

2005 MAY 25 10 10 AM

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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. NM-013364
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.
3a. Address 4001 Penbrook, Odessa, TX 79762	3b. Phone No. (include area code) 432-368-1352	8. Lease Name and Well No. San Juan 32-8 Unit #12F
4. Location of Well (Report location clearly and in accordance with any State requirements, *) At surface NWSE 2200 FSL - 1955 FWL At proposed prod. zone		9. API Well No. 30-045-33114
10. Field and Pool, or Exploratory Blanco Mesaverde/Basin Dakota		11. Sec., T. R. M. or Blk. and Survey or Area Section 21, T31N, R8W, NMPM
12. County or Parish San Juan		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 360 acres
17. Spacing Unit dedicated to this well W/2 - 320.0 acres (MV) W/2 - 320.0 acres (DK)	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 8070' TVD
20. BLM/BIA Bond No. on file	21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6552' 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 (pj)	Name (Printed/Typed) Vicki Westby	Date 5/24/2005
------------------------------------	--------------------------------------	-------------------

Approved by (Signature) D. Mantle	Name (Printed/Typed) AFM	Date 4/21/06
Title AFM	Office FFO	

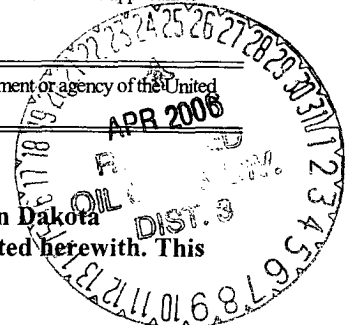
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

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.



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

¹ API Number 30-045-33114		² Pool Code 72319 / 71599		³ Pool Name BLANCO MESAVERDE / BASIN DAKOTA	
⁴ Property Code 31330		⁵ Property Name SAN JUAN 32-8 UNIT			⁶ Well Number 12F
⁷ OGRID No. 217817		⁸ Operator Name CONOCOPHILLIPS COMPANY			⁹ Elevation 6552'

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
K	21	31N	8W		2200	SOUTH	1955	WEST	SAN JUAN

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 (MV) 320.0 Acres - W/2 (DK)					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>5245.68'</p><p>LEASE NM-013364 360 total acres</p><p>5212.68'</p><p>1955'</p><p>LAT: 36°52.9125' N LONG: 107°40.9452' W DATUM: NAD27</p><p>2200'</p><p>5225.22'</p><p>21</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><u>Vicki Westby (pj)</u> Signature Vicki R. Westby Printed Name Staff Agent Title 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: NOVEMBER 2, 2004</p> <p>Signature and Seal of Professional Surveyor</p>
	<div><p>JASON C. EDWARDS NEW MEXICO 15269 REGISTERED PROFESSIONAL SURVEYOR</p><p><u>JASON C. EDWARDS</u> 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 APINO <u>30-045-33114</u>
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		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 San Juan 32-8 Unit
4. Well Location Unit Letter <u>K</u> <u>2200</u> feet from the <u>South</u> line and <u>1955</u> feet from the <u>West</u> line Section <u>21</u> Township <u>31N</u> Range <u>8W</u> NMPM <u>San Juan</u> County		8. Well Number 11F
I 1. Elevation (Show whether DR, RKB, RT, GR, etc.) 6552' GL		9. OGRID Number 217817
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> Closure <input type="checkbox"/>		10. Pool name or Wildcat Blanco Mesaverde/Basin Dakota
Pit type <u>drill</u> Depth to Groundwater <u>310'</u> Distance from nearest fresh water well <u>> 1 mile</u> Distance from nearest surface water <u>170'</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:
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 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 NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Vicki Westby

TITLE Staff Agent

DATE 5/24/2005

Type or print name
For State Use Only

E-mail address:

Telephone No.

APPROVED BY: 
Conditions of Approval (if any):

TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 4

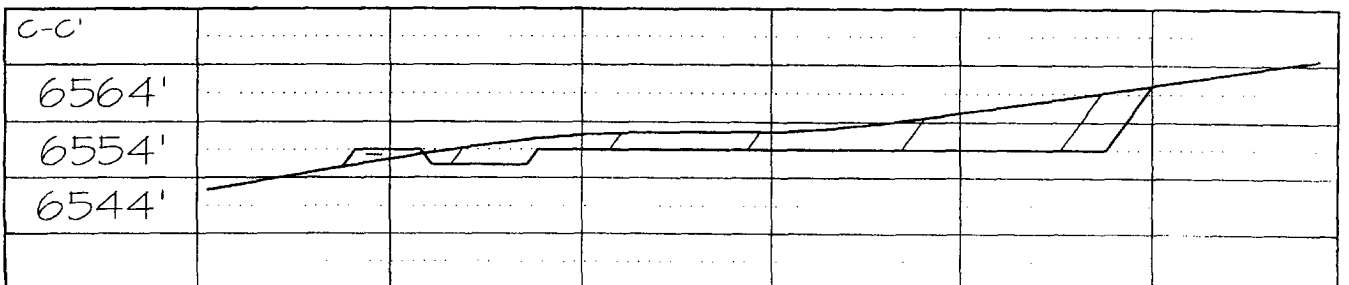
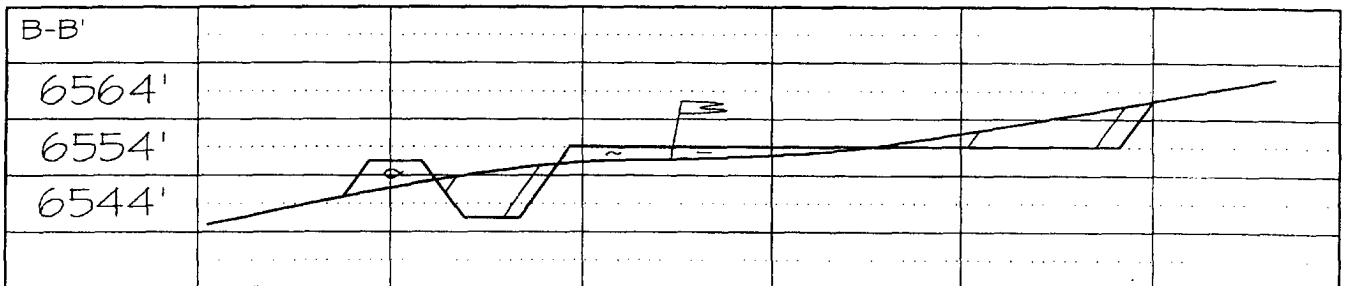
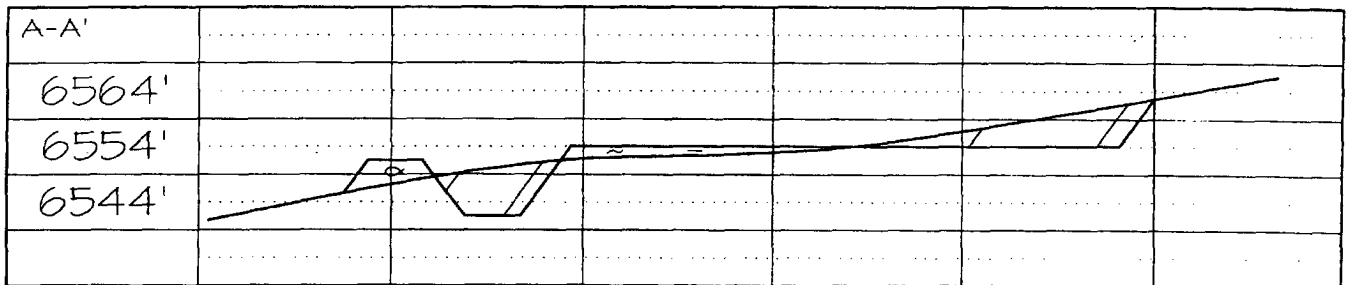
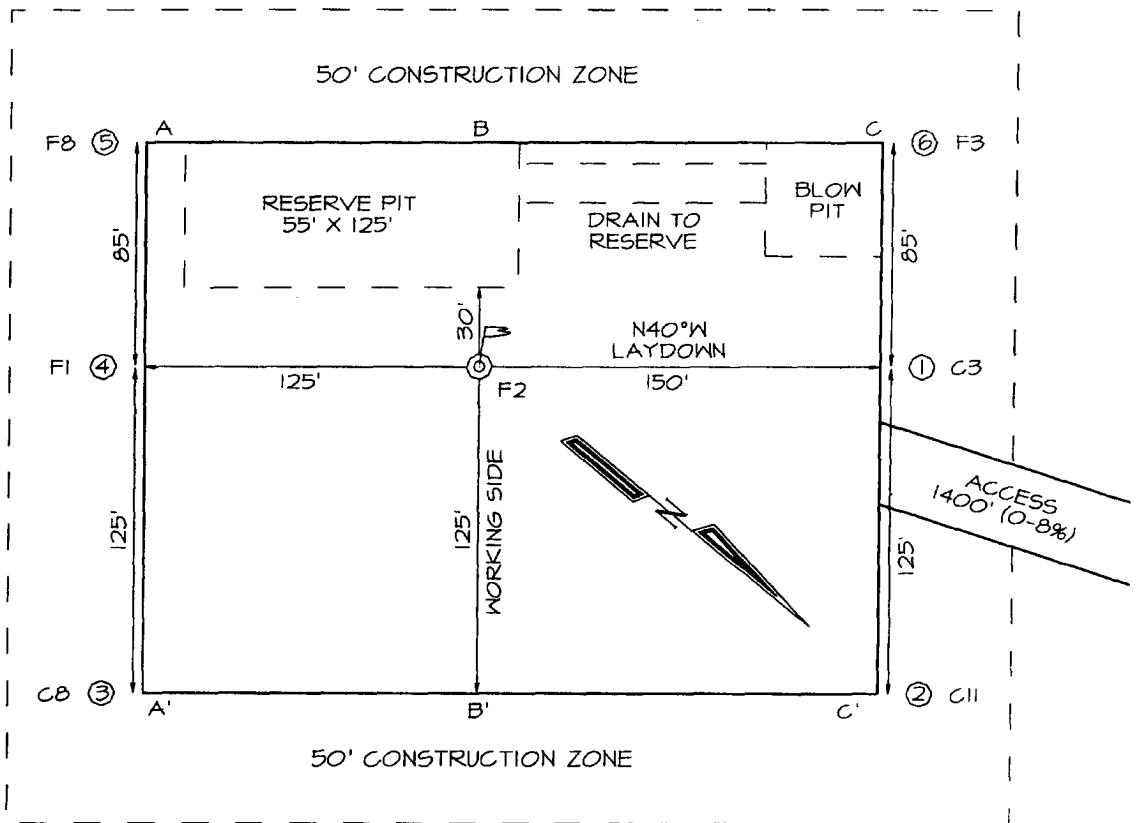
DATE APR 24 2006

CONOCOPHILLIPS COMPANY SAN JUAN 32-8 UNIT #12F
2200' FSL & 1955' FWL, SECTION 21, T31N, R8W, NMPM
SAN JUAN COUNTY, NEW MEXICO ELEVATION: 6552'

LATITUDE: 36.88188° N
LONGITUDE: 107.68242° W
 DATUM: NAD1927

PLAT NOTE:

FEE SURFACE OWNER
 Marcella & Dolinda Jaquez



PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 32-8 12F

Lease:		AFE #:		AFE \$:	
Field Name: hPHILLIPS 32-8		Rig:		State: NM	County: SAN JUAN
Geoscientist: Glaser, Terry J		Phone: (832)486-2332	Prod. Engineer: Moody, Craig E.		Phone: 486-2334
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)
R20076	DAKOTA(R20076)

Location: Surface

Straight Hole

Latitude: 36.88	Longitude: -107.68	X: 0.00	Y: 0.00	Section: 21	Range: 8W
Footage X: 1955 FWL	Footage Y: 2200 FSL	Elevation: 6552	(FT)	Township: 31N	

Tolerance:

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

Formation Data: Assume KB = 6565 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
SURFACE CSG	213	6352	<input type="checkbox"/>			12-1/4 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.
NCMT	440	6125	<input type="checkbox"/>			
OJAM	2180	4385	<input type="checkbox"/>			Possible water flows.
KRLD	2330	4235	<input type="checkbox"/>			
FRLD	3125	3440	<input type="checkbox"/>			Possible gas.
PCCF	3435	3130	<input type="checkbox"/>			
LEWS	3635	2930	<input type="checkbox"/>			
Intermediate Casing	3735	2830	<input type="checkbox"/>			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
CHRA	4545	2020	<input type="checkbox"/>			
CLFH	5325	1240	<input type="checkbox"/>			Gas; possibly wet
MENF	5375	1190	<input type="checkbox"/>			Gas.
PTLK	5675	890	<input type="checkbox"/>			Gas.
MNCS	5925	640	<input type="checkbox"/>			
GLLP	6875	-310	<input type="checkbox"/>			Gas. Possibly wet.
GRHN	7720	-1155	<input type="checkbox"/>			Gas possible, highly fractured
CBBO	7915	-1350	<input type="checkbox"/>			Gas
Total Depth	8070	-1505	<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.

2500

Reference Wells:

Reference Type	Well Name	Comments
----------------	-----------	----------

Logging Program:

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

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

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 32-8 12F

Additional Information:

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

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

General/Work Description - Fee Lease

San Juan 32-8 #12F
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	3735'	
Lead Cement Yield	2.88	cuft/sk
Lead Cement Excess	150	%
Tail Cement Length	747'	
Tail Cement Yield	1.33	cuft/sk
Tail Cement Excess	150	%
Lead Cement Required	373	sx
Tail Cement Required	218	sx

SHOE 3735 ', 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	11.6	ppf
Casing Grade	N-80	
Top of Cement	3535'	200' inside intermediate casing
Shoe Depth	8070'	
Cement Yield	1.45	cuft/sk
Cement Excess	50	%
Cement Required	476	sx

SHOE 8070 ', 4.5 ", 11.6 ppf, N-80 LTC

SAN JUAN 32-8 #12F
HALLIBURTON OPTION

9-5/8 Surface Casing		
Cement Recipe	Class C Standard Cement	
	+ 3% Calcium Chloride	
	+0.25 lb/sx Flocele	
Cement Volume	147	sx
Cement Yield	1.21	cuft/sx
Slurry Volume	179.8	cuft
	32.0	bbls
Cement Density	15.6	ppg
Water Required	5.29	gal/sx

7" Intermediate Casing		
Lead Slurry		
Cement Recipe	Standard Cement	
	+ 3% Econolite (extender)	
	+ 10 lb/sx Pheno Seal	
Cement Required	373	sx
Cement Yield	2.88	cuft/sx
Slurry Volume	1075.4	cuft
	191.5	bbls
Cement Density	11.5	ppg
Water Required	16.91	gal/sx

7" Intermediate Casing		
Tail Slurry		
Cement Slurry	50 / 50 POZ:Standard Cement	
	+ 2% Bentonite	
	+ 6 lb/sx Pheno Seal	
Cement Required	218	sx
Cement Yield	1.33	cuft/sx
Slurry Volume	290.4	cuft
	51.7	bbls
Cement Density	13.5	ppg
Water Required	5.52	gal/sx

4-1/2" Production Casing		
Cement Recipe	50 / 50 POZ:Standard Cement	
	+ 3% Bentonite	
	+ 3.5 lb/sx PhenoSeal	
	+ 0.2% CFR-3 Friction Reducer	
	+ 0.1% HR-5 Retarder	
	+ 0.8% Halad-9 Fluid Loss Additive	
Cement Quantity	476	sx
Cement Yield	1.45	cuft/sx
Cement Volume	690.8	cuft
	123.0	
Cement Density	13.1	ppg
Water Required	6.47	gal/sx

SCHLUMBERGER OPTION

9-5/8 Surface Casing		
Cement Recipe	Class G Standard Cement	
	+ 2% S001 Calcium Chloride	
	+0.25 lb/sx D029 Cellophane Flakes	
Cement Volume	148	sx
Cement Yield	1.16	cuft/sx
Cement Volume	171.5	cuft
Cement Density	15.8	ppg
Water Required	4.983	gal/sx

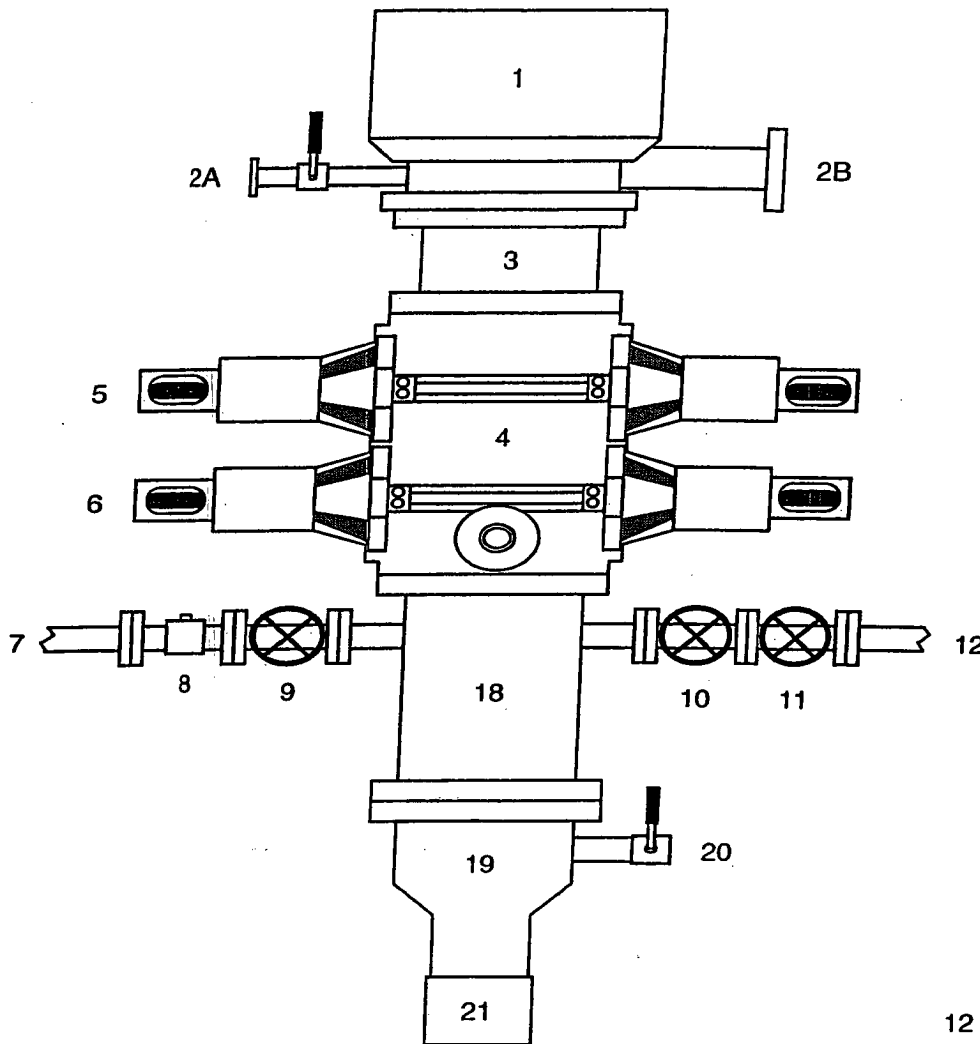
7" Intermediate Casing		
Lead Slurry		
Cement Recipe	Class G Standard Cement	
	+0.25 lb/sx D029 Cellophane Flakes	
	+ 3% D079 Extender	
	+ 0.20% D046 Antifoam	
	+ 10 lb/sx Pheno Seal	
Cement Required	396	sx
Cement Yield	2.72	cuft/sx
Slurry Volume	1076.7	cuft
	191.8	bbls
Cement Density	11.7	ppg
Water Required	15.74	gal/sx

7" Intermediate Casing		
Tail Slurry		
Cement Slurry	50 / 50 POZ:Standard Cement	
	+0.25 lb/sx D029 Cellophane Flakes	
	+ 2% D020 Bentonite	
	+ 1.5 lb/sx D024 Gilsontite Extender	
	+ 2% S001 Calcium Chloride	
	+ 0.10% D046 Antifoam	
	+ 6 lb/sx Pheno Seal	
Cement Required	222	sx
Cement Yield	1.31	cuft/sx
Slurry Volume	290.3	cuft
	51.7	bbls
Cement Density	13.5	ppg
Water Required	5.317	gal/sx

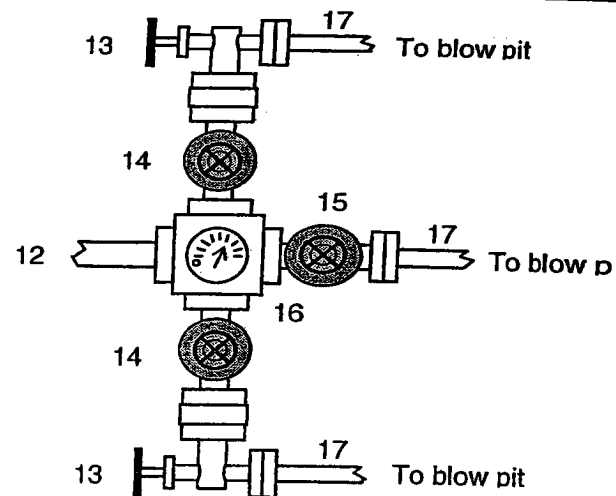
4-1/2" Production Casing		
Cement Recipe	50 / 50 POZ:Class G Standard Cement	
	+0.25 lb/sx D029 Cellophane Flakes	
	+ 3% D020 Bentonite	
	+ 1.0 lb/sx D024 Gilsontite Extender	
	+ 0.25% D167 Fluid Loss	
	+ 0.15% D065 Dispersant	
	+ 0.1% D800 Retarder	
	+ 0.1% D046 Antifoamer	
	+ 3.5 lb/sx PhenoSeal	
Cement Quantity	480	sx
Cement Yield	1.44	cuft/sx
Cement Volume	690.6	cuft
	123.0	
Cement Density	13	ppg
Water Required	6.43	gal/sx

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



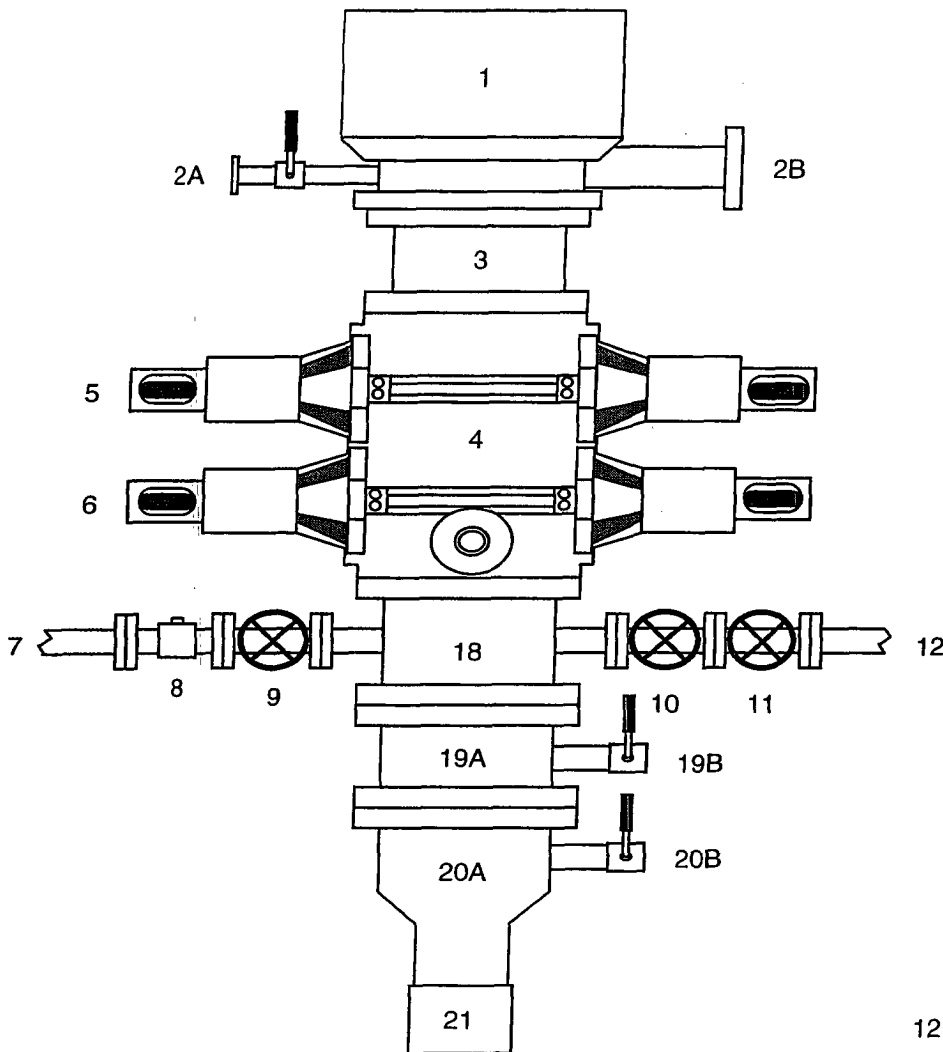
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe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

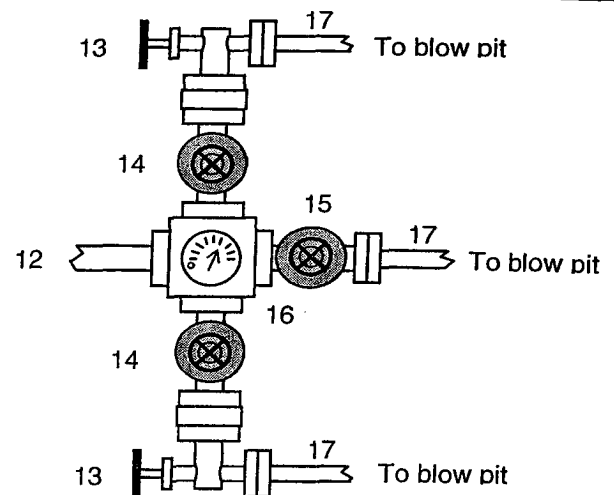
1. Upper Kelly cock Valve with handle

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 32-8 Unit Well #: 12F

Surface Location:

Unit: K Section: 21 Township: 31N Range: 8W

County: San Juan State: New Mexico

Footage: 2200 from the South line, 1955 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.