## State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following <u>3160-5</u> form. Operator Signature Date: **Original APD 12/18/2012** Sundry Extension Date 6/21/2017

API WELL #	Well Name	Well #	Operator Name	Туре	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	N/E
30-039-31167- 00-00	SAN JUAN 28 7 UNIT		CONOCOPHILLIPS COMPANY	G		Rio Arriba	F	J	19	27	N	7 V	N

Conditions of Approval:

(See the below checked and handwritten conditions)

✓ Notify Aztec OCD 24hrs prior to casing & cement.

Hold C-104 for directional survey & "As Drilled" Plat

O Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned

Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:

A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A

A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A

A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C

Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string

Submit Gas Capture Plan form prior to spudding or initiating recompletions operations.

Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84

1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3441 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd

Hold C-104 for NSL, NSP, DHC,

Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.

✓ Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.

Comply with current regulations at time of spud Prior to production operator needs to be in compliance with RULE 19.15.5.9

Kitheric Partal

NMOCD Approved by Signature

<u>6/26/17</u> Date

Form 3460-5 (August 2007)	UNITED STAT DEPARTMENT OF THE BUREAU OF LAND MAN	INTERIOR		FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010					
	BUREAU OF LAND MAN		5. Lease Serial No.						
Do not us	NDRY NOTICES AND REPO e this form for proposate to I well. Use Form 3160-1890A	ndin Sido Referter a	n Is.	6. If Indian, Allottee or Tribe	SF-078840 Name				
	UBMIT IN TRIPLICATE - Other instr			7. If Unit of CA/Agreement, 1	Name and/or No.				
1. Type of Well				luan 28-7 Unit					
	X Gas Well Other			8. Well Name and No. SJ 28-7 Unit 237P					
2. Name of Operator	ConocoPhillips Compar	ny		9. API Well No. <b>30-039-31167</b>					
3a. Address PO Box 4289, Farmingt	Bb. Phone No. (include area coordinate (505) 326-9700		10. Field and Pool or Exploratory Area Blanco MV / Basin DK						
4. Location of Well (Footage, Sec., T., 1		(000) 020 0100		11. Country or Parish, State					
	WSE), 1517' FSL & 1865' FE IESE), 1340' FSL & 1040' FE			Rio Arriba	, New Mexico				
	THE APPROPRIATE BOX(ES)	and the second state and the second state of t		TICE, REPORT OR OTH	IER DATA				
TYPE OF SUBMISSION	. ,	TYPE							
X Notice of Intent	Acidize	Deepen		roduction (Start/Resume)	Water Shut-Off				
	Alter Casing	Fracture Treat	R	eclamation	Well Integrity				
Subsequent Report	Casing Repair	New Construction	R	ecomplete	X Other APD Ext				
	Change Plans	Plug and Abandon		emporarily Abandon					
Final Abandonment Notice 13. Describe Proposed or Completed Op	Convert to Injection	Plug Back		Vater Disposal	note duration thereof				
ConocoPhillips reque	sts a one time, one year ex	tension of the APD a	pprova						
				OILC	ONS. DIV DIST. 3				
				J	UN 2 6 2017				
	I was a faile								
14. I hereby certify that the foregoing is	ache al line all li	018							
Christine Brock	Title Regula	Title Regulatory Specialist							
Signature Unist	ine Brock	Date Le 2	11-	1					
0	THIS SPACE FOR	FEDERAL OR STATI	E OFF	ICE USE					
	rang	Titl	e	PE	Date 6/22/17				
Conditions of approval, if any, are attach that the applicant holds legal or equitable entitle the applicant to conduct operation	e all to those rights in the subject lease as thereon.	which would Offi		FFO					
Title 18 U.S.C. Section 1001 and Title 4 false, fictitious or fraudulent statements			villfully t	o make to any department or ag	gency of the United States any				
(Instruction on page 2)		NMOCD							

A