UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No. 1004-0136 Expires November 30, 2000

RECEIVED, Lease Serial No.

SF-080538

APPLICATION FOR PERMIT TO DRILL OR REENTER 1 6 2004

6. If Indian, Allottee or Tribe Name

	SELACE OF LEGITA WIGHTEN	1931 (A
1a. Type of Work: ☑ DRILL ☐ REENTER	Parmington Field Office	F. If Unit or CA Agreement, Name and No.
		8. Lease Name and Well No.
	ther: CBM Single Zone Multiple Zone	
Name of Operator Contact CONOCOPHILLIPS COMPANY	VICKI WESTBY E-Mail: Vicki.R.Westby@conocophillips.com	9. API Well No. 30 - 039 - 29227
3a. Address 4001 PENBROOK, SUITE 346 ODESSA, TX 79762	3b. Phone No. (include area code) Ph: 915.368.1352	10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
4. Location of Well (Report location clearly and in accord	lance with any State requirements.*)	11. Sec., T., R., M., or Blk. and Survey or Area
At surface SENW 1504FNL 1806FW	L	Sec 13 T30N R5W Mer NMP
At proposed prod. zone		F
14. Distance in miles and direction from nearest town or post	office*	12. County or Parish 13. State RIO ARRIBA NM
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	17. Spacing Unit dedicated to this well
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. on file
completed, applied for, on this lease, it.	3710 MD	
21. Elevations (Show whether DF, KB, RT, GL, etc. 6890 GL	22. Approximate date work will start	23. Estimated duration
	24. Attachments	
 A Drilling Plan. A Surface Use Plan (if the location is on National Forest Sy SUPO shall be filed with the appropriate Forest Service O 		nformation and/or plans as may be required by the
25. Signature (Electronic Submission)	Name (Printed/Typed) VICKI WESTBY	Date 09/15/2004
Title AGENT	II O	N 2006
Approved by (Signature)	Name (Printed/Typed)	Date
Title Mu Covers	107	10/8/08 10/8/08
Application approval does not warrant or certify the applicant hoperations thereon. Conditions of approval, if any, are attached.	olds legal or equitable title to those rights in the subject	lease which would entitle the applicant to conduct
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, States any false, fictitious or fraudulent statements or representations.		to make to any department or agency of the United
Additional Operator Remarks (see next page)		
Electronic Submis	sion #36112 verified by the BLM Well Infor	mation System
For CONO	COPHILLIPS COMPANY, sent to the Farmi	ington
This action is subject to technical and procedural review pursuant to 43 CFR 3165.3	NMOCD	DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, 44 87505 To Appropriate District Office

Form C-102 Revised June 10, 2003

State Lease - 4 Copies

Fee Lease - 3 Copies

SEP 16 2004

III AMMENDED REPORT

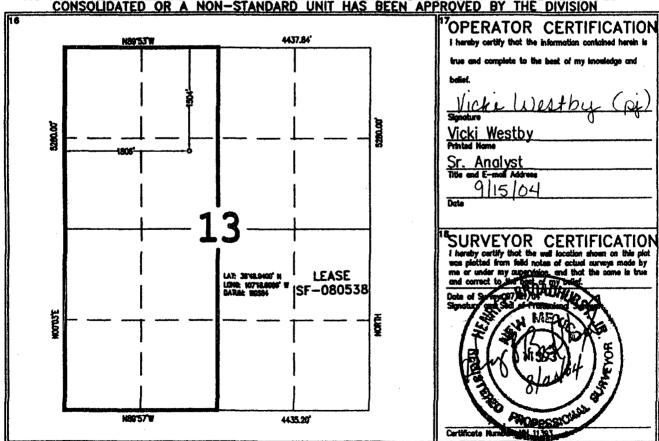
District_i 1625 N. French Dr., Hobbs, 194 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztoc, NM 87410 Otetrict_IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Bureau of Land Management Feminaton Field Office

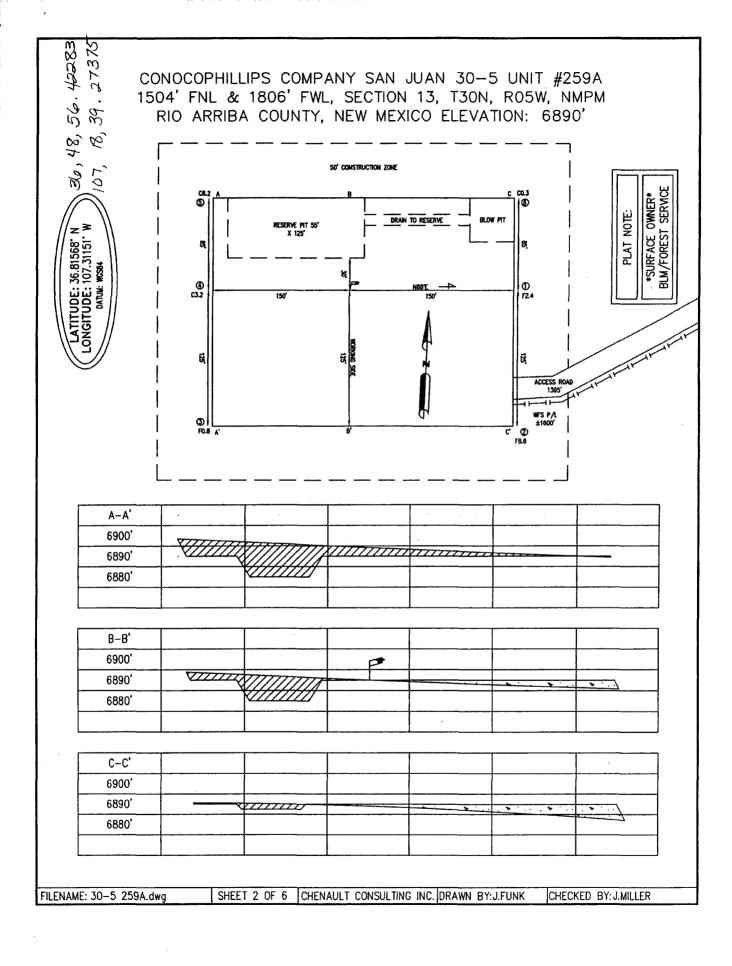
LOCATION AND ACREAGE DEDICATION PLAT 71629 BASIN FRUITLAND COAL (GAS) SAN JUAN 30-5 UNIT Woll Number 259A CONOCOPHILLIPS COMPANY 6890 21781

¹⁰Surface Location UL or lat no. Lot Idn Feet from the North/South line Feet from the East/West line County 05W NORTH 30N 1504 1806 WEST RIO ARRIBA Bottom Hole Location If Different From Surface UL or lot no. County Dedicated Acres "Joint or Infill"Consolidation Code "Order No. 320.0 5/4-East 1/2

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



Submit 3 Copies To Appropriate District Office District I	State of New Me Energy, Minerals and Natur			Form C-103 May 27, 2004
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	OIL CONSERVATION 1220 South St. Fran Santa Fe, NM 87	eis Dr.	5. Indicate Type of STATE 6. State Oil & Gas	FEE
SUNDRY NOT (DO NOT USE THIS FORM FOR PROPO DIFFERENT RESERVOIR. USE "APPLI PROPOSALS.)	ICES AND REPORTS ON WELLS IS ALS TO DRILL OR TO DEEPEN OR PLUCATION FOR PERMIT" (FORM C-101) FOR	RSUCH	7. Lease Name or U San Juan 8. Well Number	Jnit Agreement Name 30-5
Type of Well: Oil Well Name of Operator	Gas Well X Other		9. OGRID Number	259 A
3. Address of Operator 4001 Penbrook, Odessa,			10. Pool name or W	1817 ildcat utland Coal
Section (3 Pit or Below-grade Tank Application 1 c Pit type <u>Drill</u> Depth to Groundwater	2100' Distance from nearest fresh wate	ge 5 W RKB, RT, GR, etc.) GL r well <u>> 1000 '</u> Dis	NMPM RIO OF	
Pit Liner Thickness: mil	Below-Grade Tank: Volume	bbls; Cons	truction Material	
NOTICE OF IN PERFORM REMEDIAL WORK TEMPORARILY ABANDON DULL OR ALTER CASING DULL OR ALTER CASING THER: Drill Pit Notification 13. Describe proposed or compof starting any proposed we or recompletion. ConocoPhillips Company's Genthe pit in reference to the property of the pit in reference to the pit in the	PLUG AND ABANDON	SUBSI REMEDIAL WORK COMMENCE DRILL CASING/CEMENT J DTHER: tinent details, and g Completions: Attac Aztec, NM. See the a lined. The drill pit v	EQUENT REPO AL ING OPNS. PA OB ive pertinent dates, in the wellbore diagram of	DRT OF: TERING CASING AND A CONTROL CASING CONTROL
I hereby certify that the information a grade tank has been/will be constructed or SIGNATURE Wicki Weethy	by (p) TITLE SR	general permit or a	nn (attached) alternative	OCD-approved plan []. TE <u>9 15 0 4</u>
Type or print name Vicki Westby For State Use Only APPROVED BY:	E-mail address: Vicki.R.W	_		JUN 1 2 2006
Conditions of Approval (if any):			DI	. • • • •





PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

s	ΔI	V	J	П	Α	N	30	-5	25	9А

Lease:			A	FE #:				AFE \$:
Field Name: hPHILLI	PS 30-5	Rig:				State: N	IM County: RIO ARRIBA	API #:
Geoscientist: Cloud,	Tom A	Phone	+1 832 486	-2377	Prod.	Engineer:	Bergman, Pat W.	Phone: (832) 486-2358
Res. Engineer: Koles	ar, James E.	Phone:	(832) 486 -	2336	Proj. I	ield Lead:		Phone:
Primary Objective	Zones):							等种的数据 (数
Zone Zo	ne Name							
JCV BA	SIN FRUITLAND COAL	(GAS)						
Location (Subace)			10 July 1		4 .		$a_{\mu}(A_{i,j}) = a_{i,j,j} + a_{i,j} + a_{i,j} + a_{i,j} + a_{i,j}$	
Latitude: 36.82	Longitude: -107.3	1	X:	1	Y:		Section: 13	Range: 5W
Footage X: 1806 FWL	Footage Y: 1504 F	NL	Elevation: 689	90	(FT)	Township: 3	ON	
Tolerance:		·····						
Location Type:		Start D	ate (Est.):		Com	pletion Date	: Date In C	peration:
Formation Data: Ass	sume KB = 6903	Units =	FT					
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	внт		Remarks	
SAN JOSE	13	6890			<u> </u>			
Surface Casing	213	6690				12-1/4 hole to surface.	. 9 5/8" 32.3 ppf, H-40, ST	C casing. Circulate cement
NCMT	1803	5100						
OJAM	3053	3850				Possible wa	ter flows.	
KRLD	3163	3740						
FRLD	3393	3510				Possible gas		
Intermediate Casing	3503	3400				8 3/4" Hole. surface.	7", 20 ppf, J-55, STC Casin	ng. Circulate cement to
BASE MAIN COAL	3623	3280		500				
PCCF	3653	3250						
Total Depth	3710	3193					possibly underreamed to 9.5 LTC - left uncemented.	5". Optional Liner: 5.5",
Reference Wells:	27 12 29 14						and the second	en dagetiere
Reference Type Wel	l Name		Comments					
					- 1. I			
Logging Program:	Lag apply if about	CD/ILD	Trible 6					
Intermediate Logs: TD Logs:	Log only if show Triple Combo D	GR/ILD ipmeter	☐ Triple C		7 VSP	C TOT		
Additional Information		hinerer		Sonic [J 42h	☐ TDT		
Auditional Information	•							

Comments: Zones - Carson National Forest

General/Work Description - Carson National Forest

Requires 1600 ft of new access road and stay 1500' from nearest Fruitland well.

Mud Log from intermediate casing shoe to TD will be obtained.

Drilling Mud Program:

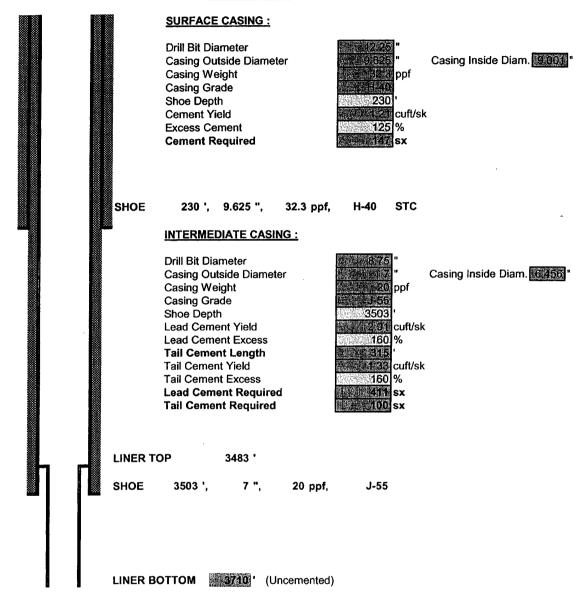
Surface: spud mud

Intermediate: fresh water mud with bentonite and polymer as needed

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

Printed on: 09/15/2004 10:06:29 AM

San Juan 30-5 # 259A



Sen Juan 3	0-6482 56 0A	
	Sun Cag	int Csg
OD service view a 12 st	9.625	7
(Days and Alleger and	9,001	6.456
Depth 2 South a 1837, to	230	3503
Hole Demons	12.25	8.75
% Excess Lead / 3 3 3 4 4		160
% Excess Tail Film	125	160
Lead Yield		678 201
Tail Yield 2	21	PENN 1183
Ft of Tall Slumy	230	315
Hopoi Jail Stiny	-0	3188
The of Lead-Slurry	N/A	0
Mud Wt (pig): 4	8.9	9.0
Mud Type E	WBM	WBM

		Surface Casing		
	Fig.	Cap XS Fact	or bbls cu	ft sx
Open Hole Annulu	THE STREET PROPERTY AND ADDRESS OF THE PARTY	U:UUUUU+	25 28.9 1	62.1 134.0
Shoe Track Volum	e 40	0.078735	1 3.1	17.7 13.3
Total di Alamania			B 46 26 26 45 1	79.8 564 41.147.8

Intermediate Casing							
	Ft	Cap	XS Factor	bbls	cuft	sx.	
Lead Open Hole Annulus	2958	0.026786	2.6	206.0	1156.6	397.5	
Lead Cased Hole Annulus	220	0.031116		6.8	38.4	13.2	
Lead Irola escalor SULFA	App. Ball			3 17212 8	bij 54195/0	Sala 15.410.7	
Tail Open Hole Annulus	315	0.026786	2.6	21.9	123.2	92.6	
Tail Shoe Track Volume	42	0.040505		1.7	9.6	7.2	
Tall:Total State (# 21) Per				23.6	1627	99,8	

	2.4.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2
	9-5/6 Stiffage Casing
	Class C Standard Cement
Cement Recipe	+ 3% Calcium Chloride
	+0.25 lb/sx Flocele
Cement Volume	SX SX
Cement Yield	1,21 cuft/sx
Slurry Volume	excites a cuff
	unit sent bols
Cement Density	45.6 ppg
Water Required	5:29 gal/sx

San Juan 30-8:# 259A

	7"Intermediate Casing				
	Lead Slurny				
	Standard Cement				
Cement Recipe	+3% Econolite (Lost Circulation Additive)				
	* 10 lb/sx Gilsonite (Lost Circ. Additvie)				
	+ 0.25 lb/sx Flocele (Lost Circ. Additive)				
Cement Required	SX				
Cement Yield	2.91 cuft/sx				
Slarry Volume	al sign in state cuff				
Sidily volume	24/2 (\$ bbls				
Cement Density	11.5 ppg				
Water Required	16.88 gal/sx				

Salani Salani Salani Salani Salani Salani	7" Intermediate Casing				
	Tall Sturry				
	50 / 50 POZ:Standard Cement				
	+ 2% Bentonite (Light Weight Additive) + 5 lbm/sk Gilsonite (Lost Circ. Additive) + 0.25 lbm/sk Flocele (lost Circ. Additive)				
Cement Slurry					
	± 2% Calcium Chloride (Accelerator)				
Cement Required	83. 3 (1000 <mark>SX</mark>				
Cement Yield	1.33 cuft/sx				
Slurry Volume	cuft				
	> 4 23 € bbls				
Cement Density	13.5 ppg				
Water Required	5:36 gal/sx				

San Juan 30-5 #259A

SURFACE CASING:

Drill Bit Diameter
Casing Outside Diameter
Casing Weight
Casing Grade
Shoe Depth
Cement Yield
Excess Cement

12.25 "
9.525 "
9.001
32.3 ppf
12.40
2.30 '
40 '

Casing Capacity
Hole / Casing Annulus Capacity

Cement Required

147 sx

SHOE

230 ', 9.625 ",

32.3 ppf,

H-40

INTERMEDIATE CASING:

Drill Bit Diameter
Casing Outside Diameter
Casing Weight
Casing Grade
Shoe Depth
Lead Cement Yield
Lead Cement Excess
Tail Cement Length
Tail Cement Excess

875 "
6.456 ppf
1.55

1.56 ppf
2.61 cuft/sk
160 %
1.27 cuft/sk
160 %

Casing Capacity
Casing / Casing Annulus Capacity
Hole / Casing Annulus Capacity

0.0405 bbl/ft 0.0311 bbl/ft 0.0268 bbl/ft

0.2273 cuft/ft 0.1746 cuft/ft 0.1503 cuft/ft

Lead Cement Required Tail Cement Required 461 sx 100 sx

LINER TOP

3483 '

SHOE

3503 ',

7 ",

J-55

20 ppf,

LINER BOTTOM 3710 (Uncemented)

19.5/8" Surface Casing 19.5/8" Surface Cas	
+ 2% S001 Calcium Chloride + 0.25 lb/sx D029 Cellophane Flakes Cement Volume 147 sx Cement Yield 1.16 cuft/sx Cement Volume 170.59 cuft Cement Density 15.8 ppg	
+ 0.25 lb/sx D029 Cellophane Flakes Cement Volume 147 sx Cement Yield 1.16 cuft/sx Cement Volume 170.59 cuft Cement Density 15.8 ppg	
Cement Volume 147 sx Cement Yield 1.16 cuft/sx Cement Volume 170.59 cuft Cement Density 15.8 ppg	
Cement Yield 1.16 cuft/sx Cement Volume 170.59 cuft Cement Density 15.8 ppg	
Cement Yield 1.16 cuft/sx Cement Volume 170.59 cuft Cement Density 15.8 ppg	
Cement Volume 170.59 cuft Cement Density 15.8 ppg	
Cement Density 15.8 ppg	
Nater Required 4.983 gal/sx	
Compressive Strength	
12 hr 1174 psi	
36 hr 2763 psi	

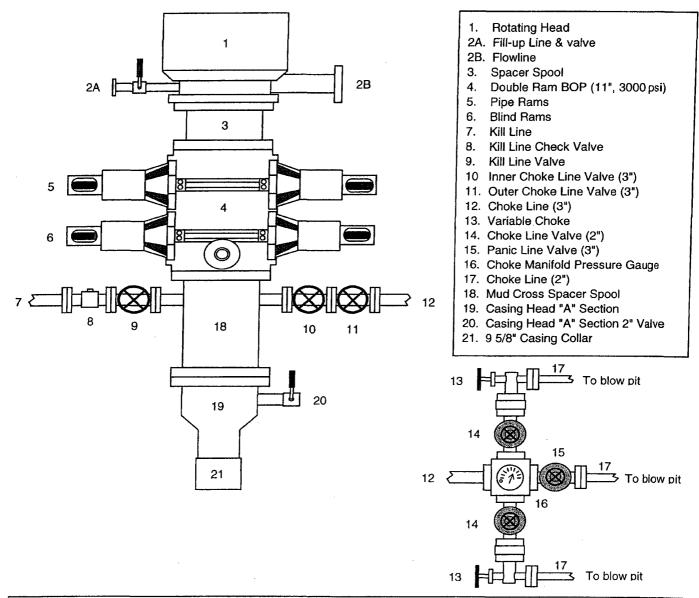
San Juan 30.5 #259A

	7" Intermedi	ate Casing
	Lead S	Burry
Cement Slurry	Class G	
	+ 3% D079	Extender
	+ 0.25 lb/sx	D029 Cellophane Flakes
	+ 0.2% D04	6 Antifoam
Cement Volume	461	sx
Cement Yield	2.61	cuft/sx
Cement Volume	1202.10	cuft
Cement Density	11.7	ppg
Water Required	15.876	gal/sx
Compressive Strength		
2 hr 37 min	50	psi
39 hr 40 min	500	psi

	7" Interme	diate Casing
	Tall	Slurry
Cement Slurry	50% POZ / 50% Class G cement	
	+ 2% D020 Bentonite	
	+ 2% S001 Calcium Chloride	
	+ 0.25 lb/sx D029 Cellophane Flakes	
	+ 5 lb/sx Gilsonite Extender	
	+ 0.2% D046 Antifoam	
Cement Volume	100	sx
Cement Yield	1.27	cuft/sx
Cement Volume	126.80	cuft
Cement Density	13.5	ppg
Water Required	5.182	gal/sx
Compressive Streng	gth	
24 hr	90	8 psi
48 hr	195	o psi

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

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



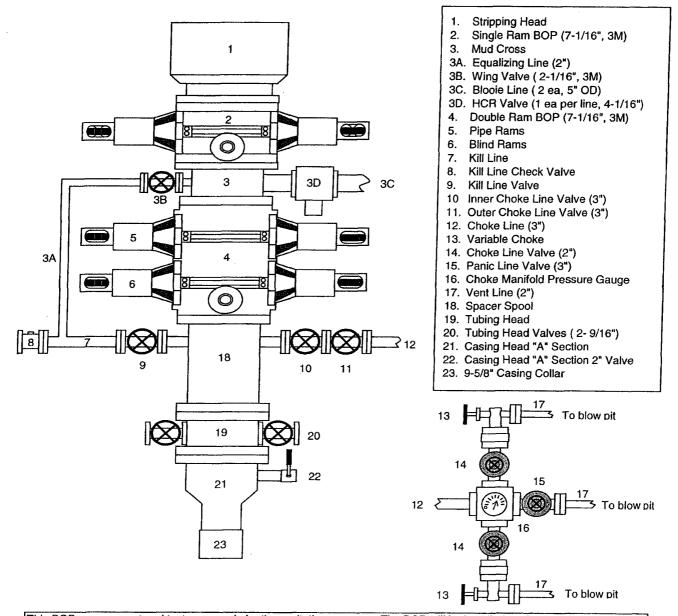
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe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



This BOP arrangement and test program is for the cavitation program. The BOP will be installed on the tubing head. 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. The pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 10 minutes and to 1800 psi (high pressure test) for 10 minutes - This test will be done with a test plug or possibly without a test plug (ie against casing). If we conduct this test without a test plug we will ensure that we have sufficient drillstring weight in the hole to exceed the upward force generated by the test.

We use a power swivel and air/mist to drill the 6-1/4" hole in our cavitation program. We do not use a kelly. In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

- 1. String floats will be used inside the drillpipe
- 2. Stab-in TIW valve for all drillstrings in use
- 3. Each blooie line is equipped with a hydraulically controlled valve (HCR valve).