

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAR 02 2010

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Bureau of Land Management
Farmington Field Office

1a. Type of Work DRILL	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	5. Lease Number SF-078997 Unit Reporting Number
1b. Type of Well GAS		6. If Indian, All. or Tribe RCUD MAR 18 '10
2. Operator ConocoPhillips Company		7. Unit Agreement Name OIL CONS. DIV. DIST. 3 San Juan 30-5 Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700		8. Farm or Lease Name 9. Well Number 39N
4. Location of Well Surf: Unit M(SWSW), 995' FSL & 815' FWL Bottomhole: Unit C(NENW), 175' FNL & 1655' FWL Surf: Latitude: 36.83710° N (NAD83) Longitude: 107.40500° W Bottomhole: Latitude: 36.83390° N (NAD83) Longitude: 107.40214° W		10. Field, Pool, Wildcat Blanco MV / Basin DK 11. Sec., Twn, Rge, Mer. (NMPM) SH - Sec. 6, T30N, R5W BH - Sec. 7, T30N, R5W API # 30-039- 30940
14. Distance in Miles from Nearest Town 18 miles / Gobernador		12. County Rio Arriba
		13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 175'		
16. Acres in Lease 2,560.00		17. Acres Assigned to Well 320.00 W/2 - MV & 320.00 N/2 - DK
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 60' from San Juan 30-5 Unit 50 (MV/DK)		
19. Proposed Depth 7929'		20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6407' GL		22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Crystal Tafoya</u> Crystal Tafoya (Regulatory Technician)		<u>3/1/2010</u> Date

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

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

MAR 31 2010

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

Hold C104
for Directional Survey
and "As Drilled" plat

NMOCD

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
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

Form C-102
Revised October 12, 2005
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
MAR 02 2010

☐ AMENDED REPORT

Bureau of Land Management
Farmington Field Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039- 30940	Pool Code 72319 / 71599	Pool Name BLANCO MESAVERDE / BASIN DAKOTA
Property Code 31327	Property Name SAN JUAN 30-5 UNIT	Well Number 39N
GRID No. 217817	Operator Name CONOCOPHILLIPS COMPANY	Elevation 6407'

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
M	6	30N	5W		995	SOUTH	815	WEST	RIO ARriba

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	7	30N	5W		175	NORTH	1655	WEST	RIO ARriba

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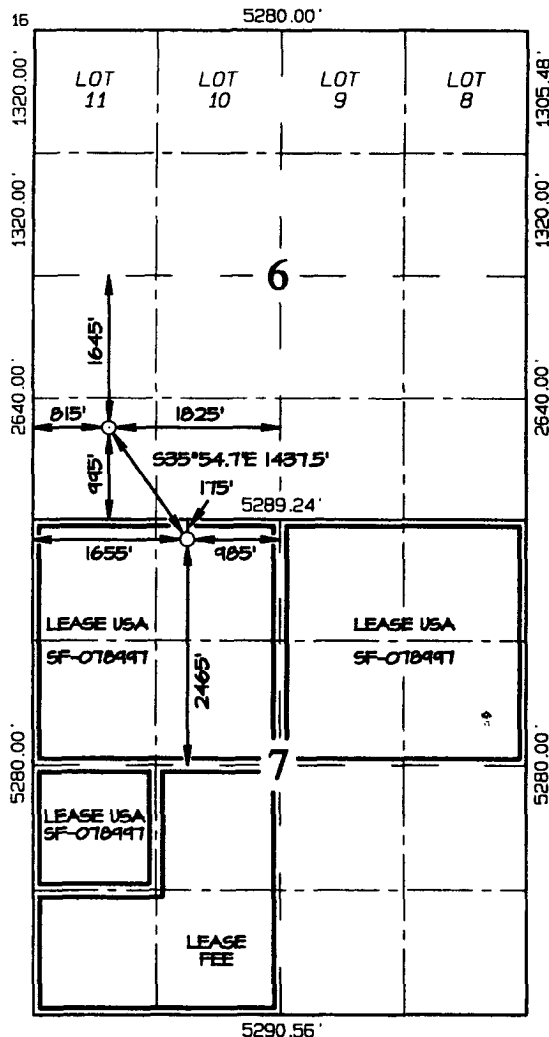
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

SURFACE LOCATION
LAT: 36°50.2259' N
LONG: 107°24.2637' W
DATUM: NAD1927

LAT: 36.83710° N
LONG: 107.40500° W
DATUM: NAD1983

BOTTOM-HOLE
LAT: 36°50.0334' N
LONG: 107°24.0919' W
DATUM: NAD1927

LAT: 36.83390° N
LONG: 107.40214° W
DATUM: NAD1983



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 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 voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

James Gardenhire 12/22/08
Signature Date

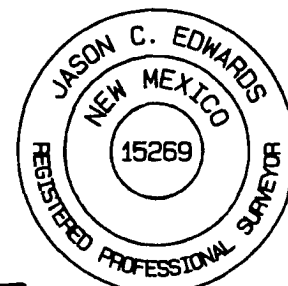
James Gardenhire
Printed Name

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.

Survey Date: OCTOBER 22, 2008

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 30-5 UNIT 39N
DEVELOPMENT

Lease:		AFE #: WAN.CDR.7354				AFE \$: 1,906,798.47	
Field Name: 30-5		Rig:		State: NM	County: RIO ARRIBA		API #:
Geologist:		Phone:		Geophysicist:		Phone:	
Geoscientist:		Phone:		Prod. Engineer:		Phone:	
Res. Engineer: McKee, Cory J		Phone: +1 505-326-9826		Proj. Field Lead:		Phone:	
Primary Objective (Zones):							
Zone	Zone Name						
RON	BLANCO MESAVERDE (PRORATED GAS)						
FRR	BASIN DAKOTA (PRORATED GAS)						
Location: Surface Datum Code: NAD 27 Directional							
Latitude: 36.837094		Longitude: -107.404397		X:	Y:	Section: 06	Range: 005W
Footage X: 815 FWL		Footage Y: 995 FSL		Elevation: 6407	(FT)	Township: 030N	
Tolerance:							
Location: Bottom Hole Datum Code: NAD 27 Directional							
Latitude: 36.833894		Longitude: -107.401537		X:	Y:	Section: 07	Range: 005W
Footage X: 1655 FWL		Footage Y: 175 FNL		Elevation:	(FT)	Township: 030N	
Tolerance:							
Location Type: Restricted		Start Date (Est.): 1/1/2012		Completion Date:		Date In Operation:	
Formation Data: Assume KB = 6422 Units = FT							
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks	
Surface Casing	200	6222	☐			12-1/4 hole. 200' 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 121 cuft. Circulate cement to surface.	
OJO ALAMO	2442	3980	☐				
KIRTLAND	2577	3845	☐				
FRUITLAND	2732	3690	☐			Possible Gas	
PICTURED CLIFFS	3357	3065	☐				
LEWIS	3442	2980	☐				
HUERFANITO BENTONITE	4092	2330	☐				
Intermediate Casing	4450	1972	☐			8 3/4" Hole. 7", 23 ppf, J-55, LTC Casing. Cement with 1068 cuft. Circulate cement to surface.	
CHACRA	4482	1940	☐				
MASSIVE CLIFF HOUSE	5312	1110	☐	470		Gas	
MENEFEE	5337	1085	☐				
POINT LOOKOUT	5594	828	☐				
MANCOS	6007	415	☐				
UPPER GALLUP	6872	-450	☐				
GREENHORN	7602	-1180	☐				
GRANEROS	7650	-1228	☐				
TWO WELLS	7753	-1331	☐	3110		Gas	
UPPER CUBERO	7770	-1348	☐				
LOWER CUBERO	7817	-1395	☐				
ENCINAL	7889	-1467	☐				
Total Depth	7929	-1507	☐			6-1/4" hole, 4-1/2" 11.6 ppf, J-55/L-80, LTC casing. Cement w/ 476 cuft. Circulate cement a minimum of 100' inside the previous casing string.	

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 30-5 UNIT 39N

DEVELOPMENT

Reference Wells:

Reference Type	Well Name	Comments
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Logging Program:

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

TD Logs: ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☐ TDT ☒ Other

Mudlog from ~100' above the Greenhorn to TD. Mudloggers will call final TD. Est bottom perf ~20' above the est TD.

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
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ConocoPhillips or its affiliates

Planning Report

Database:	EDM Central Planning	Local Co-ordinate Reference:	Well SJ 30-5 #39N
Company:	ConocoPhillips SJBU	TVD Reference:	RKB @ 6422 0ft (Original Well Elev)
Project:	San Juan Basin:- New Mexico Wells	MD Reference:	RKB @ 6422 0ft (Original Well Elev)
Site:	San Juan 30 Wells	North Reference:	Grid
Well:	SJ 30-5 #39N	Survey Calculation Method:	Minimum Curvature
Wellbore:	Principal Wellbore		
Design:	Plan #1		

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
2,575 9	2,442 0	Ojo Alamo		0 00		
2,725 4	2,577 0	Kirtland		0 00		
2,897 0	2,732 0	Fruitland		0 00		
3,589 1	3,357 0	Pictured Cliffs		0 00		
3,683 2	3,442 0	Lewis		0 00		
4,378 8	4,092 0	Huerf. Bent.		0 00		
4,771 0	4,482 0	Chacra		0 00		
5,601 0	5,312 0	Massive Cliffhouse		0 00		
5,626 0	5,337 0	Menefee		0 00		
5,883 0	5,594 0	Pt Lookout		0 00		
6,296 0	6,007 0	Mancos Shale		0 00		
7,161 0	6,872 0	Gallup		0 00		
7,891 0	7,602 0	Greenhorn		0 00		
7,939 0	7,650 0	Graneros		0 00		
8,042 0	7,753 0	Two Wells		0 00		
8,059 0	7,770 0	Upper Cubero		0 00		
8,106 0	7,817 0	Lower Cubero		0 00		
8,178 0	7,889 0	Encinal		0 00		

REFERENCE INFORMATION

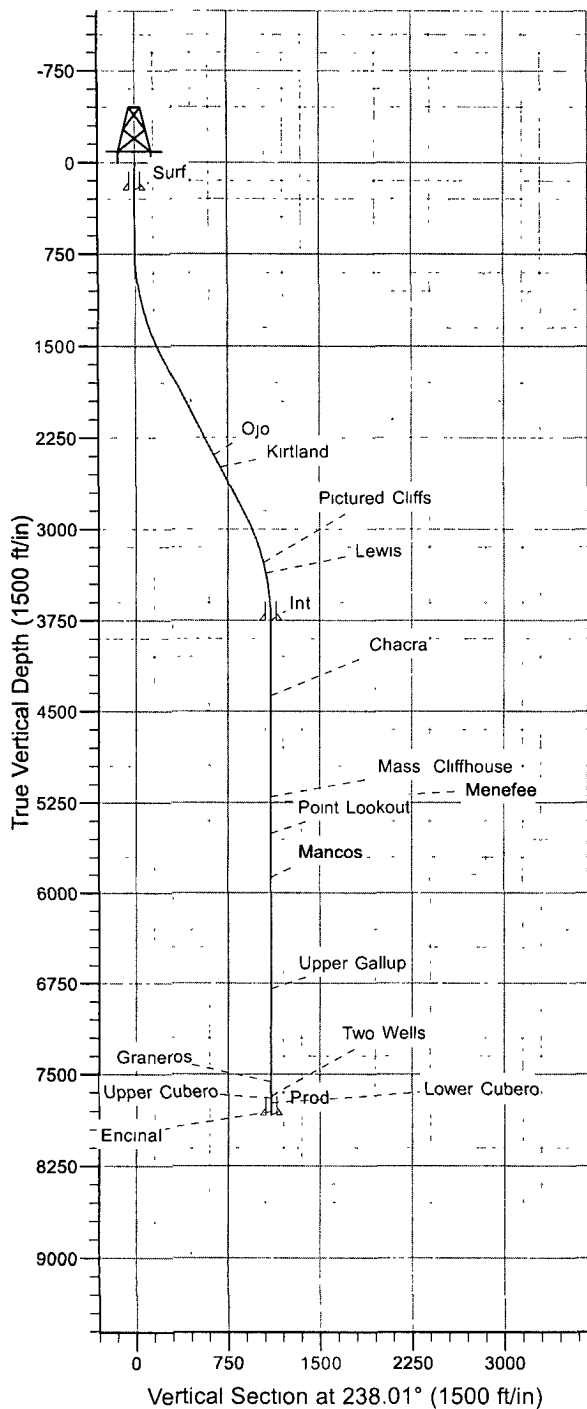
RKB @ 6341.0ft (H&P 281)
Ground Elevation 6325.0
Reference Lat: 36° 48' 54.090 N
Reference Long: 107° 24' 34.040 W

Object: San Juan Basin-NM Gold Data-NAD27 N
Site: San Juan 30 Wells
Well: SJ 30-6 #39M
bore: SJ 30-6 #39M
sign: Plan #1

ConocoPhillips

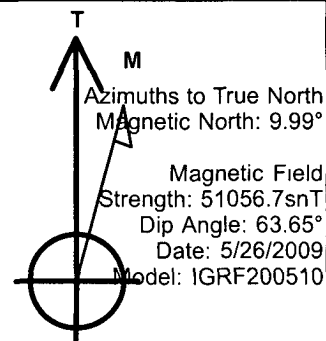
SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	700.0	0.00	0.00	700.0	0.0	0.0	0.00	0.00	0.0	
3	1614.9	27.45	238.01	1580.3	-113.9	-182.3	3.00	238.01	215.0	
4	3067.9	27.45	238.01	2869.7	-468.6	-750.4	0.00	0.00	884.7	
5	3982.7	0.00	0.00	3750.0	-582.5	-932.7	3.00	180.00	1099.6	SJ 30-6 #39M ICP
6	8069.7	0.00	0.00	7837.0	-582.5	-932.7	0.00	0.00	1099.6	SJ 30-6 #39M PCP

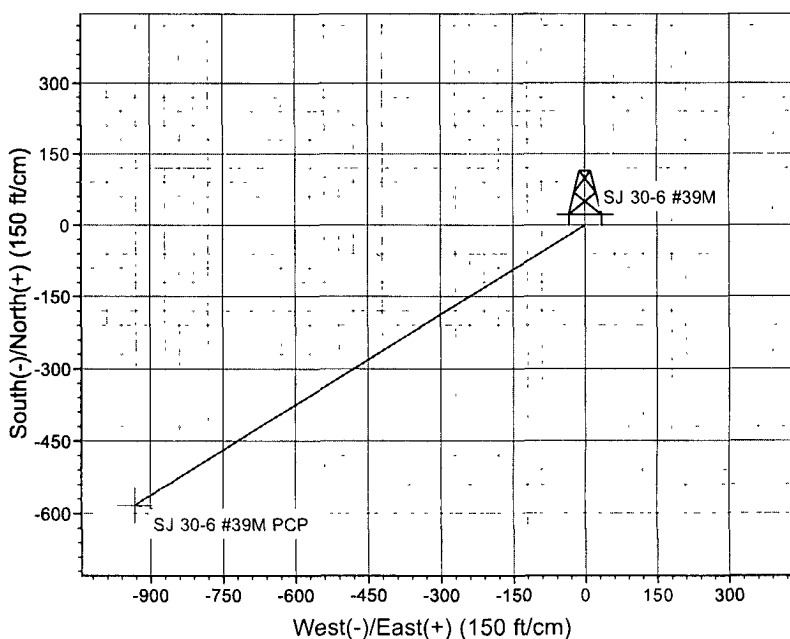


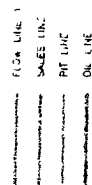
FORMATION TOP DETAILS

TVDPath	MDPath	Formation
2395.0	2532.9	Ojo
2493.0	2643.3	Kirtland
2785.0	2972.4	Fruitland
3275.0	3502.7	Pictured Cliffs
3363.0	3593.0	Lewis
4009.0	4241.7	Huerfano Bentonite
4375.0	4607.7	Chacra
5202.0	5434.7	Mass. Cliffhouse
5251.0	5483.7	Menefee
5507.0	5739.7	Point Lookout
5875.0	6107.7	Mancos
6798.0	7030.7	Upper Gallup
7511.0	7743.7	Greenhorn
7565.0	7797.7	Graneros
7682.0	7914.7	Two Wells
7697.0	7929.7	Upper Cubero
7737.0	7969.7	Lower Cubero
7807.0	8039.7	Encinal



RCUD MAR 23 '10
OIL CONS. DIV.
DIST. 3





117

[illegible]

Directions from the Intersection of US Hwy 64 & US Hwy 550 in Bloomfield, NM

to ConocoPhillips Company San Juan 30-5 Unit #39N

995' FSL & 815' FWL, Section 6, T30N, R5W, NMPM, Rio Arriba County, NM

Latitude : 36.83710°N Longitude : 107.40500°W Datum : NAD1983

From the intersection of US Hwy 64 & US Hwy 550 in Bloomfield, NM, travel Easterly on US Hwy 64 for 38.0 miles to State Hwy 527 (Simms Hwy);

Go left (North-westerly) on State Hwy 527 (Simms Hwy) for 7.9 miles to Rosa Road @ La Jara Station;

Go right (Northerly) on Rosa Road for 6.5 miles to fork in road;

Go left which is straight (North-easterly) remaining on Rosa Road for 1.6 miles to 4-way intersection;

Go right (Easterly) @ 4-way intersection for 0.4 miles to fork in road;

Go right (South-easterly) for 0.5 miles to staked location on right-hand side of existing roadway which overlaps an existing wellpad.