

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

RECEIVED
JAN 22 2008
Bureau of Land Management
Farmington Field Office

| | | |
|---|---|-----------------|
| 1a. Type of Work DRILL | 5. Lease Number NMSF-078146 Unit Reporting Number | |
| 1b. Type of Well GAS | 6. If Indian, All. or Tribe RCVD MAR 15 '08 | |
| 2. Operator ConocoPhillips | 7. Unit Agreement Name OIL CONS. DIV. DIST. 3 | |
| 3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 | 8. Farm or Lease Name Newberry B 9. Well Number #1N | |
| 4. Location of Well Unit D (NWNW), 860' FNL & 315' FWL Latitude 36.947201 N Longitude 108.072688 W | 10. Field, Pool, Wildcat Basin Dakota / Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) 0 Sec. 35, T32N, R12W API # 30-045-34571 | |
| 14. Distance in Miles from Nearest Town Aztec, NM /11.6 miles | 12. County San Juan, | 13. State NM |
| 15. Distance from Proposed Location to Nearest Property or Lease Line 315' | 17. Acres Assigned to Well MV/DK 320.00 (W/2) | |
| 16. Acres in Lease 2240.0 acres | 20. Rotary or Cable Tools Rotary | |
| 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 695' Hillstrom #3 | 22. Approx. Date Work will Start | |
| 19. Proposed Depth 7503' | 21. Elevations (DF, FT, GR, Etc.) 6290' GL | |
| 23. Proposed Casing and Cementing Program See Operations Plan attached | 24. Authorized by: <u>Patsy Clugston</u> Patsy Clugston, Regulatory Specialist | |
| | Date <u>1/22/08</u> | |

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY [Signature] TITLE Petr. Eng. / Adm. AFM DATE 3/17/08

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 ~~NMB-000015~~ and ~~NMB-000089~~

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

NMOCD
MAR 24 2008 AV

ES0085 & ES0048

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



H₂S POTENTIAL EXIST
HOLD C104 FOR NSL

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 West Grand Avenue, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 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

Form C-102
Revised October 12, 2005

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

JAN 22 2008

Bureau of Land Management AMENDED REPORT
Farmington Field Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|------------------------------|--|-----------------------------|--------------------------------|
| *API Number 30-045-34571 | | *Pool Code 72319 / 71599 | *Pool Name DAKOTA/MESAVERDE |
| *Property Code 7360 31841 | *Property Name NEWBERRY B | | *Well Number 1N |
| *GRID No. 14538 217817 | *Operator Name CONOCOPHILLIPS COMPANY | | *Elevation 6290' |

10 Surface Location

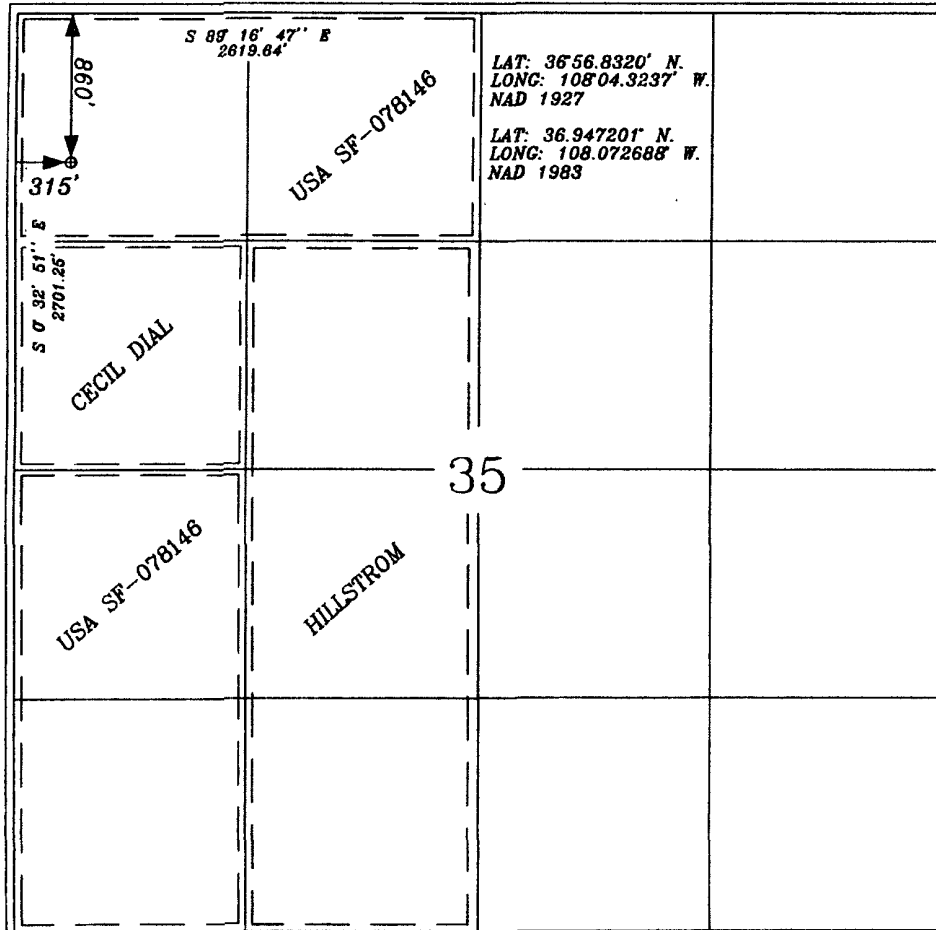
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| D | 35 | 32-N | 12-W | | 860' | NORTH | 315' | 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 |
|---|---------|----------|--------------------|---------|-----------------------|------------------|---------------|----------------|--------|
| D | | | | | | | | | |
| 12 Dedicated Acres D 320.00 ACRES W 1/2 MV 320.00 ACRES W 1/2 | | | 13 Joint or Infill | | 14 Consolidation Code | | 15 Order No. | | |

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



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 released 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 a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Patsy Clugston
Signature

Patsy Clugston
Printed Name

1-22-08

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
1-19-08

Signature and Seal of Professional Surveyor:



Certificate Number

15703

Office

Energy, Minerals and Natural Resources

May 27, 2004

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

| | |
|--------------------------------------|---|
| WELL API NO. | 30-045- 34571 |
| 5. Indicate Type of Lease | STATE <input type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. | Federal SF-07814/6 |
| 7. Lease Name or Unit Agreement Name | Newberry B |
| 8. Well Number | #1N |
| 9. OGRID Number | 14538 |
| 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

3. Address of Operator 3401 E. 30TH STREET, FARMINGTON, NM 87402

4. Well Location Unit Letter D : 860' feet from the North line and 315' feet from the West line Section 35 Township 32N Rng 12W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6290' GL

Pit or Below-grade Tank Application or Closure

Pit type New Drill Depth to Groundwater <100' Distance from nearest fresh water well >1000' Distance from nearest surface water <1000' Pit Liner Thickness: 12 mil Below-Grade Tank: Volume bbls; Construction Material

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS PULL OR ALTER CASING MULTIPLE COMPL

SUBSEQUENT REPORT OF:

REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. P AND A CASING/CEMENT JOB

OTHER: New Drill Pit 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:

Burlington Resources proposes to construct a new drilling pit, an associated vent/flare pit and a pre-set mud pit (if required). Based on Burlington's interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and pre-set mud pit will be lined pits as detailed in Burlington's Revised Drilling / Workover Pit Construction / Operation Procedures dated November 11, 2004 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. Burlington Resources anticipates closing these pits according to the Drilling / Workover Pit Closure Procedure dated August 2, 2004 on file at the NMOCD office.

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 1/22/2008

Type or print name Patsy Clugston E-mail address: clugspi@conocophillips.com Telephone No. 505-326-9518

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE MAR 24 2008

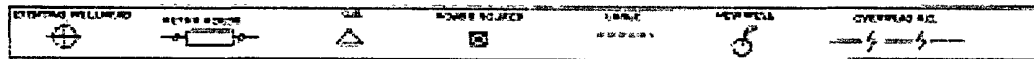
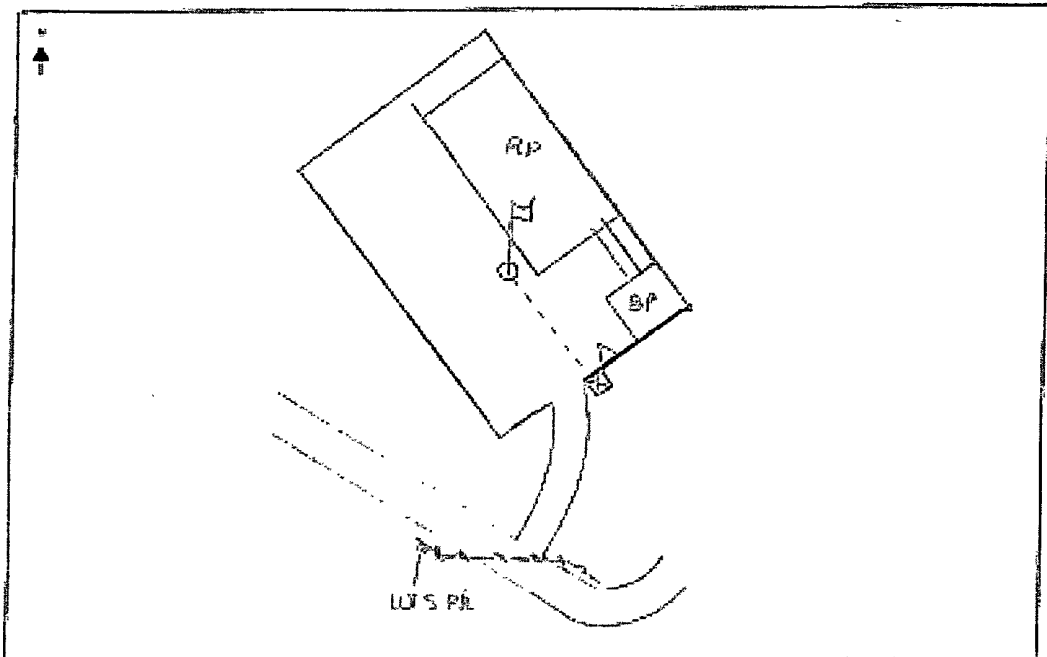
Conditions of Approval (if any):



CATHODIC PROTECTION PLAN FOR NEW WELLS

WELL NAME Hawthorn 8 + 1M LEGALS 0-25-3242 COUNTY Santa Fe

PURPOSED C.P. SYSTEM: Drive an anode on SE edge of the intrusion trench near 200' of SR on floor adjacent well to Sella



COMMENTS: _____

NEAREST POWER SOURCE _____ DISTANCE: _____

PIPELINES IN AREA: LWS PL

TECHNICIAN: W. S. Williams DATE: 12/10/07

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

NEWBERRY B 1N

DEVELOPMENT

| | | | | | |
|------------------------------|--|------------------------|--|----------------------------|--|
| Lease: | | AFE #: WAN.CDR.7118 | | AFE \$: | |
| Field Name: hBR_SAN JUAN | | Rig: H&P Rig 282 | | State: NM County: SAN JUAN | |
| 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: Phone: | |

| Primary Objective (Zones): | |
|----------------------------|-------------------|
| Zone | Zone Name |
| R20002 | MESAVERDE(R20002) |
| R20076 | DAKOTA(R20076) |

Location: Surface **Datum Code:** NAD:27

| | | | | | |
|---------------------|------------------------|----------------------|----------------|-------------|-------------|
| Latitude: 36.947199 | Longitude: -108.072061 | X: | Y: | Section: 35 | Range: 012W |
| Footage X: 315 FWL | Footage Y: 860 FNL | Elevation: 6290 (FT) | Township: 032N | | |

Tolerance:

Location Type: Year Round Start Date (Est.): 1/1/2009 Completion Date: Date In Operation:

Formation Data: Assume KB = 6302 Units = FT

| Formation Call & Casing Points | Depth (TVD in Ft) | SS (Ft) | Depletion (Yes/No) | BHP (PSIG) | BHT | Remarks |
|--------------------------------|-------------------|---------|--------------------------|------------|-----|--|
| Surface Casing | 200 | 6102 | <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. |
| OJO ALAMO | 752 | 5550 | <input type="checkbox"/> | | | |
| KIRTLAND | 845 | 5457 | <input type="checkbox"/> | | | |
| FRUITLAND | 2374 | 3928 | <input type="checkbox"/> | | | Possible Gas |
| PICTURED CLIFFS | 2787 | 3515 | <input type="checkbox"/> | | | |
| LEWIS | 2927 | 3375 | <input type="checkbox"/> | | | |
| Intermediate Casing | 3027 | 3275 | <input type="checkbox"/> | | | 8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Cement with 682 cuft. Circulate cement to surface. |
| HUERFANITO BENTONITE | 3469 | 2833 | <input type="checkbox"/> | | | |
| CHACRA | 3919 | 2383 | <input type="checkbox"/> | | | |
| MASSIVE CLIFF HOUSE | 4402 | 1900 | <input type="checkbox"/> | 350 | | Gas |
| MENEFEE | 4619 | 1683 | <input type="checkbox"/> | | | |
| MASSIVE POINT LOOKOUT | 5079 | 1223 | <input type="checkbox"/> | | | |
| MANCOS | 5509 | 793 | <input type="checkbox"/> | | | |
| UPPER GALLUP | 6457 | -155 | <input type="checkbox"/> | | | |
| GREENHORN | 7165 | -863 | <input type="checkbox"/> | | | |
| GRANEROS | 7219 | -917 | <input type="checkbox"/> | | | |
| TWO WELLS | 7272 | -970 | <input type="checkbox"/> | 1670 | | Gas |
| PAGUATE | 7359 | -1057 | <input type="checkbox"/> | | | |
| CUBERO | 7386 | -1084 | <input type="checkbox"/> | | | |
| ENCINAL | 7428 | -1126 | <input type="checkbox"/> | | | |
| TOTAL DEPTH DK | 7503 | -1201 | <input type="checkbox"/> | | | 10.5 6-1/4" Hole. 4-1/2", 10 6/11.6 ppf, J-55 STC/LTC casing. Cement with 609 cuft. Circulate cement a minimum of 100' inside the previous casing string. |

| Reference Wells: | | |
|------------------|-----------|----------|
| Reference Type | Well Name | Comments |
| | | |

PROJECT PROPOSAL - New Drill / Sidetrack

NEWBERRY B 1N

DEVELOPMENT

Logging Program:

Intermediate Logs: Log only if show GR/ILD Triple Combo

TD Logs: Triple Combo Dipmeter RFT Sonic VSP TDT Other

Est bottom perf ~15' above TD.

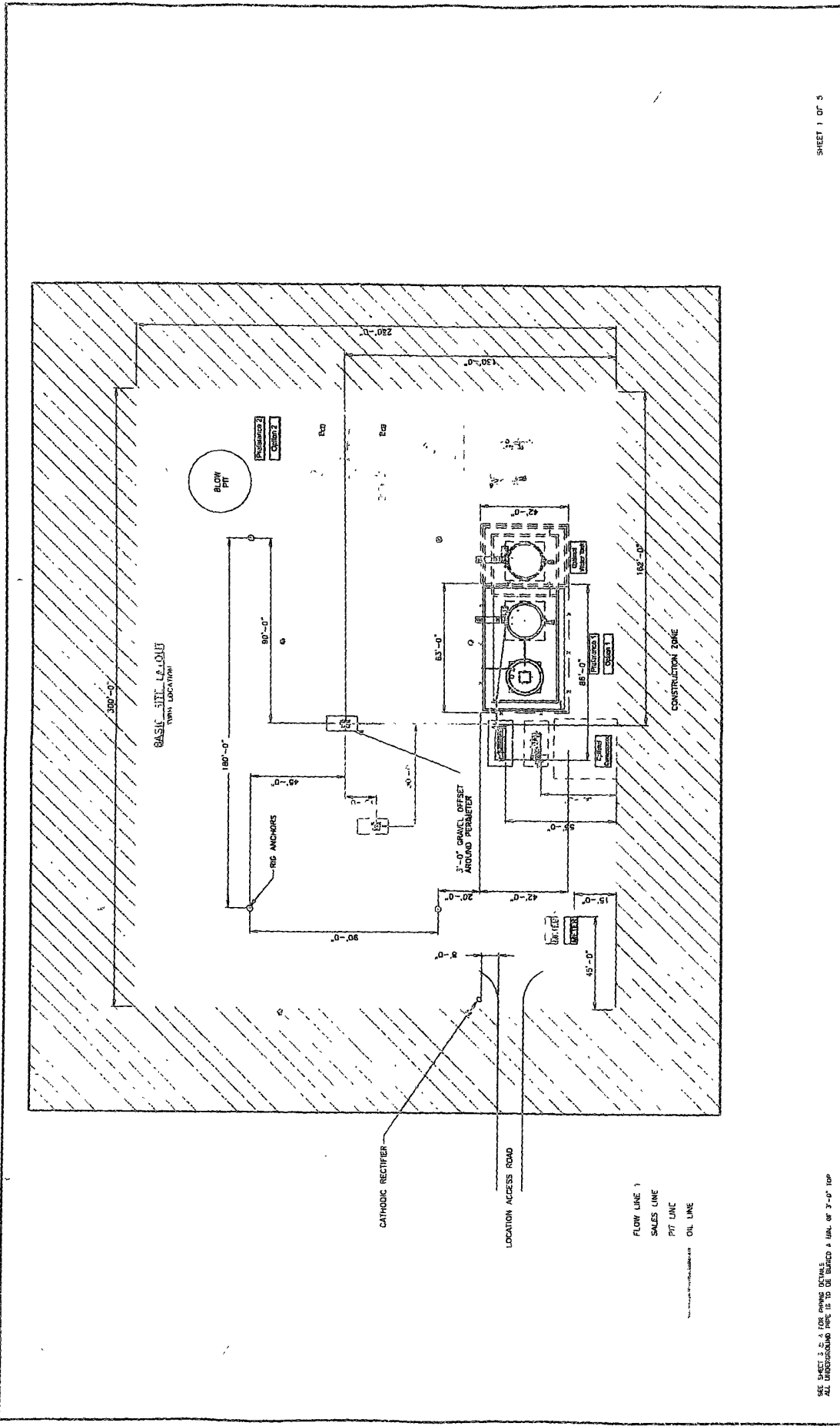
Additional Information:

| Log Type | Stage | From (Ft) | To (Ft) | Tool Type/Name | Remarks |
|----------|-------|-----------|---------|----------------|---------|
|----------|-------|-----------|---------|----------------|---------|

Comments: Location/Tops/Logging - DK 32N12W35NW2 AND MVNM032N012W35NW2 Avoid C & E due to existing wells, prefer D at 660' FNL & 660' FWL (do not twin) or F with maximum distance from Newberry B 1M and Hillstrom 1A.

Zones - DK 32N12W35NW2 AND MVNM032N012W35NW2

General/Work Description - 6/1/07-This project is NOT economic as a directional per CLM (wfp)
12/10/07- Requested subtasks be set back in order to reflect this as a COP operated well. KJL



SHEET 1 OF 5

SEE SHEET 2, 3, & 4 FOR Piping DETAILS
 ALL UNDERGROUND PIPE IS TO BE BURIED 4' UNL. OR 3'-0" DEP

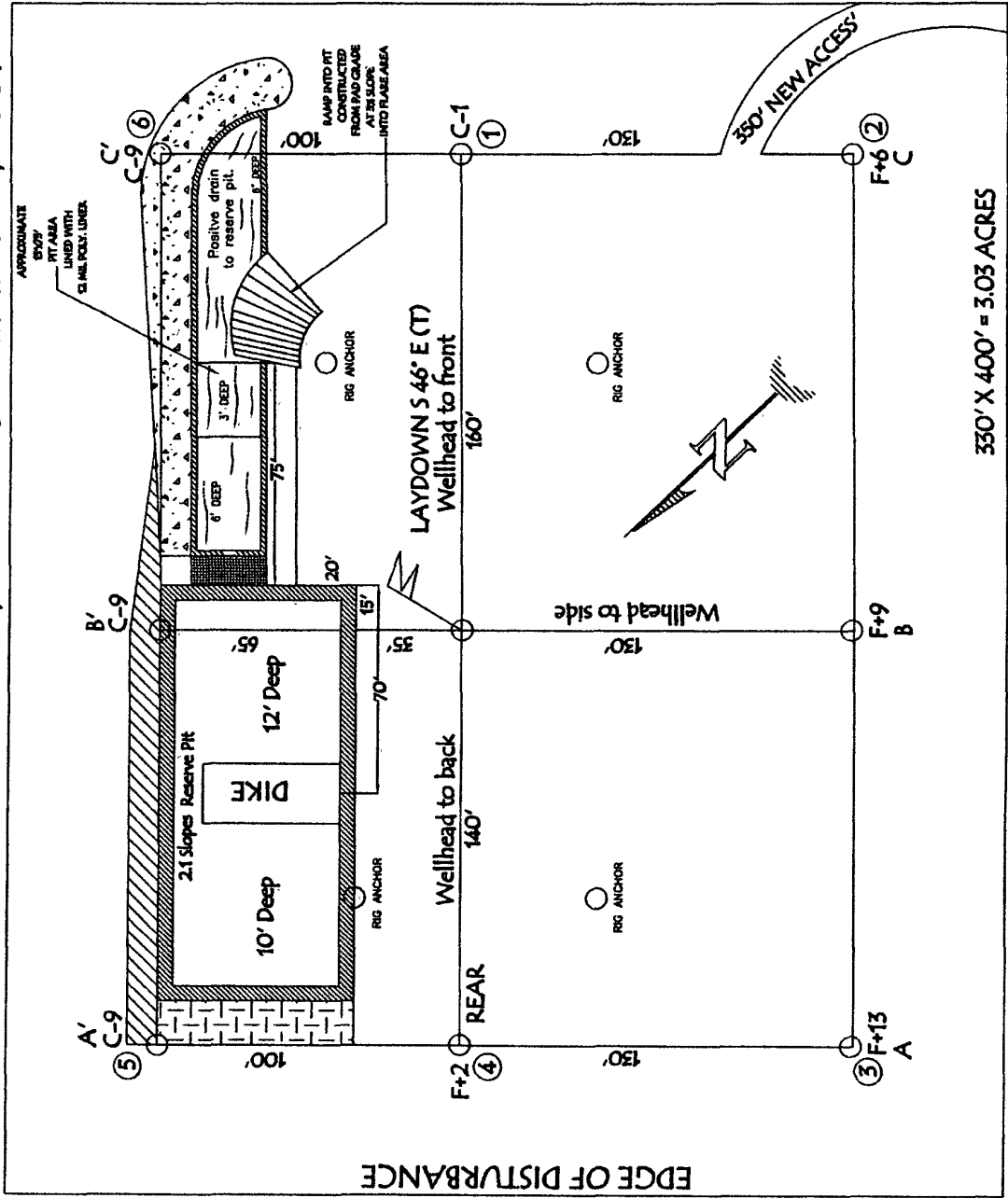
| | | | | | |
|--------------------|------|--|------|-------------------------------------|---------------------------------|
| | | CONOCO PHILLIPS HIGH PURITY BRASS FACILITY DIAGRAM - SITE LAYOUT | | SHEET NO. 1 OF 5 | DATE 10/27/2007 |
| | | SAN JUAN BUSINESS UNIT | | PROJECT NO. 10000000000000000000 | PROJECT 10000000000000000000 |
| REFERENCE DRAWINGS | | ENGINEERING REVIEW | | PROJECT | |
| DESIGN | DATE | DESIGN | DATE | DESIGN | DATE |
| PROCESS | | PROCESS | | PROCESS | |
| MECHANICAL | | MECHANICAL | | MECHANICAL | |
| ELECTRICAL | | ELECTRICAL | | ELECTRICAL | |
| I & C | | I & C | | I & C | |
| CONSTRUCTION | | CONSTRUCTION | | CONSTRUCTION | |
| PROJECT | | PROJECT | | PROJECT | |

CONOCOPHILLIPS COMPANY

NEWBERRY B 1N, 860' FNL & 315' FWL

SECTION 35, T-32-N, R-12-W, NMPM, SAN JUAN COUNTY, NM

GROUND ELEVATION: 6290', DATE: SEPTEMBER 14, 2007



NOTE: VECTOR SURVEYS 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 AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).

LATITUDE: 36° 56.8520' N
 LONGITUDE: 108° 04.3257' W
 NAD 27

CONOCOPHILLIPS COMPANY

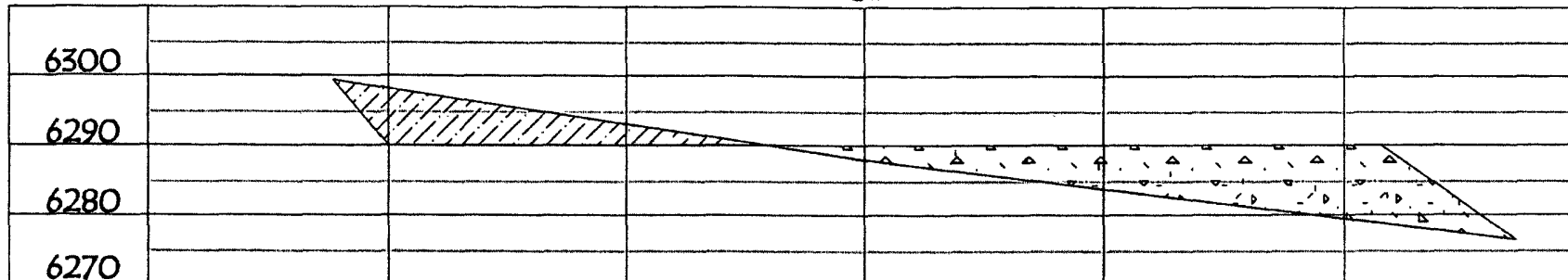
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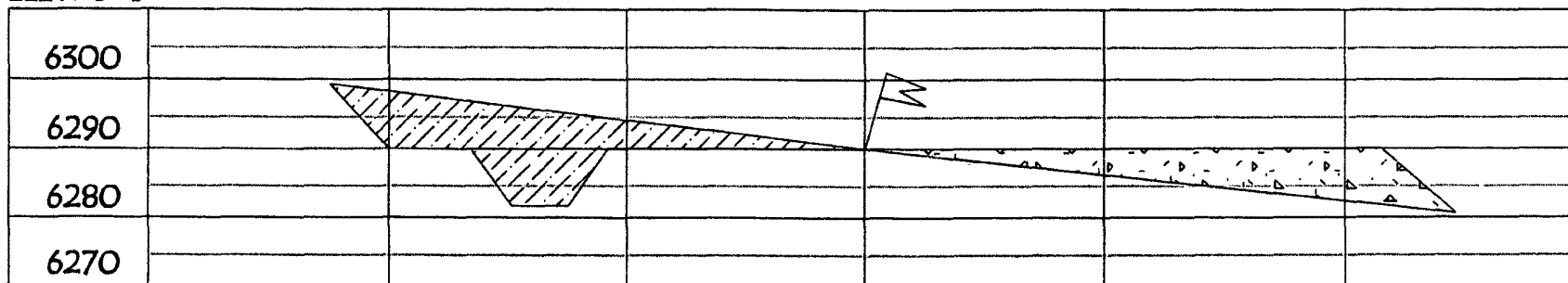
ELEV. A'-A

C/L



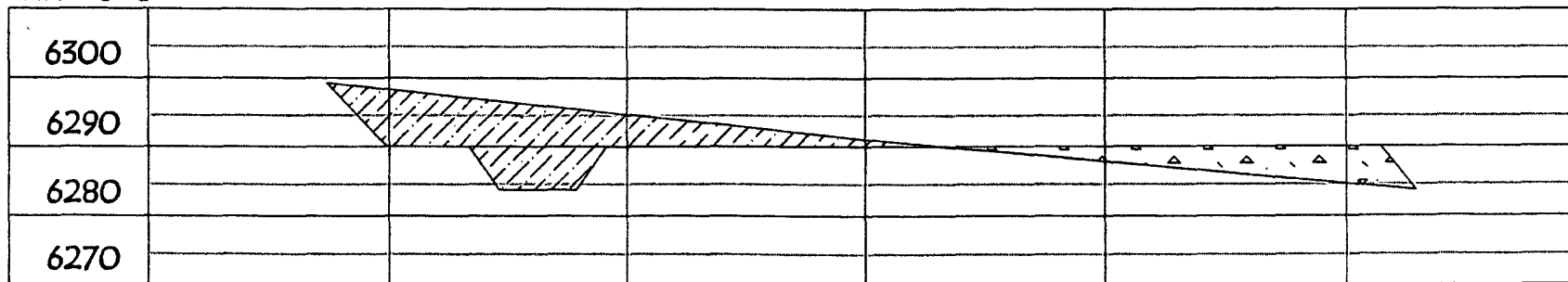
ELEV. B'-B

C/L



ELEV. C'-C

C/L



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