

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

AUG 27 2010

1a. Type of Work DRILL	5. Lease Number SF-078460 Farmington Field Office Bureau of Land Management Unit Reporting Number	
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator ConocoPhillips Company	7. Unit Agreement Name NM NM-78423 B-MV 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 RCVD SEP 14 '10 9. Well Number 60M OIL CONS. DIV. DIST. 3	
4. Location of Well Surf: Unit E (SWNW), 1795' FNL & 815' FWL Surf: Latitude: 36.967854° N (NAD83) Lot 2 Longitude: 107.596329° W	10. Field, Pool, Wildcat Blanco MV / Basin DK 11. Sec., Twn, Rge, Mer. (NMPM) Unit E, Sec. 20, T32N, R7W API # 30-045- 35795	
14. Distance in Miles from Nearest Town 22.1 miles from Ignacio, CO	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 815'	17. Acres Assigned to Well MV-296.98 W/2 - DK-314.73 N/2	
16. Acres in Lease 2484.350	18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 705' from SJ 32-7 233A (FC)	
19. Proposed Depth 7860'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6307' GL	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: Dollie L. Busse Dollie L. Busse (Staff Regulatory Tech)	Date 8-26-10	

PERMIT NO.

APPROVAL DATE

APPROVED BY **D. Montoya**

TITLE **AFM**

DATE **9/9/2010**

Archaeological Report attached

A gas recovery unit may or may not be used on this location.

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

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

SEP 29 2010

NMOC

NOTIFY AZTEC UCD 24 HRS.
PRIOR TO CASING & CEMENT

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

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

A COMPLETE C-144 MUST BE SUBMITTED TO AND APPROVED BY THE NMOC FOR: A PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, OR PROPOSED ALTERNATIVE METHOD, PURSUANT TO NMOC PART 19.15.17, PRIOR TO THE USE OR CONSTRUCTION OF THE ABOVE APPLICATIONS.

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

AUG 27 2010

Albuquerque Field Office
Bureau of Land Management

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045- 35195		*Pool Code 71599 / 72319		*Pool Name BASIN DAKOTA/BLANCO MESAVERDE	
*Property Code 31329		*Property Name SAN JUAN 32 - 7 UNIT			*Well Number 60M
*GRID No. 217817		*Operator Name CONOCOPHILLIPS COMPANY			*Elevation 6307'

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
E	20	32-N	7-W	\	1795	NORTH	815	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
E									
*Dedicated Acres DK 314.73 ACRES N/2 MV 296.98 ACRES W/2			*Joint or Infill		*Consolidation Code		*Order No.		

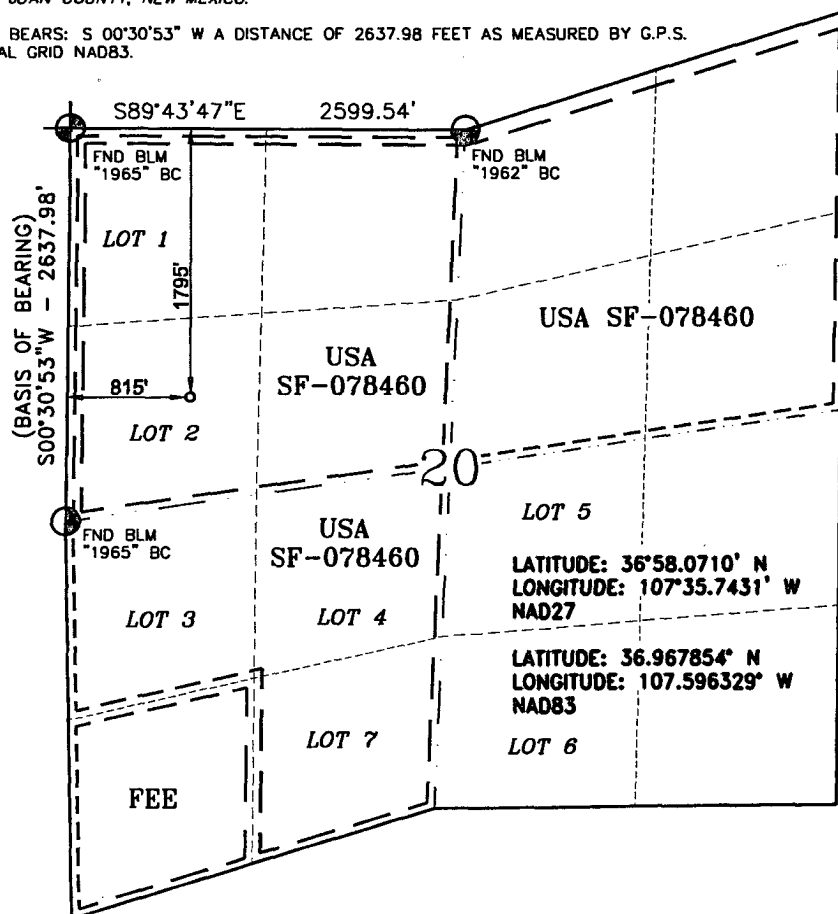
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16

BASIS OF BEARING:

BETWEEN FOUND MONUMENTS AT THE NORTHWEST CORNER AND THE WEST
QUARTER CORNER OF SECTION 20, TOWNSHIP 32 NORTH, RANGE 7 WEST, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO.

LINE BEARS: S 00°30'53" W A DISTANCE OF 2637.98 FEET AS MEASURED BY G.P.S.
LOCAL GRID NAD83.



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

Crystal Tafoya 2/12/10
Signature
Crystal Tafoya 2/12/10
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.

JANUARY 13, 2010
Date of Survey

Signature and Seal of



GLEN W. RUSSELL
Certificate Number

15703

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 32-7 UNIT 60M

DEVELOPMENT

Lease:		AFE #: WAN.CDR.9365		AFE \$: 671,002.20	
Field Name: SAN JUAN		Rig: Aztec Rig 730		State: NM	County: SAN JUAN
Geologist:		Phone:	Geophysicist:		Phone:
Geoscientist:		Phone:	Prod. Engineer:		Phone:
Res. Engineer:		Phone:	Proj. Field Lead:		Phone:
Primary Objective (Zones):					
Zone	Zone Name				
FRR	BASIN DAKOTA (PRORATED GAS)				
RON	BLANCO MESAVERDE (PRORATED GAS)				
Location: Surface Datum Code: NAD 27 Straight Hole					
Latitude: 36.967850	Longitude: -107.595719	X:	Y:	Section: 20	Range: 007W
Footage X: 815 FWL	Footage Y: 1795 FNL	Elevation: 6307	(FT)	Township: 032N	
Tolerance:					
Location Type: Restricted		Start Date (Est.): 1/1/2011		Completion Date:	Date In Operation:
Formation Data: Assume KB = 6322 Units = FT					
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	MD (Ft)	Depletion (Yes/No)	BHP (PSIG) BHT Remarks
Surface Casing	200	6122		☐	12-1/4 hole. 200' 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 119 cuft. Circulate cement to surface.
NACIMIENTO	467	5855		☐	
OJO ALAMO	2015	4307		☐	
KIRTLAND	2080	4242		☐	
FRUITLAND	2594	3728		☐	Possible Gas
PICTURED CLIFFS	3174	3148		☐	
LEWIS	3260	3062		☐	
Intermediate Casing	3360	2962		☐	129 8 3/4" Hole. 7", 23 ppf, J-55, LTC Casing. Cement with 757 cuft. Circulate cement to surface.
HUERFANITO BENTONITE	4012	2310		☐	
CHACRA	4450	1872		☐	
UPPER CLIFF HOUSE	5212	1110		☐	Gas; Est. Top Perf - 5214 (1108)
MASSIVE CLIFF HOUSE	5220	1102		☐	958 Gas; Cliffhouse is dry
MENEFEE	5258	1064		☐	
POINT LOOKOUT	5497	825		☐	
MANCOS	5960	362		☐	
UPPER GALLUP	6866	-544		☐	
GREENHORN	7592	-1270		☐	
GRANEROS	7638	-1316		☐	
TWO WELLS	7750	-1428		☐	3152 Gas
PAGUATE	7756	-1434		☐	
UPPER CUBERO	7762	-1440		☐	
LOWER CUBERO	7804	-1482		☐	Est. Btm Perf - 7858 (- 1536) based on offset wells
ENCINAL	7860	-1538		☐	TD - T/ENCN
Total Depth	7860	-1538		☐	237 6-1/4" hole, 4-1/2" 11.6 ppf, L-80, LTC casing. Cement w/ 612 cuft. Circulate cement a minimum of 100' inside the previous casing string.

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 32-7 UNIT 60M

DEVELOPMENT

Reference Wells:		
Reference Type	Well Name	Comments
Production	SJ 32-7 Unit 13M	32N 7W 16 NW NE SW
Production	SJ 32-7 Unit 7A	32N 7W 17 NE SW NW
Production	SJ 32-7 Unit 60	32N 7W 20 SW NE NE
Production	SJ 32-7 Unit 16A	32N 7W 17 SW NE SE

Logging Program:

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

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

Cased Hole GR / CBL

Mudlog from 100' above top of GLLP to TD - mudlogger will call TD.

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

Directions from the Intersection of Hwy 172 & 151
in Ignacio, CO

to

CONOCOPHILLIPS COMPANY
SAN JUAN 32-7 UNIT #60M
1795' FNL & 815' FWL,
Section 20, T32N, R7W, N.M.P.M.,
San Juan County, New Mexico
Latitude: 36° 58' 04.273" N
Longitude: 107° 35' 46.786" W
Nad 1983

Go East on Highway 151 for 11.9 miles to CR 330
turn right (southerly) 1.9 miles,
turn right (westerly) 0.6 miles,
stay left (south-southwesterly) 1.2 miles,
turn right (west) 2.8 miles,
stay right (westerly) @ y-intersection 1.3 miles,
turn left (southerly) 0.4 miles,
continue (westerly) down the hill 0.9 miles,
turn left (southerly) 1.1 miles,
to beginning of new access on left side of road,
turn left (southeasterly) and proceed 109.22' to newly staked location.