

Fonn 3160 -3

OMB No. 1004-0137 Expires March 31, 2007 (February 2005) 2005 JUN 24 UNITED STATES 5. Lease Serial No. DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT RECEIVED SF-080133 6: If Indian, Allotee or Tribe Name APPLICATION FOR PERMIT TO DRILL OR REENTER MINGTO 7. If Unit or CA Agreement, Name and No. MDRILL REENTER Ia. Type of work: 8. Lease Name and Well No Oil Well Gas Well lb. Type of Well: Single Zone Multiple Zone SAN JUAN 31 FEDERAL 3 #2A API Well No. 30-045-33194 2. Name of Operator ConocoPhillips Company 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory 3a. Address 432-368-1352 4001 Penbrook, Odessa, TX 79762 **BASIN FRUITLAND COAL** 4. Location of Well (Report location clearly and in accordance with any State requirements, \*) I 1. Sec., T. R. M. or Blk. and Survey or Area NWNW 1160 FNL - 660 FWL SEC. 3, T31N, R9W NMPM At proposed prod. zone 13. State 12. County or Parish 14. Distance in miles and direction from nearest town or post office\* SAN JUAN NM 15, Distance from proposed\* 17. Spacing Unit dedicated to this well 16. No. of acres in lease location to nearest propery or lease line, ft. (Also to nearest drig. unit line, if any) 1292.08 ACRES W/2 - 312.74 ACRES 18. Distance from proposed location 19. Proposed Depth 20. BLM/BIA Bond No. on file to nearest well, drilling, completed, applied for, on this lease, ft 3508' TVD 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22 Approximate date work will start\* 23. Estimated duration 6585 GL 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. 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 2. A Drilling Plan. 5. Operator certification 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). 6. Such other site specific information and/or plans as may be required by the Name (Printed/Typed) Vicki Westby 6/23/2005 Name (Printed/Typed) Approved by (Sign Title Office 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 juris iction. \*(Instructions on page 2)

ConocoPhillips will use mudloggers to prevent us from accessing the Pictured Cliffs formation.

This well is a HPA FC well and notification has been mailed to the "Affected Parties" and they will have 20 days from receipt of notification to turn their written objection into the NMOCD in Aztec, NM.

drilled and equipped in accordance with the attachments submitted herewith. This application is for APD/ROW.

ConocoPhillips Company proposes to drill

to the Basin Fruitland Coal formation. This well will be

1980, Hobbs, NM 88241-1980

PO Drawer DD. Artesia. NM 88211-0719

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

Form C-102 Revised February 21, 1994 Instructions on back

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

OIL CONSERVATION DIVISION AM 9 26

Santa Fe, NM 87504-2088

RECEIVED

AMENDED REPORT

070 FARMINGTON HM WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	1 POOT CODE	Pool Name	*
30-045-33196	71629	BASIN FRUITLAND	COAL
*Property Code	*Pr	operty Name	*Well Number
31333	SAN JUAN	31 FEDERAL 3	2A
'DGRID No.	*Op	erator Name	*Elevation
217817	CONOCOPH)	ILLIPS COMPANY	6585 ·
	10 Sunfa	ace Location	

Surface Location Sect ion Lot Idn Feet from the North/South line East/West line County Feet from the D 3 31N 9W 1160 NORTH 660 WEST SAN JUAN <sup>11</sup>Bottom Hole Location If Different From Surface UL or lot no. Section Range Lot Idn Feet from the North/South line Feet from the East/West line County 12 Dedicated Acres 13 Joint or Infill <sup>14</sup> Consolidation Code <sup>15</sup> Order No. 312.74 Acres - W/2

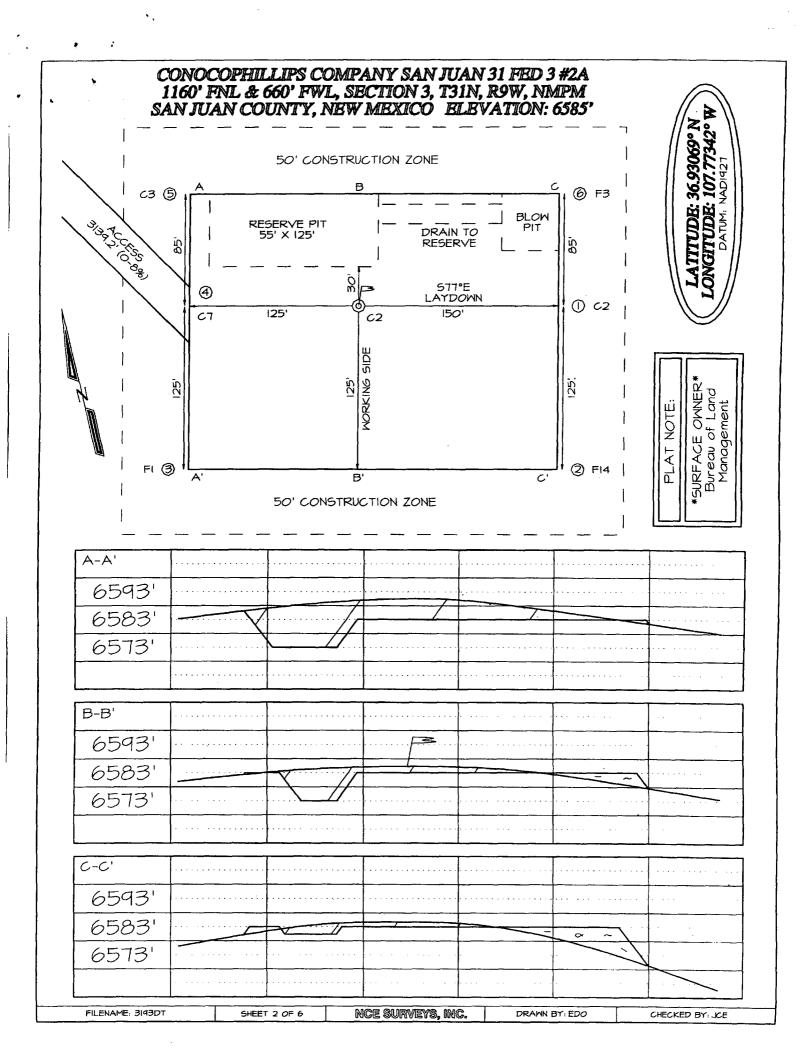
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	26	624.82°	263	32.74	7
9 1271.82	LAT: 3	LOT 7 36 *55.8415 N 107 *46.4052 W M: NAD1927	LOT 6	LOT 5	1325.28
1298.22	LOT 9	LOT 10	LOT 11	LOT 12	1312.74
.78.	SF-C	ASE 200133 208 acres LOT 15	3 — —     LOT     14	LOT 13	.48
2595.	LOT 17	LOT 18	LOT 19	LOT 20	2625.48
		5240	.40 ′		

17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Vickullathy Signature  Vicki R. Westby Printed Name Staff Agent
Title <u>4/23/05</u> Date
18 SURVEYOR CERTIFICATION  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.  Date Revised: JUNE 5, 2005  Date of Survey: APRIL 21, 2004
Signature and Seal of Professional Surveyor  C. EDMARD  SELW MEXICO
THE STORESSION BY
JASON C. EDWARDS Certificate Number 15269

Copies To Appropriate District	State of New				Fonn C- 1 03 May 27, 2004
zench Dr., Hobbs, NM 88240	Energy, Minerals and	Natural Resources	WELL AP	INO CICE 25	7 100
1301 W. Grand Ave., Artesia, NM 882 1 0	OIL CONSERVAT	ION DIVISION	5 70 4 20 4	5CPO~C	3196
District III	1220 South St.	Francis Dr.	5. Indicate	Type of Lease  TE FEE	;
I 000 Rio Brazos Rd., Aztec, NM 8741 0 District IV	Santa Fe, NI	M 87505		l & Gas Lease No.	
1220 S. St. Francis Dr., Santa I e, NM 87505					
	TICES AND REPORTS ON WE OSALS TO DRILL OR TO DEEPEN O ICATION FOR PERMIT" (FORM C-10	R PLUG BACK TO A	Ì	ame or Unit Agree	
PROPOSALS.)			8. Well Nu	N JUAN 31 FEDE	RAL 3
1. Type of Well: Oil Well	Gas Well Other			Ŧ.	#2A
2. Name of Operator Con	ocoPhillips Company		9. OGRID	Number 217	7817
3. Address of Operator		· · · · · · · · · · · · · · · · · · ·	I 0. Pool na	ame or Wildcat	
4001	Penbrook, Odessa, TX 79762		ВА	SIN FRUITLAND	COAL
4. Well Location	11/0	OD TIVE	***		
Unit Letter D Section 3	· <del></del>	ORTH line and			ESTline
Section3	Township 31N  I 1. Elevation (Show whether	Range 9W	NMPM	SAN JUAN	County
	· ·	6585' GL			,
Pit or Below -grade Tank Application		>1000'		4	200 <sub>50' FROM</sub>
Pit type DRILL Depth to Ground		esh water well SECTION 3		from nearest surface wa	ter WELL PAD
Liner Thickness: mi	Below-Grade Tank: Volume Appropriate Box to Indicate		struction Mate		
PERFORM REMEDIAL WORK TEMPORARILY ABANDON PULL OR ALTER CASING  OTHER:  13. Describe proposed or compostarting any proposed wor recompletion.	PLUG AND ABANDON  CHANGE PLANS  MULTIPLE COMPL  Collected operations. (Clearly state a cork). SEE RULE I 1 03. For Mu	REMEDIAL WORK COMMENCE DRIL CASING/CEMENT OTHER: all pertinent details, and litiple Completions: Atta	LING OPNS. JOB give pertinen	nt dates, including e	estimated date
with the NMOCD See th	and closed in accordance with R e attached diagram that details the The drill pit will be closed after the	e location of the pit in re	ference to the		
I hereby certify that the information a grade tank has been/will be constructed or SIGNATURE Vicki Westby	closed according to NMOCD guideling	pest of rny knowledge and es □, a general permit □ on Staff Agent	belief, I furt an (attached)	her certify that anv alternative OCD-appro	oved plan [
Type or print name	E-mail	l address:		Telephone No.	
For State Use Only	1//	_			
APPROVED BY:	All TITLE	DEPUTY OIL & GAS INSP	COTAR AICT	S DATE ILIAI	4 - 22
Conditions of Approval (if any):	IIILE	JETUIT UIL & UAS INSI	FRIAM' NIDI.	DATE JON	1 5 2006

APPROVED BY:
Conditions of Approval (if any):





### PROJECT PROPOSAL - New Drill / Sidetrack

### San Juan Business Unit

#### SAN JUAN 31 FED 3 2A

Lease:					·	AFE #: W	AN.CBN	1.5109			AFE \$:
Field Name: CB	M DRIL	L BLOCK	(S	Rig:				State: NN	1 County: SAN JUAN	1	API #:
Geoscientist: Cloud, Tom A Phone:			e: +1 832 4	86-2377	Prod	. Engineer: L	imb, H G	Ph	one: 1-832-486-2427		
Res. Engineer: F	Peterso	n, Brad	T	Phone	: 486-2055		Proj.	Field Lead:		Ph	one:
Primary Object	tive (Z	ones):				142			And get		
Zone	Zon	e Name	}								
JCV	BAS	IN FRUI	TLAND COAL	(GAS)							
						<u></u>					
Location: Surfa	ice										Straight Hole
Latitude: 36,93		Longity	ude: -107.77	,	X:		Y:		Section: 3		Range: 9W
Footage X: 660	———↓ FWL		e Y: 1160 F		Elevation:	6585	(FT)	Township: 31			ranger 5tt
Tolerance:											
Location Type:				Start [	Date (Est.):		Cor	mpletion Date:	Date	In Ope	eration:
Formation Data:	Assu	me KB =	6598 I	Jnits =							
Formation Call &	75541	THE RE	Depth	SS	Depletion	n BHP	Т	1			
Casing Points			(TVD in Ft)	(Ft)	(Yes/No)		BHT		Rema	irks	
SAN JOSE			13	6585				<del></del>	<u> </u>		
Surface Casing			213	6385				12-1/4 hole.	9 5/8" 32.3 ppf, H-40	), STC c	casing. Circulate cement
NCMT			648	5950				to surface.			:
OJAM			1898	4700				Possible water	r flows.		
KRLD			2098	4500							
FRLD			3048	3550				Possible gas.			
Intermediate Casir	ng		3118	3480					7", 20 ppf, J-55, STC	Casing.	Circulate cement to
TOP COAL			3148	3450				surface.			1
BASE MAIN COAL			3248	3350	H	300					
PC TONGUE			3328	3270	ī	300					
BASE LOWEST CO.	AL		3428	3170	ō						
PCCF			3433	3165							
Total Depth			3508	3090				6-1/4" hole po	ossibly underreamed t TC - left uncemented.	o 9.5".	Optional Liner: 5.5",
Reference Well			1.3						A (45 ) 1847		
Reference Type	Well N				Comment	s					
		an 32-9									
	' '	31 Fed									
Intermediate	Phillips	31 Fed	3 #1								

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### PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 31 FED 3 2A

Logging Prog	ram:	4.		The state of the s		1
Intermediate L	ogs: Deg only	if show 🔲 GR/ILD				
TD Logs:	Triple Co	ombo 🔲 Dipmeter	RFT Sc	onic VSP TDT		
Additional Infor	mation:					
Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks	
Comments: Loc	ation/Tops/Loggi	ng - HPA No PCCF PA	A or gas pool.			

Zones - HPA

Drill and complete Fruitland coal 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

General/Work Description - Provide funds to drill and complete the Fruitland Coal formation in the San Juan 31 Fed 3 # 2A located in the NW 1/4 of Section 3, T31N,R9W, Basin Fruitland Coal Field, San Juan County, New Mexico.

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### San Juan 31 Fed 3 # 2A **Halliburton Cementing Program**

### **SURFACE CASING:**

Drill Bit Diameter Casing Outside Diameter Casing Weight	12.25 " 9.625 " 32.3 ppf	Casing Inside Diam. 9.001
Casing Grade Shoe Depth Cement Yield	H-40 230 ' 1.21 cuft/sk	
Cement Density Excess Cement Cement Required	15.6 lb/gal 125 % 141 sx	

SHOE

230 ', 9.625 ",

32.3 ppf,

H-40 STC

#### **INTERMEDIATE CASING:**

Drill Bit Diameter Casing Outside Diameter Casing Weight	8.75 " 7 " Casing Inside Diam. 6.456" 20 ppf
Casing Weight	J-55
Shoe Depth	3118'
Lead Cement Yield	2.91 cuft/sk
Lead Cement Density	11.5 lb/gal
Lead Cement Excess	160 %
Tail Cement Length	315 '
Tail Cement Yield	1.33 cuft/sk
Tail Cement Density	13.5 lb/gal
Tail Cement Excess	160 %
Lead Cement Required	359 sx
Tail Cement Required	100 sx
·	

LINER TOP

3098 '

SHOE

3118', 7",

20 ppf,

J-55

LINER BOTTOM 3508' (Uncemented)

### SAN JUAN 31 FEDERAL 3 #2A

TIALLIBOTTY OF THE						
9-5/8 Surface Casing						
Standard Cement						
+ 3% Calcium Chloride						
+ 0.25 lb/sx Flocele						
141	SX					
1.21	cuft/sx					
170.7	cuft					
30.4	bbls					
15.6	ppg					
5.29	gal/sx					
	9-5/8 Surface Casir Standard Cement + 3% Calcium Chlor + 0.25 lb/sx Flocele 141 1.21 170.7 30.4 15.6					

7" Intermediate Casing								
	Lead Slurry							
Standard Cement								
	+ 3% Econolite (Lost Circulation Additive)							
Cement Recipe	+ 10 lb/sx Gilsonite (Lost Circ. Additvie)							
	+ 0.25 lb/sx Flocele (Lost Circ. Additive)							
Cement Required	359	sx						
Cement Yield	2.91	cuft/sx						
	1044.0	cuft						
Slurry Volume	185.9	bbls						
Cement Density	11.5							
Water Required	16.88	gal/sx						

7" Intermediate Casing							
	Tail Slurry						
	50 / 50 POZ:Standa						
	+ 2% Bentonite (Ligh	nt Weight Additive)					
Cement Slurry	+ 5 lbm/sk Gilsonite	+ 5 lbm/sk Gilsonite (Lost Circ. Additive)					
,	+ 0.25 lbm/sk Flocele (lost Circ. Additive)						
	+ 2% Calcium Chloride (Accelerator)						
Cement Required	100	sx					
Cement Yield	1.33	cuft/sx					
	132.7	cuft					
Slurry Volume	23.6	bbls					
Cement Density	13.5	ppg					
Water Required	5.36	gal/sx					

### SCHLUMBERGER OPTION

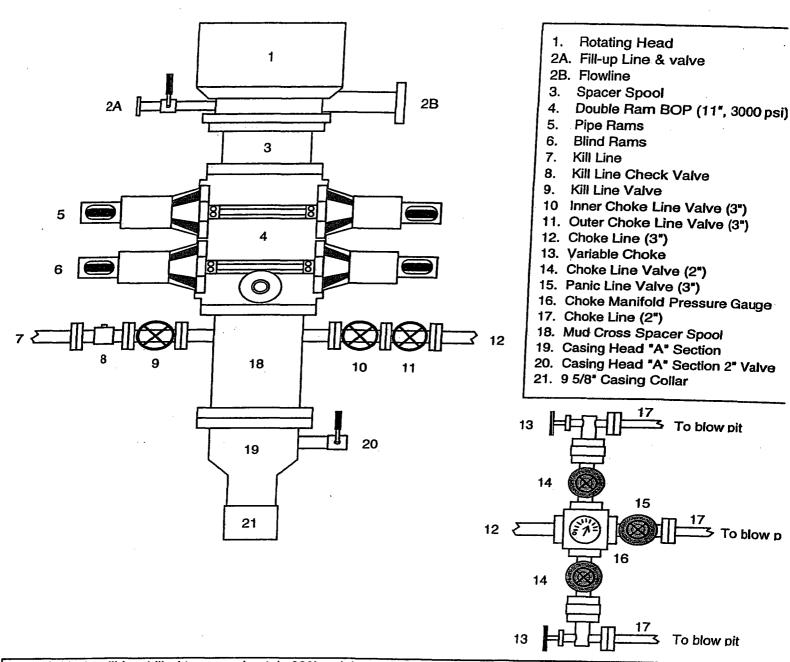
	9-5/8 Surface Casing				
	Class G Cement				
Cement Recipe	+ 3% S001 Calcium Chloride				
	+ 0.25 lb/sx D029 Ce	+ 0.25 lb/sx D029 Cellophane Flakes			
Cement Volume	147	sx			
Cement Yield	1.16	cuft/sx			
	170.7	cuft			
Slurry Volume	30.4	bbls			
Cement Density	15.8	ppg			
Water Required	4.983	gal/sx			

7" Intermediate Casing					
	Lead Slurry				
Cement Recipe	Class G Cement				
	+ 3% D079 Extender				
	+ 0.25 lb/sx D029 Cellophane Flakes				
	+ 0.2% D046 Antifoam)				
Cement Required	402	SX			
Cement Yield	2.61	cuft/sx			
Slurry Volume	1049.8	cuft			
	187.0	bbls			
Cement Density	11.7	ppg			
Water Required 15.876 gal/sx					

7" Intermediate Casing					
Tail Slurry					
	50 / 50 POZ : Class G Cement				
	+ 2% D020 Bentonite				
Cement Slurry	+ 5 lb/sx D024 Gilsonite extender				
	+ 0.25 lb/sx D029 Cellophane Flakes				
	+ 2% S001 Calcium Choloride				
	+ 0.2% D046 Antifoam				
Cement Required	100	SX			
Cement Yield	1.27	cuft/sx			
Slurry Volume	126.9	cuft			
	22.6	bbls			
Cement Density	13.5	ppg			
Water Required 5.182 gal/sx					

## BLOWOUT PREVENTER ARRANGEMENT & PROGRAM For Drilling to Intermediate Casing Point & Setting 7" Intermediate Casing

The State State of the



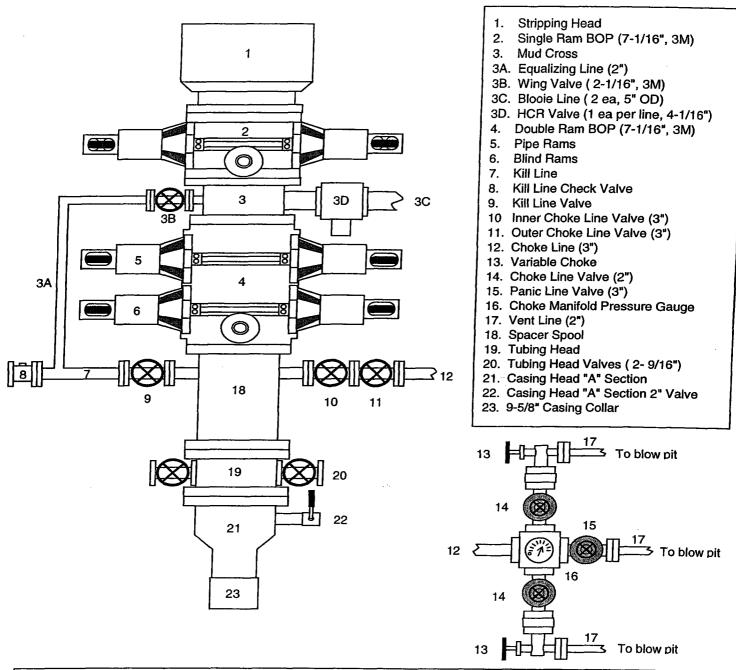
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe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

Property:	SAN	SAN JUAN 31 FEDERAL 3			Well #	2A		
Surface Loc	ation:							
Unit: D	_Section	on:3To	wnship:	31N	_Range:	9W		
County: SA	N JUA	N	<del></del>	State	: New Me	exico		
Footage	1160	from the	NORTH	line	660	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.

submitted in lieu of Form 3160-5

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

	Sundry Notices and Reports on Wells					
1.	Type of Well GAS	<i>YRI</i> 7 ∂ 3 3 5 € 7 € 6	H P RECEIV ARMIN	m 10 U !ED !GTON !!	5.	Lease Number NMSF-080133 If Indian, All. or Tribe Name
2.	Name of Operator				7.	Unit Agreement Name
	P.O. Box 4289, Farmington, NM 87499-4289					
<del></del> 3.	Address & Phone No. of Operator			· · · · · · · · · · · · · · · · · · ·	8.	Well Name & Number
	PO Box 4289, Farmington, NM 87499 (505) 326-9700			_	9.	SJ 31 Federal 3 #2A API Well No.
4.	Location of Well, Footage, Sec., T, R, M				10.	30-045- 33PV Field and Pool
	1160' FNI & 660' FWI Section 2 T21N DOW NMDM	1160' FNL & 660' FWL, Section 3, T31N, R9W, NMPM			Bas	sin Fruitland Coal
	1100 FILL & 000 F.W.L., Section 3, 131N, R9W, INMFINI				11.	County and State San Juan Co., NM
	Type of Submission Type of Action  X Notice of Intent Abandonment Change of Recompletion New Cons Subsequent Report Plugging Non-Routin Final Abandonment Altering Casing Conversion	struction ine Fracturii ut off	-	X Oth	ner – Cha	nge in Road & P/L transporter
13	Describe Proposed or Completed Operations	-				
	e access road was changed at the BLM request. Please find the new cut & ised EA and Arch report for the subject well. The APD has not been approximately app		am, topo	map, directi		well, new pipeline plat and
	ned falls Mg: Patsy Clugston	Title	Sr. Reg	ulatory S <sub>1</sub>	pecialis	st Date <u>5/2/06</u> .
AF CC Title	nis space for Federal or State Office use).  PROVED BY  DNDITION OF APPROVAL, if any:  18 U.S.C. Section 1001, make any department or as latter any false. Fictilities or fraudulent statements or representations as to any matter within its invisitorial statements or representations as to any matter within its invisitorial.	E/A gency of		2000	~ #B	Date 6/5/06