DEPARTMENT OF THE INTERIOR

UNITED STATES BUREAU OF LAND MANAGEMENT

	APPLICATION FOR	PERMIT TO DRILL, DEEP			
a.	Type of Work DRILL	2006 NOV 13 PM 5	ე] 5.	Lease Number SF-079004 Unit Reporting Nur	nber
b.	Type of Well	RECEIVED 070 FARMINGTON	÷: 6.	If Indian, All. or Tri	
	GAS	OTO PARTITION		Linit Annomant Ala	
•	Operator		7.	Unit Agreement Na	ime
	ConocoPhillips		8	San Juan 32-8 (Jnit
	Address & Phone No. of Operator		8.	Farm or Lease Nam	16
	PO Box 4289, Farmington	, NM 87499			
			9.	Well Number	
	(505) 326-9700			#132	,
	Location of Well		10). Field, Pool, Wildc	at
•	Unit E (SWNW), 2566'	FNL & 782' FWL,	• • •	Blanco MesaVe	
			11	I. Sec., Twn, Rge, M	Ane (NIRADRA)
	Latitude 36°'.911807" N		• '	i. Sec., i wii, nge, n	ier. (Idiairiai)
			FSE	ec. 9 T31N, R08	BW, NMPM
This a	Longitude 107° / .686155 "W action is subject to technical and dural review pursuant to 43 CFR 3165.3	,	<u></u>	·	_
proce and a	ppeal pursuant to 43 CFR 3165.4			API# 3	10-045- ZH
4.	Distance in Miles from Nearest Tow	'n	12	2. County	13. State
	24 miles to Gobernador		Sa	an Juan	NM
 5.	Distance from Proposed Location to 782'	Nearest Property or Lease L	1110	DRILLING OPERATIONS A SUBJECT TO COMPLIANC "GENERAL REQUIREMENT	E WITH AT LACHE
6.	Acres in Lease		17	7. Acres Assigned to 320 acres W/2	o Well
В.	Distance from Proposed Location to	Nearest Well, Drlg, Compl,	or App	lied for on this Lease)
9.	Proposed Depth		20). Rotary or Cable T	ools
	7720'			otary	
1.	Elevations (DF, FT, GR, Etc.)		22	2. Approx. Date We	ork will Start
	(۱۵/۵ ملک محدور				
3.	Proposed Casing and Cementing Pro				
	See Operations Plan att	ached			
	Allend Miller	11 Minner		ulialor	
4.	Authorized by: Regulatory	<u> </u>		Date	-
		ABSISCAIIC		Date	
ERM	IT NO.	APPROVAL I	DATE		/
		TITLE AT	11	DATE	1, 176 /-

Archaeological Report submitted seperately

Environmental Assessment is attached.

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

Title 18 U.S.C. Section 1001, makes 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 presentations as to any matter within its jurisdiction.

This is not an HPA well

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

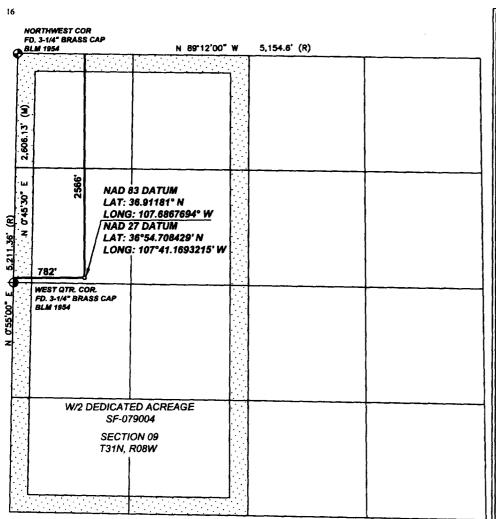
2006 NOV 13 PM 5 01

☐ AMMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Code ³ Pool Name 72319 30-045-**MESAVERDE** ⁴ Property Code 5 Property Name Well Number 31330 SAN JUAN 32-8 UNIT #13A 7 OGRID No. Elevation 8 Operator Name CONOCOPHILLIPS COMPANY 6.615 217817 10 SURFACE LOCATION Section UL or lot no. Township Range Lot Idn Feet from the North/South line Feet from the East/West line County

E	09	31-N	U8-VV		2500	NORTH	102	WEST	SANJUAN	
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	
E			*							
Dedicated Acres 320 W2	Joint o	or Infill 14	Consolidation	1 Code	Order No.				•	. Ter

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



OPERATOR CERTIFICATION complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a volum oooling agreement or a compulsory pooling order heretafore entered Muchy V'Minu Signature Tracey N. Monroe **Printed Name** Regulatory Assistant Title and E-mail Address September 22 2006 Date 18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from feild 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 of Survey: 08/09/06 Signature and Seal of Professional Surveyor

Certificate Number: NM 11393

Submit 3 Copies To Appropriate District	State of New Mexico		Form C-103
Office District I	Energy, Minerals and Natural Resource		May 27, 2004
1625 N. French Dr., Hobbs, NM 88240	33,	WELL API NO. 2/1	258
District II 1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION DIVISION	N 5. Indicate Type of Lease	150
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	•	SF-079004	
1220 S. St. Francis Dr., Santa Fe, NM 875	CES AND REPORTS ON WELLS	7. Lease Name or Unit Agreement Name	
	TO DRILL OR TO DEEPEN OR PLUG BACK TO A	7. Esase Name of Sint Agreement Name	
DIFFERENT RESERVOIR. USE "APPLICATION PROPOSALS".	ON FOR PERMIT" (FORM C-101) FOR SUCH	San Juan 32-8 Unit	ľ
PROPOSALS.) 1. Type of Well:		8. Well Number	
Oil Well Gas Well X	Other	#13A	
2. Name of Operator		9. OGRID Number	
3. Address of Operator	ocoPhillips Company	10. Pool name or Wildcat	
	REET, FARMINGTON, NM 87402	Blanco MesaVerde	
4. Well Location			
Unit Letter E : _	2566 feet from the North line and Township 31N Rng	782 feet from the West NMPM County S	line an Juan
500000	Elevation (Show whether DR, RKB, RT, GR, etc.)		an Juan
	6615' GL		
Pit or Below-grade Tank Application	or Closure		1200
Pit type New Drill Depth to Groundy	grafia a Typer wa be a wall been a larger and a second file	>1000' Distance from nearest surface wat	er 21000'
Pit Liner Thickness: 12	mil Below-Grade Tank: Volume	bbls; Construction Material	
	Appropriate Box to Indicate Nature of N	· •	
	NTENTION TO:	SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK TEMPORARILY ABANDON	I	DIAL WORK ENCE DRILLING OPNS. ALTERING P AND A	CASING
PULL OR ALTER CASING		G/CEMENT JOB	لسا
OTHER: New	Drill X OTHER	3.	
	ed operations. (Clearly state all pertinent details, ar		ite —
). SEE RULE 1103. For Multiple Completions: A		
or recompletion.			
New Drill, Lined:			
	et a new drilling pit, an associated vent/flare pit and		
	k ranking criteria, the new drilling pit and pre-set me at the NMOCD office. A portion of the vent/flare		
	ria. ConocoPhillips anticipates closing these pits a		
-		-	
I hereby certify that the information abo	ove is true and complete to the best of my knowledg	ge and belief. I further certify that any pit or below	
	sed according to NMOCD guidelines, a general permit		
may 11			
SIGNATURE	Meanine		
SIGNATURE	Monor TITLE R	Legulatory Technician DATE	10/22/2006
SIGNATORI SECTION SECT			
SIGNATORI <u>S</u>			-326-9752
Type or print name Tracey For State Use Only	N. Monroe E-mail address: 10nrotn@c	conocophillips.co. Telephone No. 505-	
Type or print name Tracey	N. Monros E-mail address: 10nrotn@c	conocophillips.co: Telephone No. 505-	-326-9752

CHENAULT CONSULTING INC.

NOTES:

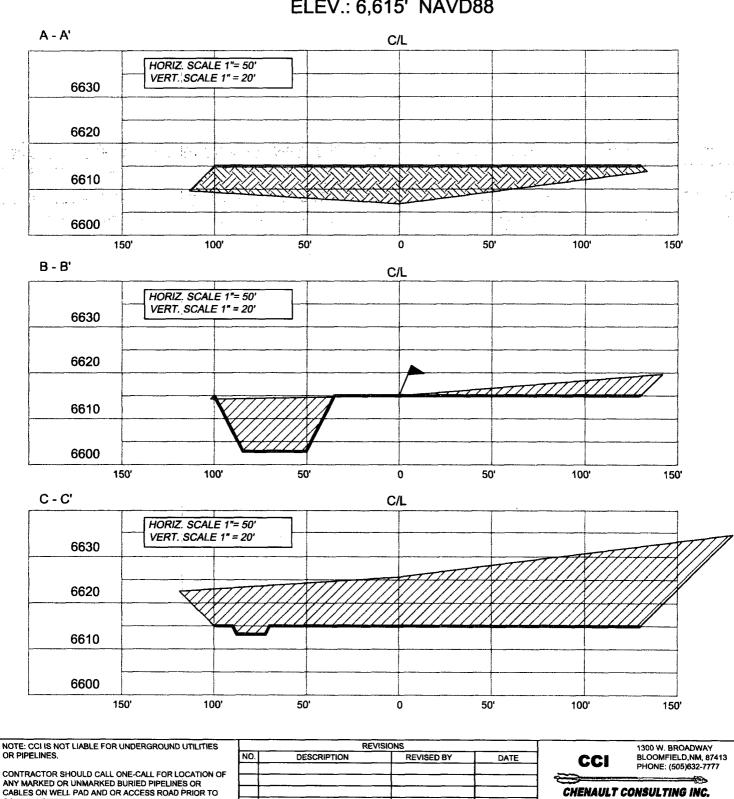
WELL HEAD #221 3 1300 W. BROADWAY BLOOMFIELD,NM, 87413 PHONE: (505)632-7777 F+1.4 (a) F+8.2 F+5.7 **(** 130' 100 NEW ACCESS ROAD 143'-10.0 N 13°58'3" W 443.3' 8 SECTION 09, T31N, R08W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO NAD 83 LAT.: 36.91181° N LONG.: 107.6867694° NEW ACCESS ROAD 143' 12.0 2,566' FNL, 782' FWL PIT CROSS SECTION Ç.4.3 (€.4.3) 130' WELLHEAD TO SIDE 8. **DATE: AUGUST 09, 2006** LAYDOWN S 21°47'4" W WELLHEAD TO FRONT 6.0 APPROXIMATE 15'X75' PIT AREA LINED WITH 12 MIL POLY. LINER 230' × 160 중 300 160 C ARAMP INTO PIT CONSTRUCTED FROM PAD GRADE TO THE BOTTOM OF FLARE AREA 330' × 400' 130 100 H HIGH BERM FROM BOTTOM OF BLOW PIT 4' HIGH WALL 3.03 ACRES

50' EDGE OF DISTURBANCE

- 1. RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW-3' WIDE AND 1' ABOVE SHALLOW SIDE).
- 2. C.C.I. SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.
 CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED
 PIPLINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

CONOCOPHILLIPS COMPANY

SAN JUAN 32-8 UNIT #13A 2,566' FNL, 782' FWL SECTION 09, T31N, ,R08W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO ELEV.: 6,615' NAVD88



CONSTRUCTION.



PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 32-8 13A

	Lease:					N.CNV.	/11/				AFE \$:
Field Name: 32-8	3		Rig:				State:	NM	County: SAN	JUAN	API #:
Geoscientist: Bra	in, Ted H.		Phone	832-486-2	592	Prod.	Engineer:	Piot	rowicz, Greg	M.	Phone: +1 832-486-348
Res. Engineer:			Phone	: 832 486-20	651	Proj.	ield Lead:	Fran	nsen, Eric E.		Phone:
Primary Object	ive (Zones):	1									
Zone	Zone Name)			7						
R20002	MESAVERDI	E(R20002)									
Location: Surface	e : :	Datum Co	de: NA	D 27							Straight Hole
Latitude: 36.9118	307 Longit	ude: 107.68	6155	X:		Y:		20.0000000	Section: 9		Range: 8W
Footage X: 782 F	WL Footag	je Y: 2566 FI	VL.	Elevation: 6	608	(FT)	Township:	31N			
Tolerance:			<u>-</u>								
Location Type: S	ummer Only		Start [Date (Est.):		Cor	npletion D	ate:		Date In	n Operation:
Formation Data:	Assume KB :	= 6624	Units =	FT					· · ·		
Formation Call & Casing Points		Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)		внт		···		Remark	s
NCMT		874	5750								
OJAM		2240	4384				Possible	water	flows.		
KRLD		2291	4333								
PCCF		3528	3096				Gas.				
LEWS		3669	2955								
CHRA		4709	1915								
CLFH		5463	1161				Gas; pos	sibly v	vet		
MENF		5522	1102				Gas.				
PTLK		5838	786				Gas.				~
TD		6138	486					in water			
Reference Well				T a							
Reference Type Intermediate	Well Name Oxnard 3			8-31N-8W-		611					
Intermediate	Oxnard 1A			8-31N-8W-							
	Oxnara IIX	1		10-0111-011	1444, 140				· · · · · · · · · · · · · · · · · · ·		
Logging Progra	m:	l l									
Intermediate Log	with the season to the season of the season	y if show	GR/ILI	Triple	e Combo						
TD Logs:	Triple C	ombo 🔲 D	ipmeter	RFT [Sonic [☐ VSF	☑ TDT				
											
Additional Inform	ation:										•
Log Type	Stage	From	(Ft)	To (Ft))	Tool	Type/Nam	le	Re	marks	
Comments: Locat	ion/Tons/Loga	ing - TD is 30	ηη belo	w PTI K							

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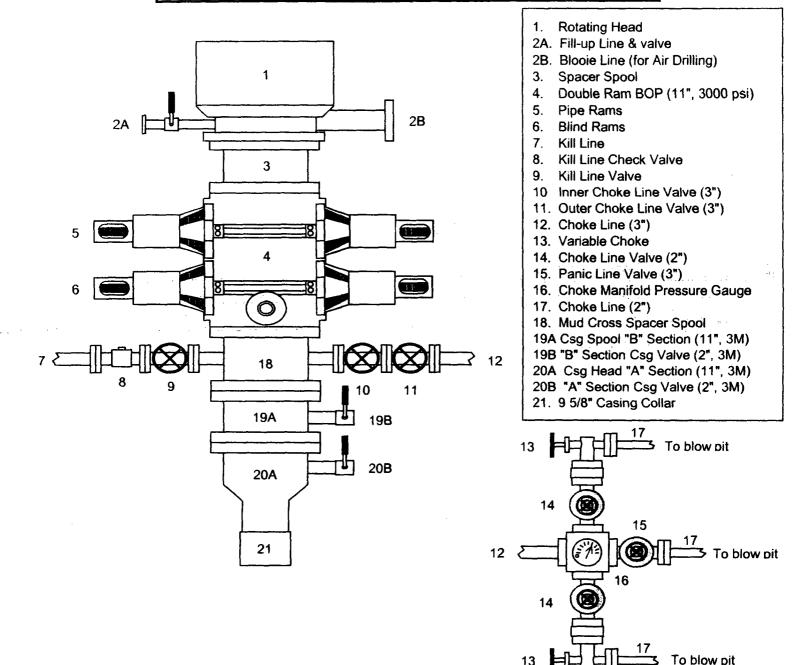
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Comp Strength 8 hrs 475 psi 24 hrs 1375 psi	Comp. Strength 3 hrs 100 psi 24 hrs 443 psi	Comp. Strength 24 hrs 1850 psi 46 hrs 3411 psi ent ent t
Option 3 37 sx 10 bbls 10 6 bbls 59.3 cuft 16.1 ft²/sx 14.5 ppg 7.41 gal/sx Type I-II Ready Mix + 20% Fly Ash	Option 3 256 sx 120.1 bbls 674.1 cuft 2 63 ft ³ /sx 11.7 ppg 15.92 gal/sx Class G Cement + 3% D079 Extender + 0.20% D046 Antifoam + 1.0 lb/bbl CemNet	Option 3 140 sx 140 sx 32 0 bbls 24 hrs 128 ft ³ (sx 13.5 pg 5.255 gal/sx 5.255 gal/sx 50/50 Poz. Class G Cement + 2% D020 Bentonite + 5.0 lb/sx D024 Gilsonite Extender + 2% S001 Calcium Chloride + 0.1 lb/sx D046 Antifoamer + 0.15% D065 Dispersant + 1.0 lb/bbl Cem/let
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 nt	Comp. Strength 2:05 50 psi 4:06 500 psi 12 hrs 1250 psi 24hrs 1819 psi 24hrs 1819 psi 12 hrs 500 psi 13:29 1026 psi 24 hrs 2:300 psi nent ss Additive
Option 2 96 sx 20.7 bbis 116.3 cuft 12.1 ft ³ /sx 15.6 ppg 5.29 gal/sx Standard Cement + 3%, Calcium Chloride + 0.25 lb/sx Flocete	Option 2 259 sx 120.1 bbls 674.1 cuff 2.60 ft ³ /sx 11.5 ppg 14.62 gal/sx Type III Ashgrove Cement + 30 lb/sx San Juan Poz + 3% Bentomite + 5.0 lb/sx Phenoseal	Option 2 135 sx Com 32.0 bbls 2.05 179.6 cuft 4.06 13.3 ft ³ /sx 12 hrs 13.5 ppg 24hrs 5.52 gal/sx 50/50 Poz. Standard Cement + 2% Bentonite + 6.0 lb/sx Phenoseal 234 sx Com 60.5 bbls 9:32 339.5 cuft 12 hrs 1.45 ft ³ /sx 13:29 13.1 ppg 24 hrs 6.55 gal/sx 50/50 Poz. Standard Cement + 3% Bentonite + 0.2% CFR-3 Friction Reducer + 0.1% HR-5 Retarder + 0.8% Halad-9 Fluid Loss Additive + 3.5 lb/sx Phenoseal
Comp Strength 6 hrs 250 psi 8 hrs 500 psi psi ndride	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 Annent ophane Flakes hloride nite Extender er Comp. Strength 7 hrs 500 psi 24 hrs 2100 psi 24 hrs 2100 psi annent ophane Flakes nite Extender soss
SURFACE:	INTERMEDIATE LEAD:	INTERMEDIATE TAIL. Option 1 137 sx Comp. 137 sx 3:53 51 51 796 cuff 8:22 1 1.34 ft ³ /sx 24 hrs 3 13.5 ppg 48 hrs 5 5:317 gal/sx 20/50 Poz. Class G Cement 0.25 lb/sx D029 Cellophane Flakes 4:2% D020 Bentonite 4:2% D020 Bentonite 4:15 lb/sx D024 Gilsonite Extender 4:15 lb/sx D029 Cellophane Flakes 3:39:5 cuff 24 hrs 2:36 sx 5:050 Poz. Class G Cement 4:0.25% D020 Bentonite 4:0.25% D020 B
12.25 " 9.625 " 9.001 " 32.3 ppf H-40 200 %	8.75 * 7 * 6.456 * 20 ppf J-55 50 % 753.8 * 75	6.25 " 4.5 " 4.052 " 10.5 ppf J-55 30 %
CSG OD CSG ID: WGT GRADE EXCESS	HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS: TAIL: DEPTH:	HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS:

	Comp. Strength 10:56 500 psi 42 hrs 1012 psi ss G Cement phane Flakes	
	Option 5 321 sx	
	Comp. Strength 1:47 50 psi 12 hrs 350 psi 24 hrs 450 psi der)	
SURFACE:	INTERMEDIATE LEAD: Option 4 234 sx 120.1 bbis 674.1 cuff 2.88 ft²/sx 11.5 ppg 16.85 gal/sx Standard Cement + 3% Econolite (Extender) + 10 lb/sx Phenoseal INTERMEDIATE TAIL:	PRODUCTION
12.25 " 9.625 " 9.001 " 32.3 ppf H-40 200 %	8.75 " 6.456 " 20 ppf 1-55 50 % 753.81	6.25 " 4.55 " 4.052 " 10.5 ppf 1-55 30 %
HOLE: CSG OD: CSG ID: WGT GRADE: EXCESS: DEPTH:	HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS: TAIL: DEPTH:	HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS:

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to TD and Setting 4.5 inch Casing



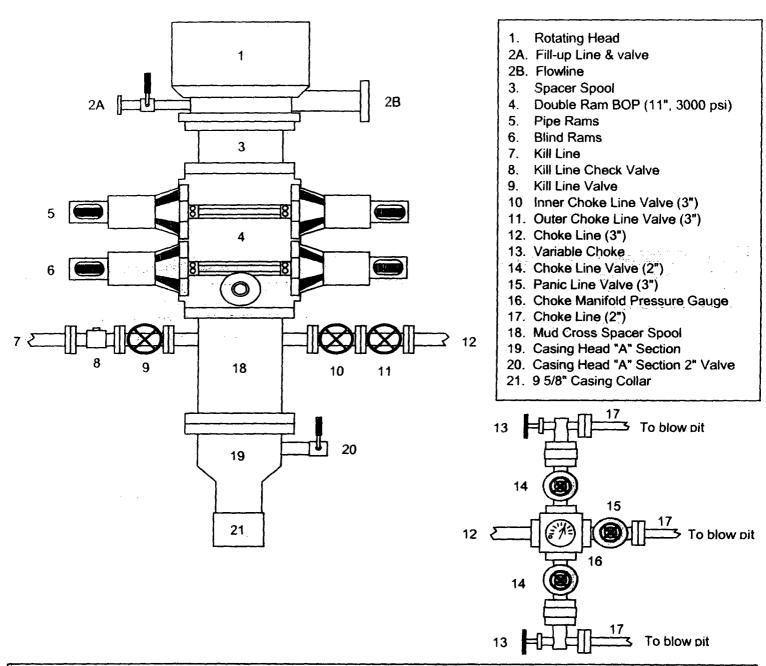
After the 7" intermediate casing has been run and cemented, the Casing Spool ("B" Section) will be installed on the wellhead ("A" Section) and the BOP will be installed on the Casing Spool. A test plug will be set in the wellhead and the pipe rams, blind rams, and choke manifold will be tested to 200 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

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