UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

).	Type of Work DRILL	FC) 001 (C 1 1 1 1 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2	5. Lease Number SF-077106	
			Unit Reporting Nu	mber
).	Type of Well GAS	Control	6. If Indian, All. or Tr	ibe
	Operator		7. Unit Agreement Na	ame
	ConocoPhillips		Lackey B LS	
	Address & Phone No. of Operato	7	8. Farm or Lease Nam	ne
	PO Box 4289, Farmingt	on, NM 87499		
	(505) 326-9700		9. Well Number 15M	
•	Location of Well Surf Unit F (SENW), 207 Bott	5' FNL & 1898' FWL,	10. Field, Pool, Wildo Basin Dake	
/	Latitude 36° 38 3.9641	8 N	11. Sec., Twn, Rge, M	
	Longitude 1070, 48 49.9		Sec. 29 T28N, R0	9W, NMPM
			API# 3	30-045- 34
4.	Distance in Miles from Nearest T 15 miles to Bloomfie		12. County San Juan	13. State
5.	Distance from Proposed Location	to Nearest Property or Lease Line)	
6.	Acres in Lease		17. Acres Assigned t 320 acres N/2	o Well
В.	Distance from Proposed Location	to Nearest Well, Drig, Compl, or	Applied for on this Leas	9
9.	Proposed Depth 6812'		20. Rotary or Cable 1 Rotary	ools
1.	Elevations (DF, FT, GR, Etc.) 5966' GL		22. Approx. Date We	ork will Start
	Proposed Casing and Cementing See Operations Plan a	ttached		
3.	Ch.	S. Michael	10/39 Date	1/66
	Authorized by: Authorized by: Regulato	rv Assistant		
	Authorized by: <u>Milling</u> Regulato	ry Assistant		
4.	Authorized by:	ry Assistant APPROVAL DA		
4. 	5. 1. 7. 7. 7. 7. 6. 5. 7. 3. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5.		TE	11/3/06

This action is surject to technical and procedural review pursuant to 43 OFR 3165 2 and appeal pursuant to 43 OFR 3165 4

NWOCD & 11/8

United States any false, fictitious or fraudulent statements or presentations as to any matter within its jurisdiction.

This is not an HPA well SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS". District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.

Santa Fe, NM 87505

Fee Lease - 3 Copies State Lease - 7 Copies Submit to Appropriate District Office Revised June 10, 2003 Form C-102

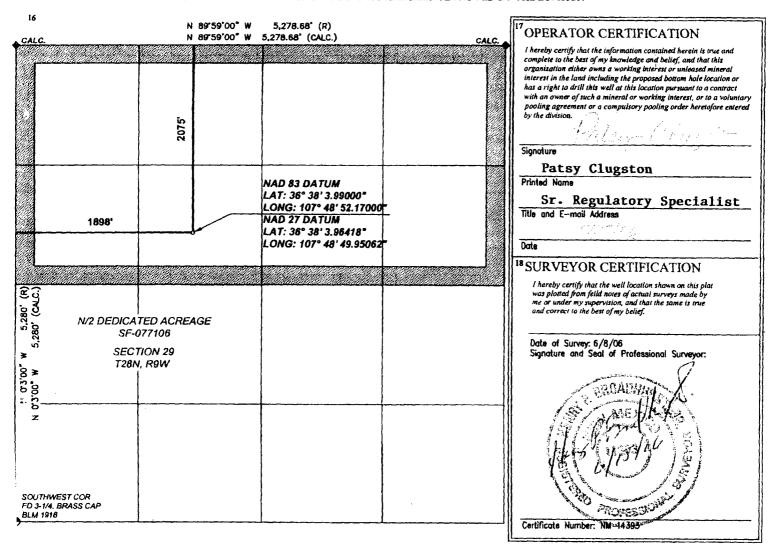
201 00T 24 RM 9 E7

☐ AMMENDED REPORT

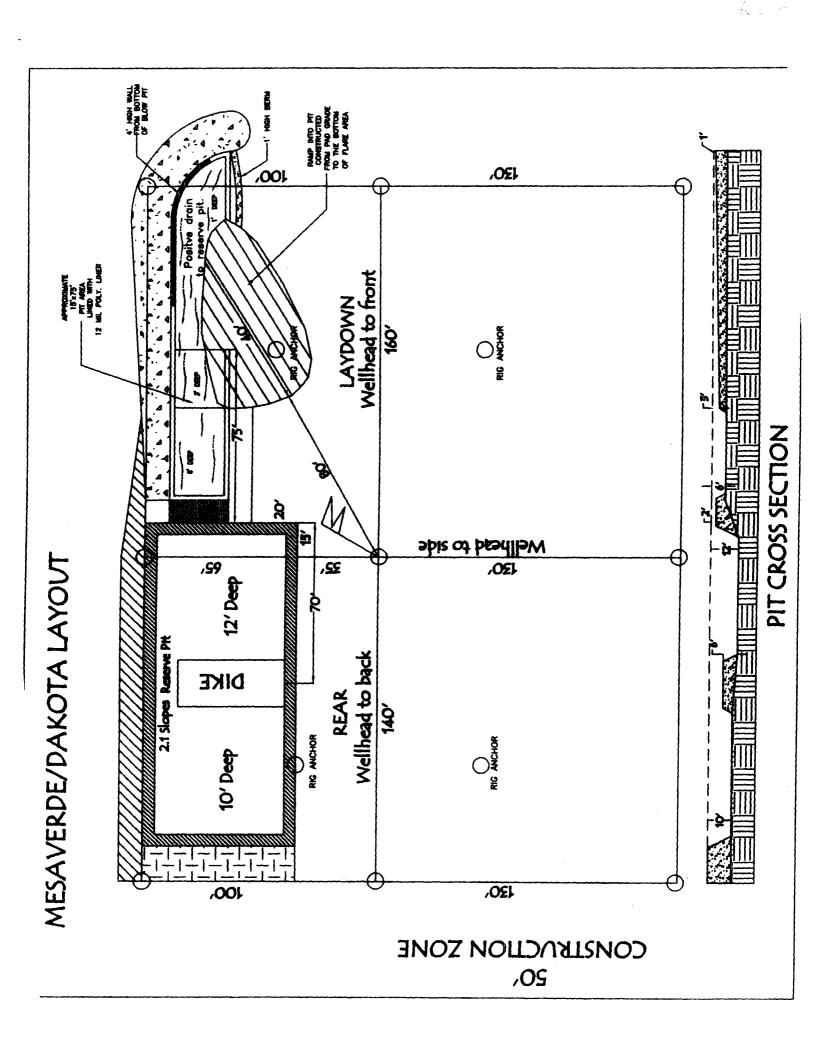
WELL LOCATION AND ACREAGE DEDICATION PLAT

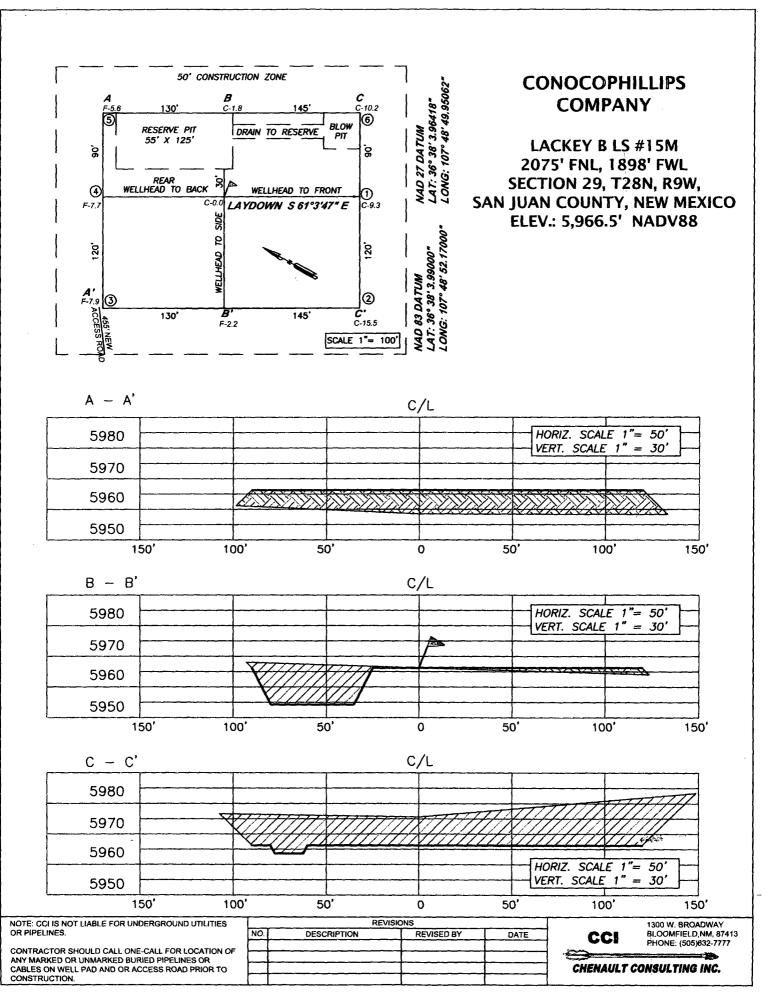
30-045- 34029			7 1	Pool Code 1599 /72	2319	³ Pool Name DAKOTA , / Mesaverde				
4 Property Coc		5 Property Name LACKEY B LS							⁶ Well Number #15M	
⁷ OGRID N 217817	0.	8 Operator Name GONOCOPHILLIPS COMPANY							9 Elevation 5,966.5'	
¹⁰ SURFACE LOCATION										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
F	29	28-N	9-W		2075	NORTH	1898	WEST	SAN JUAN	
			11 B	ottom Ho	le Location I	f Different From	m Surface			
UL or lot no.	Section	Township	Range		Feet from the	North/South line	Feet from the	East/West line	County	
Dedicated Acres		or Infili	Consolidation	Code 15	Order No.					
320 🕢	4								···	

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	State of New Mexico	Form C-103
District I	Energy, Minerals and Natural Resources	May 27, 2004
1625 N. French Dr., Hobbs, NM 88240 District II		WELL API NO. 30-045- 34029
1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION DIVISION	5. Indicate Type of Lease
District III	1220 South St. Francis Dr.	STATE FEE
1000 Rio Brazos Rd., Aztec, NM 87410	Santa Fe, NM 87505	6. State Oil & Gas Lease No.
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87503	5	SF-077106
	S AND REPORTS ON WELLS O DRILL OR TO DEEPEN OR PLUG BACK TO A	7. Lease Name or Unit Agreement Name
DIFFERENT RESERVOIR. USE "APPLICATION		Lackey B LS
PROPOSALS.)		
1. Type of Well: Oil Well Gas Well X	Other	8. Well Number
2. Name of Operator		9. OGRID Number
3. Address of Operator	JRCES OIL & GAS COMPANY LP	14538
3401 E. 30TH STRE	ET, FARMINGTON, NM 87402	Basin Dakota
4. Well Location Unit Letter F: 20	75 feet from the North line and	1898 feet from the West line
Section 29	Township 28N Range 9V	
11. E	levation (Show whether DR, RKB, RT, GR, etc.) 5967' GL	
Pit or Below-grade Tank Application X	or Closure	
Pit type New Drill Depth to Groundwa	ter >100' Distance from nearest fresh water well	>1000' Distance from nearest surface water
Pit Liner Thickness: n/a	mil Below-Grade Tank: Volume	bbls; Construction Material
12. Check A	ppropriate Box to Indicate Nature of No	otice, Report or Other Data
NOTICE OF IN		SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK TEMPORARILY ABANDON	i i	AL WORK ALTERING CASING ALTERING CASING P AND A
PULL OR ALTER CASING		CEMENT JOB
OTHER: New Dr	ill Pit X OTHER:	
	operations. (Clearly state all pertinent details, and	give pertinent dates, including estimated date
	SEE RULE 1103. For Multiple Completions: Atta	
or recompletion.		
New Drill, Lined:		
ConocoPhillips proposes to construct	a new drilling nit, an associated vent/flare nit and a	pre-set mud pit (if required). Based on ConocoPhillips'
		I pit will be lined pits as detailed in ConocoPhillips'
	•	it will be designed to manage fluids and that portion will
be lined as per the risk ranking criteria	a. ConocoPhillips anticipates closing these pits acc	ording to the November 1, 2004 Guidelines.
I hereby certify that the information above	e 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	f according to NMOCD guidelines, a general permit	or an (attached) alternative OCD-approved plan .
SIGNATURE MACY N. M.	Amuse TITLE Reg	gulatory Assistant DATE 10/5/2006
Type or print name Tracey N		<u>@br-inc.com</u> Telephone No. 505-326-9752
For State Lies Only		
APPPROVED BY	TITLE CAPUT OIL &	DATE NOV 0 8 2006
Conditions of Approval (if any):	cation is less than 200	From Navajo Inigat an Prospect
ditra	A. Pits shall be I had and tree	GAS INSPECTOR, DIST. DATE NOV 08 2006 From Navajo Inique an Praject Led accordingly.
	,	1 1







PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

LACKEY B LS 15M

									
Lease:					AFE #: WA	AN.CNV.71	.84	,	AFE \$:
Field Name: NEW M	1EXICO-WES	T	Rig:				State: NM	County: SAN JUAN	API #:
Geoscientist: Brain, Ted H.			Phone	832-486-	2592	Prod. Er	ngineer:		Phone: 486-2334
Res. Engineer: Harr	ington, Tim I	R.	Phone	: 832-486-	2207	Proj. Fie	ld Lead: Fra	nsen, Eric E.	Phone:
Primary Objective	e (Zones):								
Zone	Zone Name			- , - ,- ,- ,- ,- ,- ,- ,- ,- ,- ,- ,- ,					
R20002	MESAVERDE	(R20002)							
R20076	DAKOTA(R20	076)							
Location: Surface		Datum Co	de: N/	D 27					
Latitude: 36.634400	Longitu	ide: -107.81	3900	X:		Y:		Section: 29	Range: 9W
Footage X: 1898 FV	VL Footage	e Y: 2075 FI	VL.	Elevation:	5966	(FT) To	ownship: 28N		
Tolerance:									
Location Type: Year	Round	 	Start [Date (Est.):		Comp	letion Date:	Date I	n Operation:
Formation Data: A	Assume KB =	5982	Units =	FT					. (
Formation Call & Casing Points		Depth (TVD in Ft)	SS (Ft)	Depletio (Yes/No		ВНТ	12:14" bas	ed by proposed Remark	cement volume
Surface Casing		216	5766				13-1/2" hole. ement to sur		, STC casing. Circulate
MACC		1067	4915	П		5	Possible water	flows.	
KRLD		1202	4780	=			121/2" 1	coccotable	based on rig
FRLD		1857	4125			ŗ	Possible gas.	Availability	9
PCCF		2112	3870					avanaoran	,
LEWS		2312	3670					_	
Intermediate Casing		2412	3570				3 3/4" Hole. 7 surface.	7", 20 ppf, J-55, STC C	asing. Circulate cement to
CHRA		2657	3325						•
CLFH		3672	2310			(Gas; possibly	wet	
MENF		3752	2230			(Gas.		
PTLK		4392	1590				Gas.		
GLLP		5582	400			(Gas. Possibly	wet.	•
GRHN		6362	-380			(Gas. Possibly	wet.	
PAGU		6532	-550			(Gas. Highly F	ractured.	
TOTAL DEPTH DK		6812	-830			ā	minimum of		LTC casing. Circulate cement us casing string. No open hole face
Total Depth	•	6812	-830				ogs. Cuscu III	is the matter to sur	IMUL.
Deference Meller									

Comments

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Reference Type | Well Name



Remarks

PROJECT PROPOSAL - New Drill / Sidetrack

From (Ft)

LACKEY B LS 15M

Stage

Logging Progra	m:		
		Log only if show GR/ILD Triple Combo	1.00000
TD Logs:		Triple Combo Dipmeter RFT Sonic VSP TDT	
Additional Inform	ation:		

Tool Type/Name

To (Ft)

Log Type
Comments:

Printed on: 10/5/2006 2:03:39 PM

Comp. Strength 8 hrs. 475 psi 24 hrs. 1375 psi	Comp Strength 3 hrs 100 psi 24 hrs 443 psi	Comp. Strength 24 hrs 1850 psi 48 hrs 3411 psi ment itie Extender itie Extender sint sint
Option 3 37 sx 10.6 bbls 59.3 cuft 1.6 1 ft/sex 14.5 ppg 7.41 gal/sx Type I-!! Ready Mix + 20% Fly Ash	Option 3 163 sx 76.4 bbls 429.2 cuft 2.63 ft³/sx 11.7 ppg 15.92 gal/sx Class G Cement + 3% D079 Extender + 0.20% D046 Antifoam + 1.0 lb/bbl CemNet	92 sx Com 21.1 bbls 24 hrs 11.8 4 cuft 48 hrs 11.8 5 ppg 5.255 gal/sx 50/50 Poz: Class G Cement + 2% DO20 Bentonite + 5.0 lb/sx DO24 Glisonite Extender + 2% S001 Calcium Choride + 0.1% D045 Dispersant + 1.0 tb/bbl CemNet
Comp. Strength 6 hrs 250 psi 8 hrs 500 psi	Comp. Strength 1:47 hrs 50 psi 12 hrs 350 psi 24 hrs 450 psi	Comp. Strength 2.05 50 psi 4.06 500 psi 12 hrs 1250 psi 24hrs 1819 psi nent Comp. Strength 9:32 50 psi 13.29 1026 psi 24 hrs 2300 psi nent educer ss Additive
Option 2 96 sx 20.7 bbls 116.3 cuft 1.21 ff²/sx 15.6 ppg 5.29 gal/sx Standard Cement + 3% Calcium Chloride + 0.25 lb/sx Flocele	Option 2 165 sx 76.4 bbls 76.4 bbls 429.2 cuft 2.60 ft³lsx 11.5 ppg 14.62 gal/sx Type III Ashgrove Cement + 30 lb/sx San Juan Poz + 3% Bentomite + 5.0 lb/sx Phenoseal	99 sx Com 21.1 bbls 2.05 118.4 cuft 4.06 118.3 ft²sx 12 hrs 13.5 ppg 24hrs 5.5 gal/sx 50/50 Poz: Standard Cement + 2% Bentonite + 6.0 lb/sx Phenoseal Option 2 421 sx Com 105 cuft 12 hrs 14.5 ft²sx 13.29 13.1 ppg 24 hrs 6.55 gal/sx 60/50 Poz: Standard Cement + 3% Bentonite + 0.2% CFR.3 friction Reducer + 0.1% HR-5 Retarder + 0.2% CFR.3 friction Reducer + 0.1% HR-5 Retarder + 0.8% Halad-9 Fluid Loss Additive + 0.8% Halad-9 Fluid Loss Additive
Comp. Strength 6 hrs 250 psi 8 hrs 500 psi psi hrs 600 psi hloride	Comp. Strength 9 hrs 300 psi 48 hrs 525 psi	Comp. Strength 3:53 500 psi 8:22 1000 psi 24 hrs 3170 psi 48 hrs 5399 psi ament ophane Flakes hioride comp. Strength 7 hrs 500 psi 24 hrs 2100 psi 24 hrs 2100 psi ament compane Flakes nite Extender siment
SURFACE: Option 1 99 sx Comp. 20.7 bbls 6 hrs 2 116.3 cuft 8 hrs 5 1.17 ft ³ sx 15.8 ppg 4.973 gal/sx Class G Cement + 3% S001 Calcium Chloride + 0.25 lb/sx D029 Cellophane Flakes	INTERMEDIATE LEAD:	NTERMEDIATE TAIL.: Option 1 90 sx Comp. 21.1 bbls 3:53 55 118.4 cuft 8:22 11 1.31 pg 48 hrs 5:31 pg 48 hrs 5:31 pg 5.317 gal(sx 224 hrs 3:31 pg 48 hrs 5:317 gal(sx 50/50 Poz. Class G Cement 4.0.25 bl/sx D029 Cellophane Flakes 4.25 bl/sx D020 Bentonite 4.15 bl/sx D020 Bentonite 4.15 bl/sx D020 Bentonite 4.15 bl/sx Phenoseal 424 sx Comp. 424 sx Comp. 444 fl ³ /sx 1.00 pg 6.47 gal/sx 6.47 gal/sx 1.00 pg 6.47 gal/sx 1.00 bg 1.00 bg
12.25 " 9.625 " 9.001 " 32.3 ppf H-40 200 %	8.75 " 7 " 6.456 " 20 ppf J-55 50 % 482.41	6.25 " 4.5 " 11.6 ppf N-80 30 %
HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS:	HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS: TAIL:	HOLE: CSG OD: CSG OD: CSG OD: GRADE: EXCESS: DEPTH:

	Comp. Strength 10:56 500 psi 42 hrs 1012 psi ass G Cement lophane Flakes	
	Option 5 204 sx	·
	Comp. Strength 1.47 50 psi 12 hrs 350 psi 24 hrs 450 psi der)	
SURFACE:	INTERMEDIATE LEAD: Option 4 149 sx 76.4 bbis 429.2 cult 2.88 (f/sx 11.5 ppg 16.85 gal/sx Standard Cement + 3% Econolite (Extender) + 10 lb/sx Phenoseal	PRODUCTION:
12.25 " 9.625 " 9.001 " 32.3 ppf H-40 200 %	8.75 " 7 " 6.456 " 20 ppf 1-55 50 % 20 %	6.25 " 4.5 " 11.6 ppf N-80 30 %
CSG OD CSG OD CSG OD WGT GRADE EXCESS.	HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS: TAIL:	HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS:

TOPSET FRUITLAND COAL Wells: (topset casing above coal to prepare for cavitation/DO/UR)

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

CASE & FRAC FRUITLAND COAL Wells: (casing set below coal to prepare for frac completion)

Drilling Mud Program:

Surface: spud mud

Production: fresh water mud with bentonite and polymer 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 Production: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 4th, 6th, 8th, &

10" joints

Turbolizers placed one per joint from the top of the Ojo Alamo to the top of the Kirtland Shale

MESA VERDE Wells:

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

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

DAKOTA Wells:

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:

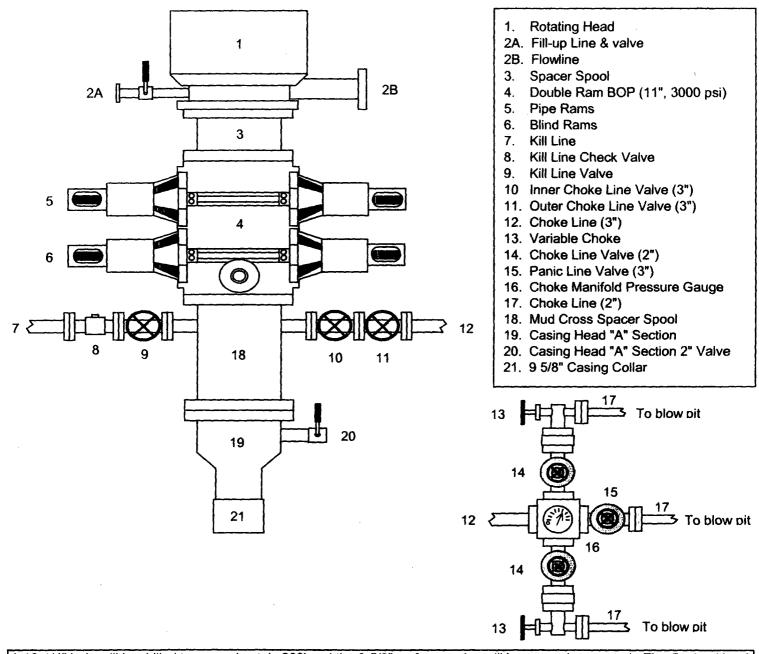
Surface: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 3rd, & 4th joints Intermediate: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 4th, 6th, 8th, 8th

10^m 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

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

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



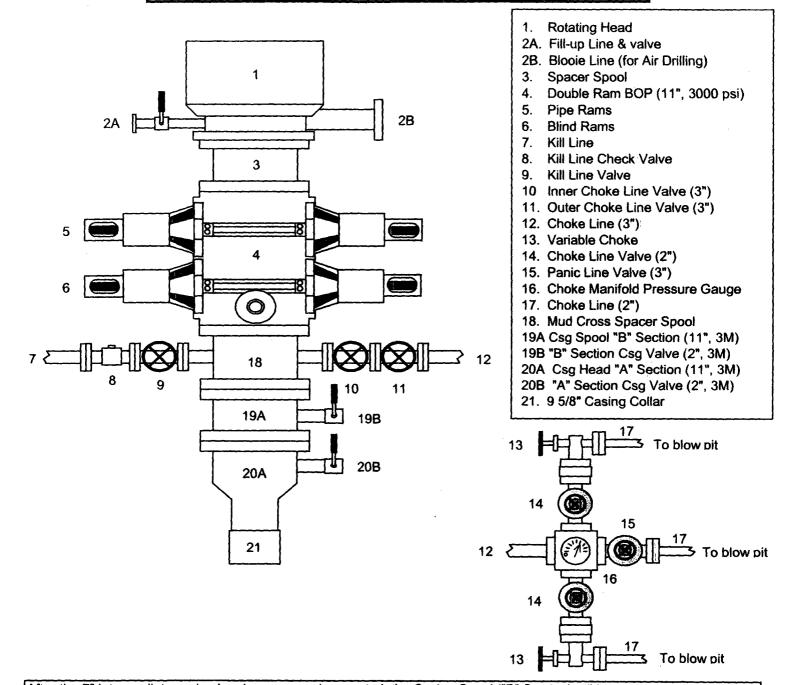
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe 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 Drilling to TD and Setting 4.5 inch Casing



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