

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RCVD OCT 5 '07
OIL CONS. DIV.
DIST. 3

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	RECEIVED SEP 19 2007 Bureau of Land Management Farmington Field Office	5. Lease Number USA SF-078998 Unit Reporting Number
1b. Type of Well GAS		6. If Indian, All. or Tribe
2. Operator ConocoPhillips		7. Unit Agreement Name San Juan 32-7 Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700		8. Farm or Lease Name 9. Well Number #71A
4. Location of Well Unit H (SENE), 1673' FNL & 1160' FEL, Latitude 36. 916667° Longitude 107.571364°		10. Field, Pool, Wildcat Basin DK / Blanco MV 11. Sec., Twn, Rge, Mer. (NMPM) H Sec. 9, T31N, R07W API # 30-045-34432
14. Distance in Miles from Nearest Town 19.6 miles from Ignacio, CO.	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1160'	17. Acres Assigned to Well DK / MY 320. (N/2) MY / 320 (E/2)	
16. Acres in Lease 1718.910 acres		
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease SJ 32-7 #54 @ 600'		
19. Proposed Depth 2474' 8302'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6671' GL	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Patsy Clugston</u> Patsy Clugston, Regulatory Specialist	9/19/07 Date	

PERMIT NO. APPROVAL DATE
APPROVED BY [Signature] TITLE ASA DATE 10/9/07

Archaeological Report attached

Threatened and Endangered Species Report 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.

Example Master Plan Type 3

Bond Numbers ES-0048 and ES-0085

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

NMOCD
B

OCT 18 2007 - aw

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1600 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

SEP 19 2007

Form C-102
Revised October 12, 2005
Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

Bureau of Land Management
Farmington Field Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34432		² Pool Code 72319 / 71599		³ Pool Name Blanco MESAVERDE / DAKOTA	
⁴ Property Code 31329		⁵ Property Name SAN JUAN 32-7 UNIT			
⁷ OGRID No. 217817		⁸ Operator Name CONOCOPHILLIPS COMPANY			
		⁶ Well Number 71A			
		⁹ Elevation 6671			

¹⁰ SURFACE LOCATION

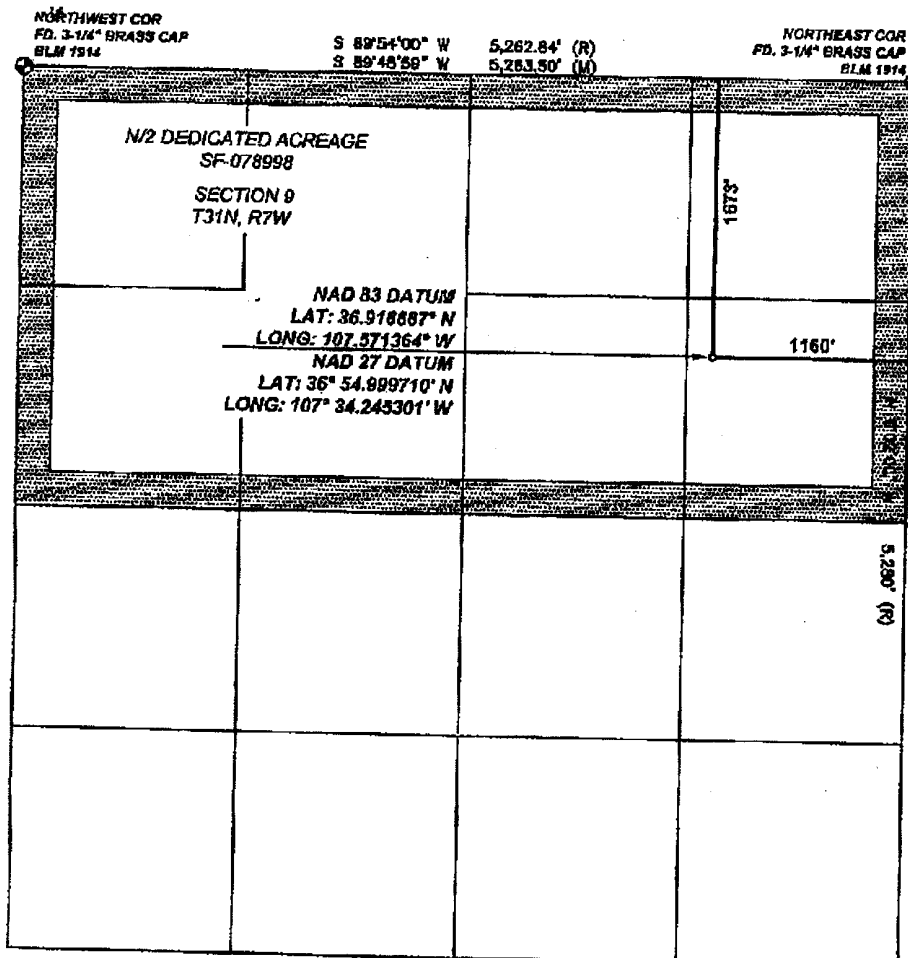
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	9	31-N	7-W		1673	NORTH	1160	EAST	SAN JUAN

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
H									

¹² Dedicated Acres 320 N/2	¹³ Joint or Infill	¹⁴ Consolidation Code	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

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided 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 voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature

Patsy Clugston

Printed Name

Regulatory Spc. clugsp1@conoco

Title and E-mail Address

phillips.com

9/18/07

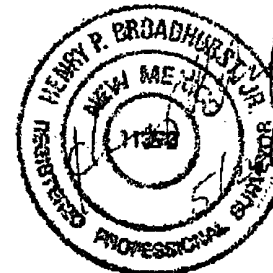
Date

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 of Survey: 9/18/07

Signature and Seal of Professional Surveyor



Certificate Number: NM 11393

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1220 S. St. Francis Dr., Santa Fe, NM 87505

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-045 34432

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

Federal Lease - SF-078998

7. Lease Name or Unit Agreement Name

San Juan 32-7 Unit

8. Well Number

#71A

9. OGRID Number

217817

10. Pool name or Wildcat

Basin Dakota / Blanco Mesaverde

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

ConocoPhillips Company

3. Address of Operator

3401 E. 30TH STREET, FARMINGTON, NM 87402

4. Well Location

Unit Letter H : 1673' feet from the North line and 1160 feet from the East line
 Section 9 Township 31N Rng 7W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

6671' GR

Pit or Below-grade Tank Application

☐ or Closure ☒Pit type Workover Depth to Groundwater >100 Distance from nearest fresh water well>1000' Distance from nearest surface water

Pit Liner Thickness:

12

mil

Below-Grade Tank:

Volume

bbls;

Construction Material

> 200

< 1000

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐
 TEMPORARILY ABANDON ☐
 PULL OR ALTER CASING ☐

PLUG AND ABANDON ☐
 CHANGE PLANS ☐
 MULTIPLE COMPL ☐

OTHER:

☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐
 COMMENCE DRILLING OPNS. ☐
 CASING/CEMENT JOB ☐

ALTERING CASING ☐
 P AND A ☐

OTHER:

☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

New Drill, Lined:

ConocoPhillips proposes to construct a new drilling pit, an associated vent/flare pit and a pre-set mud pit (if required). Based on ConocoPhillips' interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and pre-set mud pit will be lined pits as detailed in ConocoPhillips' General Plan dated June 2005 on file at the NMOCD office. A portion of the vent/flare pit will be designed to manage fluids and that portion will be lined as per the risk ranking criteria. ConocoPhillips anticipates closing these pits according to the November 1, 2004 Guidelines.

I hereby certify that the information above 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 according to NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Patsy Clugston TITLE Regulatory Specialist DATE 9/19/2007Type or print name Patsy Clugston E-mail address: clugspl@conocophillips.com Telephone No. 505-326-9518

For State Use Only

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE OCT 18 2007

Conditions of Approval (if any):

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 32-7 UNIT 71A

DEVELOPMENT

Lease:		AFE #: WAN.CNV.7158		AFE \$:	
Field Name: 32-7	Rig: H&P Riq 283	State: NM	County: SAN JUAN	API #:	
Geologist:	Phone:	Geophysicist:	Phone:		
Geoscientist: Riley, Brook	Phone: +1 505-324-6108	Prod. Engineer:	Phone:		
Res. Engineer: McKee, Cory J	Phone: 505-326-9826	Proj. Field Lead: Fransen, Eric E.	Phone:		

Primary Objective (Zones):

Zone	Zone Name
R20002	MESAVERDE(R20002)
R20076	DAKOTA(R20076)

Location: Surface		Datum Code: NAD 27		Straight Hole	
Latitude: 36.916662	Longitude: -107.570755	X:	Y:	Section: 09	Range: 007W
Footage X: 1160 FEL	Footage Y: 1673 FNL	Elevation: 6671 (FT)	Township: 031N		
Tolerance:					

Location Type: Restricted	Start Date (Est.): 1/1/2008	Completion Date:	Date In Operation:
Formation Data: Assume KB = 6687 Units = FT			

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	200	6487	<input type="checkbox"/>			12-1/4 hole. 200' 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 159 cuft. Circulate cement to surface.
OJAM	2477	4210	<input type="checkbox"/>			
KRLD	2556	4131	<input type="checkbox"/>			
FRLD	3056	3631	<input type="checkbox"/>			Possible Gas
PCCF	3465	3222	<input type="checkbox"/>			
LEWS	3685	3002	<input type="checkbox"/>			
Intermediate Casing	3785	2902	<input type="checkbox"/>			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Cement with 853 cuft. Circulate cement to surface.
HUERFANITO BENTONITE	4382	2305	<input type="checkbox"/>			
CHRA	4805	1882	<input type="checkbox"/>			
UCLFH	5179	1508	<input type="checkbox"/>			Gas
MASSIVE CLIFF HOUSE	5572	1115	<input type="checkbox"/>	585		Gas
MENF	5625	1062	<input type="checkbox"/>			
PTLK	5873	814	<input type="checkbox"/>			
MNCS	6211	476	<input type="checkbox"/>			
GLLP	7191	-504	<input type="checkbox"/>			
CBRO	7766	-1079	<input type="checkbox"/>			
GRHN	7917	-1230	<input type="checkbox"/>			
GRRS	7969	-1282	<input type="checkbox"/>			
CBRL	8137	-1450	<input type="checkbox"/>	2600		GAS
ENCINAL	8195	-1508	<input type="checkbox"/>			
MORRISON	8282	-1595	<input type="checkbox"/>			TD 20' into Morrison. Burro Cyn not present.
TOTAL DEPTH DK	8302	-1615	<input type="checkbox"/>			6-1/4" Hole. 4-1/2", 10.6/11.6 ppf, J-55 STC/LTC casing. Cement with 614 cuft. Circulate cement a minimum of 100' inside the previous casing string.

Reference Wells:

Reference Type	Well Name	Comments
Intermediate	32-7 #54	NE 9-31N-7W

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 32-7 UNIT 71A

DEVELOPMENT

Production	Devon Blanco NE 77A	NW 15-31N-7W
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Logging Program:		
Intermediate Logs:	<input type="checkbox"/> Log only if show	<input type="checkbox"/> GR/ILD <input type="checkbox"/> Triple Combo

TD Logs:	<input type="checkbox"/> Triple Combo	<input type="checkbox"/> Dipmeter	<input type="checkbox"/> RFT	<input type="checkbox"/> Sonic	<input checked="" type="checkbox"/> VSP	<input checked="" type="checkbox"/> TDT	<input type="checkbox"/> Other
GR/ILD GR_CBL, MUDLOG 100' above GRHN to TD							

Additional Information:					
Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks

Comments: Location/Tops/Logging - DKNM031N007W09NE1 MVNM031N007W09NE1, MUDLOG 100' above GRHN to TD, OH GR/ILD with DSI cased per Chip.

Zones - DKNM031N007W09NE1 MVNM031N007W09NE1

General/Work Description - well moved from 2007 to 2008 program. replaced by forrest well. 3/15/07 - LM
1/4/07 PAS DK formation is added
3/15/07 Was 71B, changed to 71M
3/16/07 Was 71M, changed to 71A

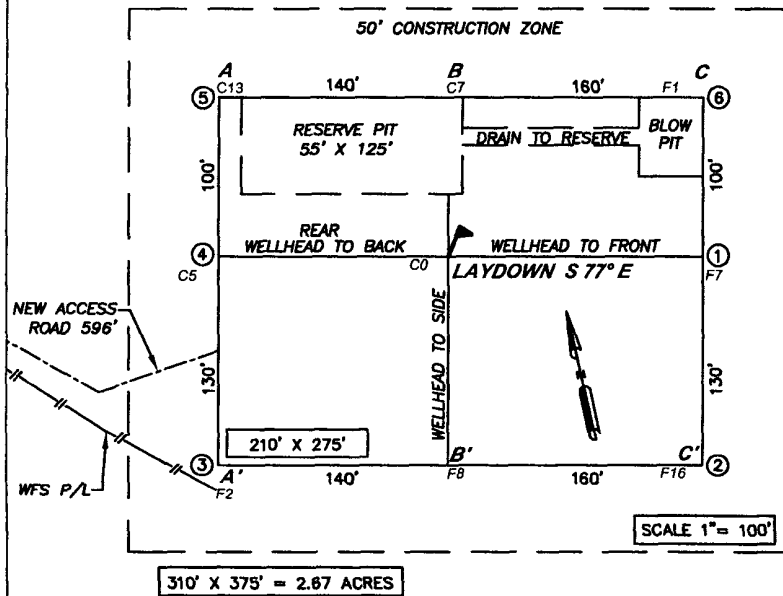
Note: This well is >1 mile from existing Dakota production. Any closer PUD's?

NAD 83 DATUM
LAT: 36.916667° N
LONG: 107.571364° W

NAD 27 DATUM
LAT: 36° 54.999710' N
LONG: 107° 34.245301' W

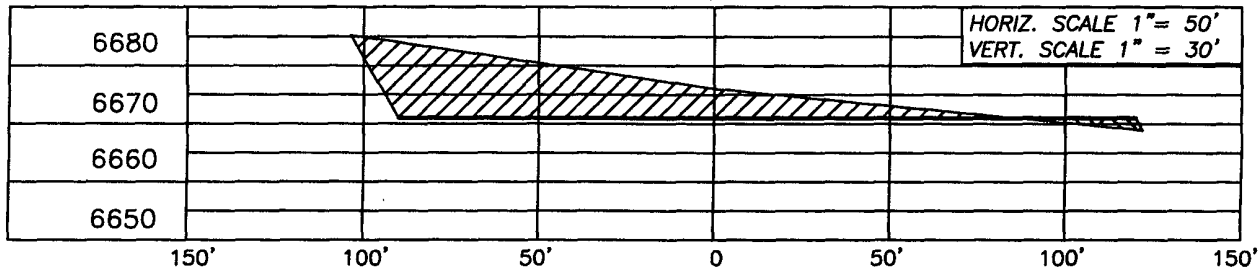
CONOCOPHILLIPS COMPANY

SAN JUAN 32-7 UNIT 71A
1673' FNL, 1160' FEL
SECTION 9, T31N, R7W,
SAN JUAN COUNTY, NEW MEXICO
ELEV.: 6671 NAVD88



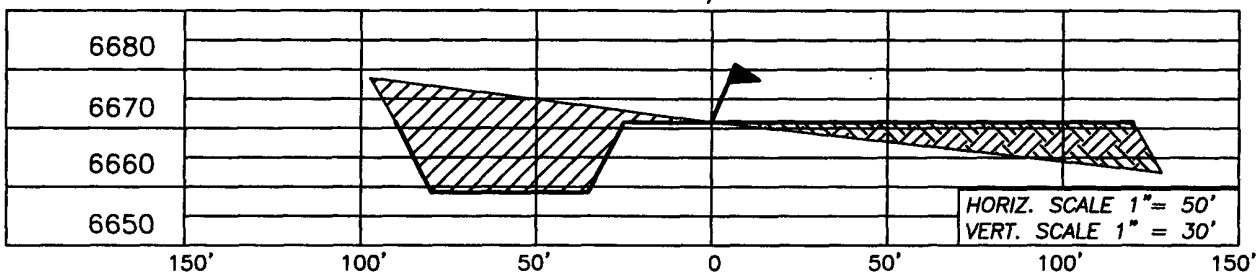
A - A'

C/L



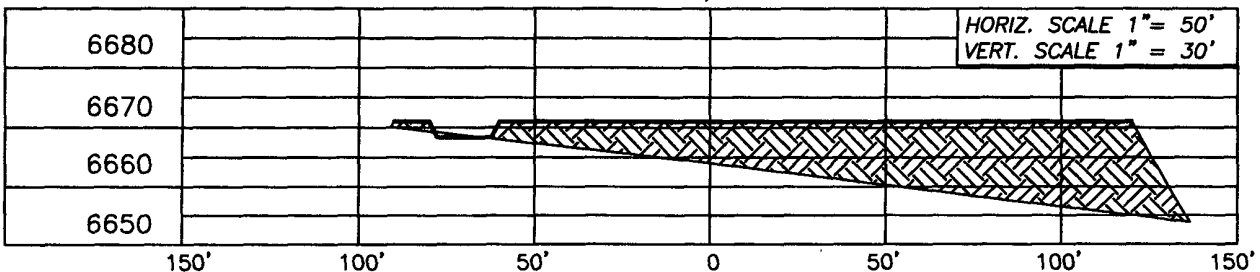
B - B'

C/L



C - C'

C/L



NOTE: CCI IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.

CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD PRIOR TO CONSTRUCTION.

REVISIONS

NO.	DESCRIPTION	REVISED BY	DATE
1	ISSUE FOR REVIEW	L.H.	7/7/06
2	PAD SIZE/FORMATION	L.H.	5/21/07

CCI

P.O. BOX 328
BLOOMFIELD, NM, 87413
PHONE: (505) 325-7707

CHENault CONSULTING INC.