

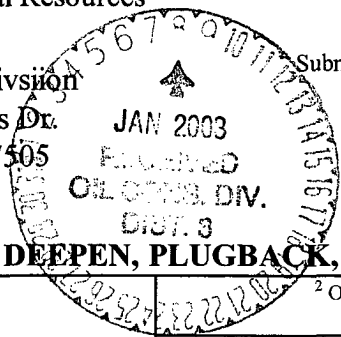
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. 1st Street, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-101
Revised March 17, 1999

Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies



AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address ConocoPhillips 5525 Highway 64, NBU 3004, Farmington, NM 87401		² OGRID Number 217817
⁴ Property Code 9260	⁵ Property Name San Juan 32-7 Unit	³ APL Number 30-045-31201
		⁶ Well No. 224A

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
C	21	32N	7W		1245'	North	1650'	West	San Juan

⁸ Proposed 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
C									

⁹ Proposed Pool 1 Basin Fruitland Coal - 72629	¹⁰ Proposed Pool 2
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¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 6341' GL
¹⁶ Multiple N	¹⁷ Proposed Depth 3076'	¹⁸ Formation Fruitland Coal	¹⁹ Contractor Key	²⁰ Spud Date 3/2003

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	9-5/8"	32.3#, H-40	200'	102.7 sx	surface
8-3/4"	7"	20#, J/K-55	2901'	377 sx	surface
6-1/4"	5-1/2"	15.5#, J/K-55	2881' - 3076'	n/a	(see drilling program for details)

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.
See attached for the BOP and cathodic protection details, drilling program, topo maps and geological tops.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: <i>Patsy Clugston</i>		Approved by: <i>[Signature]</i>	
Printed name: Patsy Clugston		Title: DEPUTY OIL & GAS INSPECTOR, DISTRICT 3	
Title: SHEAR Administrative Assistant		Approval Date: JAN - 8 2003	Expiration Date: JAN - 8 2004
Date: 1/6/03	Phone: 505-599-3454	Conditions of Approval: Attached <input type="checkbox"/>	

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

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

DISTRICT II
811 South First, Artesia, N.M. 88210

OIL CONSERVATION DIVISION

DISTRICT III
1000 Rio Brazos Rd., Artec, N.M. 87410

P.O. Box 2088
Santa Fe, NM 87504-2088

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-31201		² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 9260	⁵ Property Name SAN JUAN 32-7 UNIT		⁶ Well Number 224A
⁷ OGHD No. 217817	⁸ Operator Name ConocoPhillips		⁹ Elevation 6341

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
C	21	32N	7W		1245	NORTH	1650	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

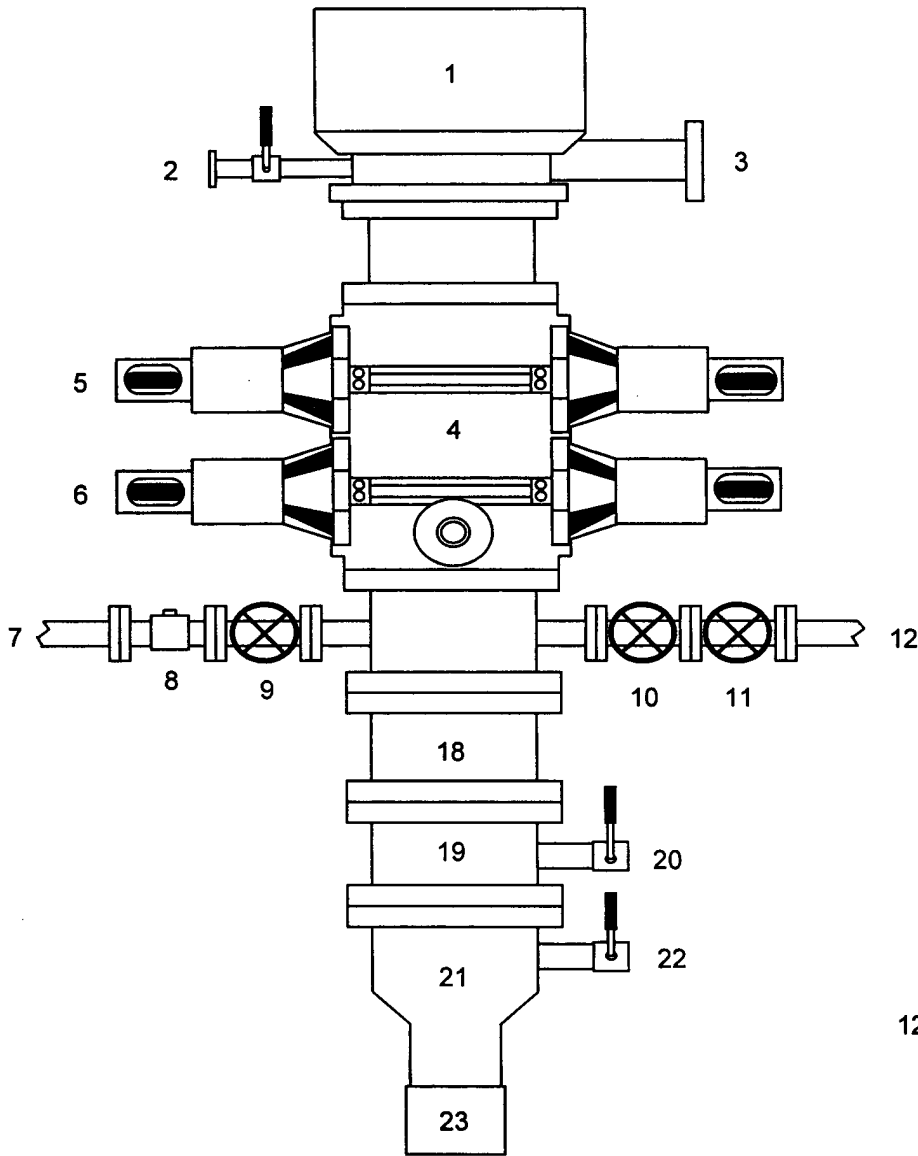
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C									

¹² Dedicated Acres 320.0 W/2	¹³ Joint or Infill Y	¹⁴ Consolidation Code U	¹⁵ Order No.
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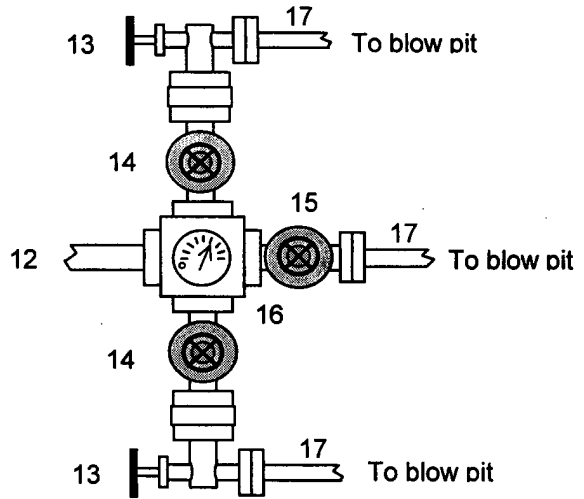
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<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><i>Patsy Clugston</i> Signature Patsy Clugston Printed Name SHEAR Administrative Asst. Title 12/30/02 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>10/31/02 Date of Survey Signature and Seal of Professional Surveyor: <i>Henry P. Broadhurst, Jr.</i> Certificate No. 11393 PROFESSIONAL SURVEYOR</p>	
	<p>Section 21</p>	

BLOWOUT PREVENTER HOOKUP



1. Rotating Head
2. Fill-up Line & valve
3. Flowline
4. Blowout Preventer (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. Spacer Spool
19. Casing Spool "B" Section
20. Casing Spool "B" Section 2" Valve
21. Casing Head "A" Section
22. Casing Head "A" Section 2" Valve
23. 9 5/8" Casing Collar



Drilling contractors used in the San Juan Basin supply 3000 psi equipment, but cannot provide annular preventors because of sub-structure limitations. Maximum anticipated surface pressures for this well will not exceed the working pressure of the proposed BOP system. The above diagram of the BOP system details 2000 psi equipment according to Onshore Order No. 2 even though the equipment will test to 3000 psi. The 2000 psi system allows deletion of the annular preventor and fulfills your requirements.

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

**San Juan 32-7 Unit #224A
FEE; Unit C, 1245' FNL & 16150' FWL
Section 21, T32N, R7W; San Juan County, NM**

Cathodic Protection

Phillips proposes to drill a cathodic protection deep well groundbed for the subject well. 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 existing well pad and a Farmington based company will be doing the drilling for Phillips.