

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	235'	
Cement Yield	1.21	cuft/sk
Cement Density	15.6	lb/gal
Excess Cement	125	%
Cement Required	223	sx

SHOE 235', 9.625", 32.3 ppf, H-40 STC

INTERMEDIATE CASING :

Note: 4000' of 7", 20 ppf, J-55, STC or
752' of 7", 23 ppf, J-55, LTC on l

Drill Bit Diameter	8.75"	
Casing Outside Diameter	7"	Casing Inside Diam. 6.125"
Casing Weight	23	ppf
Casing Grade	J-55	
Shoe Depth	4752'	
Lead Cement Yield	2.88	cuft/sk
Lead Cement Density	11.5	lb/gal
Lead Cement Excess	150	%
Lead Cement Required	248	sx
Tail Cement Length	950.4'	
Tail Cement Yield	1.33	cuft/sk
Tail Cement Density	13.5	lb/gal
Tail Cement Excess	150	%
Tail Cement Required	276	sx

SHOE 4752', 7", 23 ppf, J-55 LTC

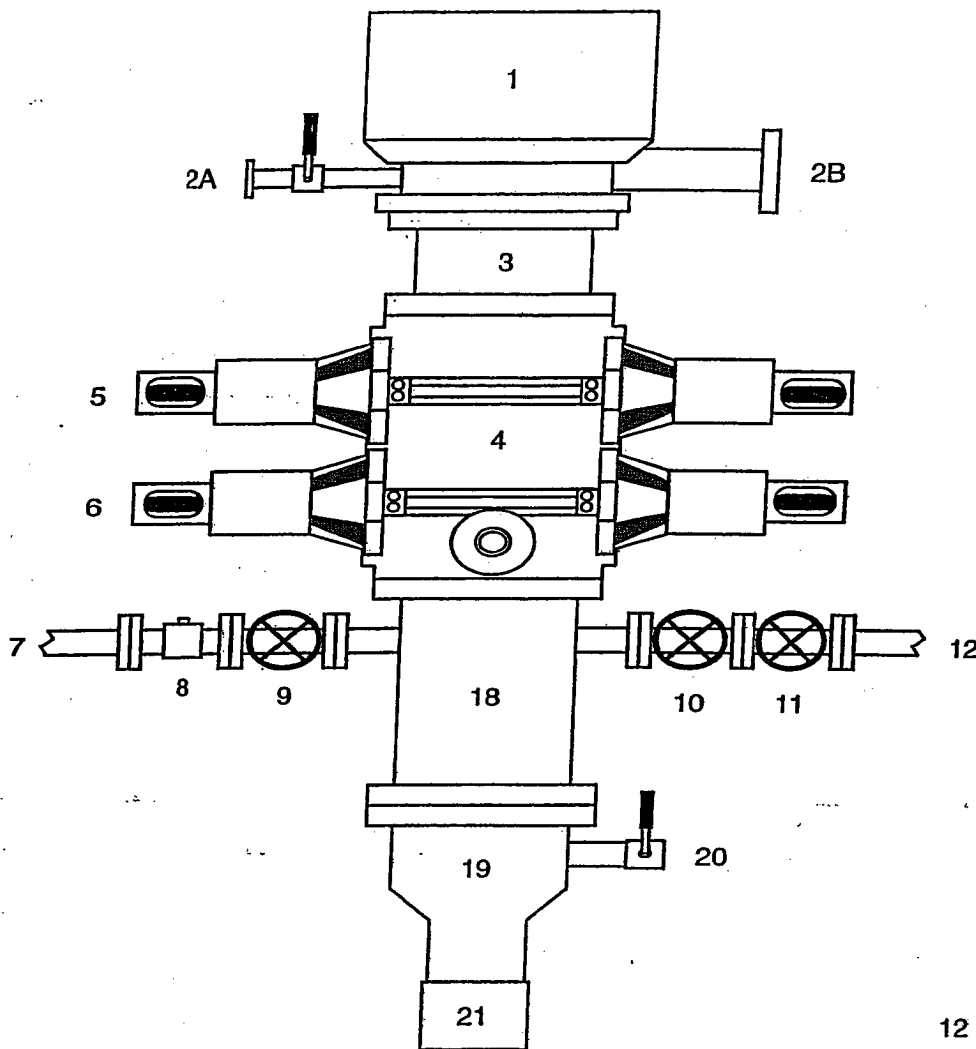
PRODUCTION CASING :

Drill Bit Diameter	6.25"	
Casing Outside Diameter	4.5"	Casing Inside Diam. 4.000"
Casing Weight	11.6	ppf
Casing Grade	N-80	
Top of Cement	4552'	200' inside intermediate casing
Shoe Depth	8832'	
Cement Yield	1.45	cuft/sk
Cement Density	13.1	lb/gal
Cement Excess	50	%
Cement Required	248	sx

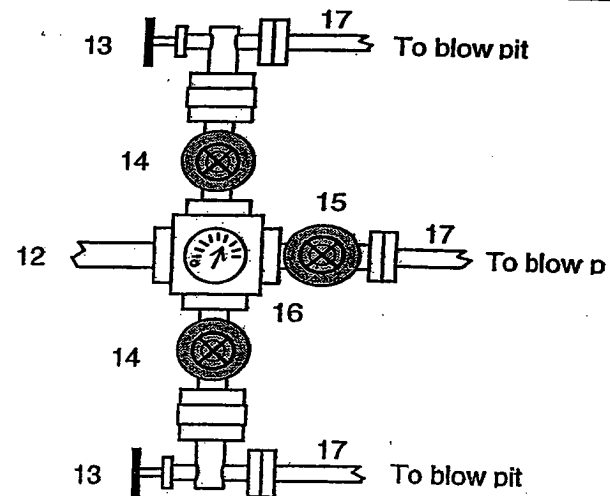
SHOE 8832', 4.5", 11.6 ppf, N-80 LTC

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

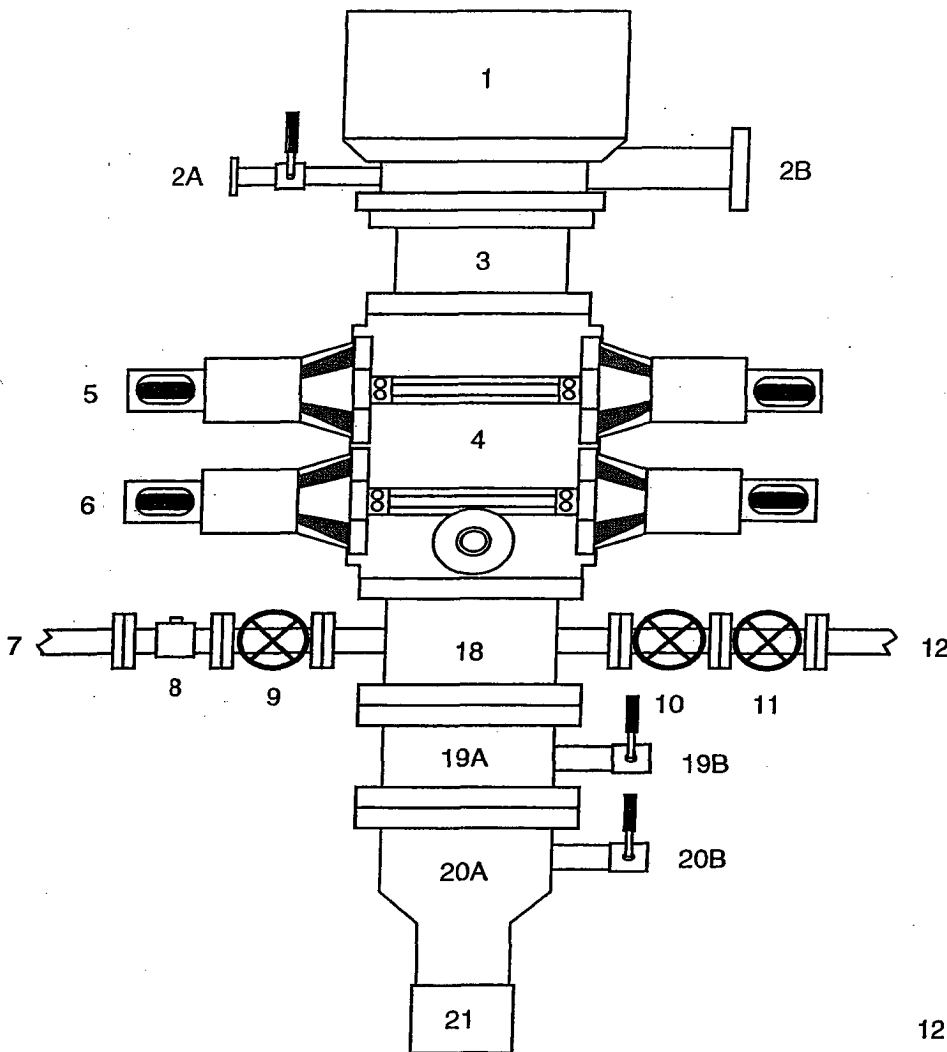


A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe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

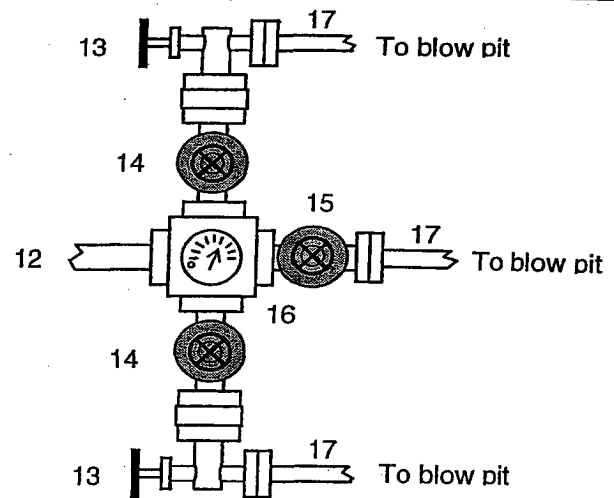
In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

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 : SAN JUAN 29-5 UNIT **Well #:** 90M

Surface Location:

Unit: F **Section:** 35 **Township:** 29N **Range:** 5W

County: RIO ARRIBA **State:** New Mexico

Footage: 2090 **from the** NORTH **line,** 1735 **from the** WEST **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.