FORM APPROVED

(August 1999).	OMB No. 1004-0136
UNITED STATES DEPARTMENT OF THE INTERIOR	Expires November 30, 2000
BUREAU OF LAND MANAGEMENT	5. Lease Serial No. SF-078740
APPLICATION FOR PERMIT TO DRILL OR REENTER 2004	6. If Indian, Allottee or Tribe Name
Ta. Type of Work: ☑ DRILL ☐ REENTER	7. If Unit or CA Agreement, Name and No.
1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone, Multiple Zone	8. Lease Name and Well No. SAN JUAN 30-5 UNIT 201A
2. Name of Operator Contact: VICKI WESTBY CONOCOPHILLIPS COMPANY E-Mail: Vicki.R.Westby@conocophillips.com	9. API Well No. 30-039-27867
3a. Address       3b. Phone No. (include area code)         4001 PENBROOK, SUITE 346       Ph: 915.368.1352         ODESSA, TX 79762       Ph: 915.368.1352	10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
4. Location of Well (Report location clearly and in accordance with any State requirements.*)	11. Sec., T., R., M., or Blk. and Survey or Area
At surface NWNW 1170FNL 930FWL  At proposed prod. zone	Sec 19 T30N R5W Mer NMP
14. Distance in miles and direction from nearest town or post office*	12. County or Parish 13. State RIO ARRIBA NM
15. Distance from proposed location to nearest property or   16. No. of Acres in Lease	17. Spacing Unit dedicated to this well
lease line, ft. (Also to nearest drig. unit line, if any)	W2 320AC
18. Distance from proposed location to nearest well, drilling, 19. Proposed Depth	20. BLM/BIA Bond No. on file
completed, applied for, on this lease, ft.  3132 MD	
21. Elevations (Show whether DF, KB, RT, GL, etc. 6195 GL 22. Approximate date work will start	23. Estimated duration
24. Attachments	
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to	this form:
<ol> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest System Lands, the</li> <li>Operator certification</li> </ol>	formation and/or plans as may be required by the
25. Signature Name (Printed/Typed) (Electronic Submission) VICKI WESTBY	Date 08/09/2004
Title AGENT	
Approved by (Storature)  Name (Printed/Typed)	Date 10 - / - O
Title AEM Office FFO	
Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject le operations thereon.  Conditions of approval, if any, are attached.	ase which would entitle the applicant to conduct
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	o make to any department or agency of the United

Additional Operator Remarks (see next page)

DRELING OPERAL CONOCOPHILLIPS COMPANY, sent to the Farmington

SUBJECT TO COMPLIANCE WITH ATTACHED

This action is subject to technical and procedural review pursuant to 43 CFR 316 and appeal pursuant to 43 CFR

procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

District I PO Box 1980, Hobbs, NM 88241-1980

District II PO Drawer DD. Artesia, NM 88211-0719

District III 1000 Rio Brazos Ad., Aztec, NM 87410

District IV PO Box 2088, Santa Fe. NM 87504-2088

State of New Mexico Energy, Minerals & Natural Resources Department

PO Box 2088

OIL CONSERVATION DIVISION Santa Fe. NM 87504-2088

Form C-102 Revised February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

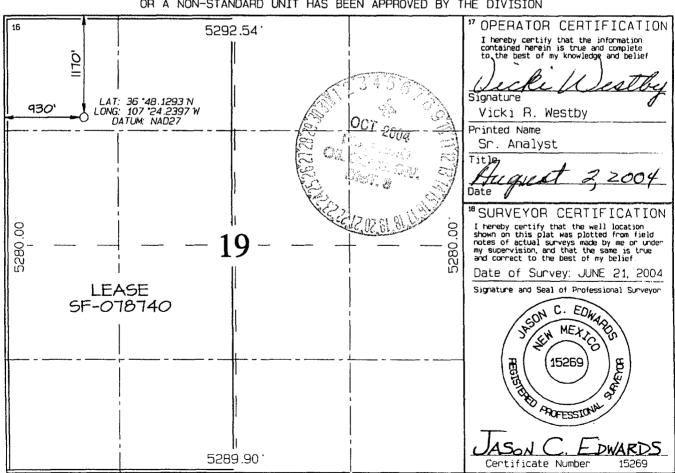
AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

30-039-2786	Pool Code 71629	Pool Name BASIN FRUITLAND COAL	
*Property Code 31327		*Property Name *Well N SAN JUAN 30-5 UNIT 201	
'OGRID No. 217817	CO	*Operator Name *Elevat NOCOPHILLIPS COMPANY 519	
If on lot on   Sorting   Tourse		O Surface Location	County

RIO 19 30N 1170 NORTH WEST D 930 ARRIBA <sup>11</sup>Bottom Hole Location If Different From Surface UL or lot no. Lot Idn North/South line Feet from the East/West line 12 Dedicated Acres Joint or Infill 14 Consolidation Code <sup>15</sup> Order No. 320.0 Acres - W/2

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



# Additional Operator Remarks:

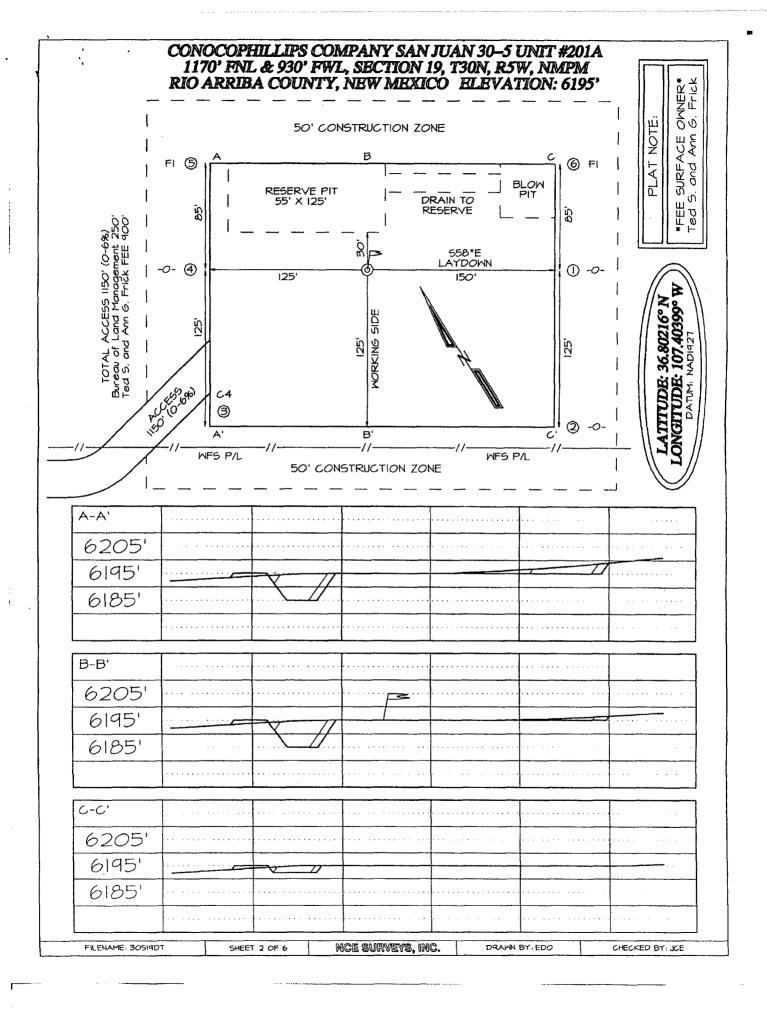
• ConocoPhillips Company proposes to drill a vertical wellbore to the Basin Fruitland Coal formation. This well will be drilled and equipped in accordance with the attachements submitted herewith. This application is for APD/ROW.

ConocoPhillips will have mudloggers on location and they will be picking the TD to prevent us from accessing the PC.

This is a HPA FC well and notification has been mailed to the "Affected Parties" and they will have 20 days from the receipt of notification to tourn their written objection into the NMOCD in Aztec, NM.

,				
Submit 3 Copies To Appropriate District	State of New M	exico		Form C-103
Office District I	Energy, Minerals and Nat	ural Resources		May 27, 2004
1625 N. French Dr., Hobbs, NM 88240			WELL API NO.	
<u>District II</u> 1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION	N DIVISION		0.5
District III	1220 South St. Fra	ncis Dr.	5. Indicate Type	
1000 Rio Brazos Rd., Aztec, NM 87410	Santa Fe, NM 8		STATE 6. State Oil & G	FEE
<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM	Suna 1 0, 1 111 0	7505	6. State Off & G	as Lease No.
87505				
	S AND REPORTS ON WELL		7. Lease Name of	or Unit Agreement Name
(DO NOT USE THIS FORM FOR PROPOSAL DIFFERENT RESERVOIR. USE "APPLICAT			1 4 -	20 -1
PROPOSALS.)	TOTATERIMIT (TORM C-101)1	OK SOCII	Jan Jua	n 30-5 Unit
1. Type of Well: Oil Well Ga	s Well X Other		8. Well Number	201 A
2. Name of Operator			9. OGRID Numl	
ConocoPhillips Company			2	
3. Address of Operator	70760		10. Pool name or	
4001 Penbrook, Odessa, TX			1 Basin F	ruitland Coal
4. Well Location				
Unit Letter <u>D</u> : 1	170 feet from the Nor	Ine and		om the WLS+ line
Section 19	Township 30 N R	ange 5W	NMPM RIO (	Irriba County
	1. Elevation (Show whether DR			
	<u> (195</u>	GL		
Pit or Below-grade Tank Application or C				
Pit type <u>Drill</u> Depth to Groundwater <u>&lt;</u>	Distance from nearest fresh w	ater well <u> </u>	Distance from nearest s	urface water 200 - 1000
Pit Liner Thickness: mil	Below-Grade Tank: Volume	bbls; C	onstruction Material_	
TEMPORARILY ABANDON	PLUG AND ABANDON  HANGE PLANS  ULTIPLE COMPL	REMEDIAL WOR COMMENCE DR CASING/CEMEN	ILLING OPNS.	P AND A
OTHER: Drill Pit Notification	ſ	OTHER.		
OTHER: Drill Pit Notification  13. Describe proposed or complete	d operations (Clearly state all	OTHER:	d give pertinent date	es including estimated date
	SEE RULE 1103. For Multip			
	Pit Plan is on file at NMOCD in seed wellhead. The drill pit will the water has been disposed of	be lined. The drill p	it will be closed aft	er the well has been
I hereby certify that the information abo grade tank has been/will be constructed or clos				
signature <u>Vickiv West</u>	byTITLE_	SR. analy	fst.	DATE 8/6/04
Type or print name Vicki Westby  For State Use Only	E-mail address: Vicki.F	R.Westby@Conoco	Phillips.com Telep	
APPROVED BY:	TITLE FEM	ity oil a gas ins	Tector, dist. 42	OCT - 5 200
Conditions of Approval (if any):				

APPROVED BY:
Conditions of Approval (if any):





# PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

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Lease:						AFE #:WA		4184		AFE \$:
Field Name: hPHII	LIPS 3	30-5		Rig: 3	20-2419	200.0, 2	•••	State: NM	County: RIO ARRIBA	API #:
Geoscientist: Mun	phy, Jii	m O.		Phone	: 832-486-23	361	Prod.	Engineer:	Ph	none:
Res. Engineer: Kol	lesar, J	ames E	:	Phone	: (832) 486 -	- 2336	Proj. I	ield Lead:	Ph	none:
Primary Objectiv	ie (Za	nes):								
Zone	Zone	Name								
JCV	BASIN	FRUIT	LAND COAL	(GAS)						
										;
Location: Surface		j.				100	1			- Straight Hole
Latitude: 30.80		Longitu	de: -107.40	)	X:		Y:		Section: 19	Range: 5W
Footage X: 930 FV	VL :	Footage	Y: 1170 F	VL.	Elevation: 6:	195	(FT)	Township: 30N		
Tolerance:										
Location Type:				Start I	Date (Est.):		Con	pletion Date:	Date In Op	eration:
Formation Data:	Assum	e KB =	6208 I	Jnits =	FT					
Formation Call &			Depth	SS	Depletion	BHP	BHT		Remarks	
Casing Points			(TVD in Ft)		(Yes/No)	(PSIG)			Keriana	
SAN JOSE Surface Casing			-2 213	6210 5995				12-1/4 hole 9	5/8" 32 3 nnf H-40 STC	casing. Circulate cement
Surface Casing			213	3993				to surface.	5/0 52.5 ppi, 11 10, 510	casing. Circulate cement
NCMT			1054	5154						
OJAM			2293	3915				Possible water f	lows.	
KRLD			2388	3820						
FRLD			2723	3485				Possible gas.		
Intermediate Casing	1		2833	3375				8 3/4" Hole. 7" surface.	, 20 ppf, J-55, STC Casing	g. Circulate cement to
BASE MAIN COAL			2963	3245		115				
PC TONGUE			3018	3190						
Total Depth			3092	3116				6-1/4" hole pos	sibly underreamed to 9.5" C - left uncemented	'. Optional Liner: 5.5",
PCCF			3132	3076				13.5#, 5-35 E10	s - left difcemented	
Reference Wells:	1									
Reference Type \	Vell N	ame			Comments	<b>S</b>				
Logging Program	**************		242					e de la companya de l		
Intermediate Logs:				GR/ILI	Triple	Combo				
TD Logs:		iple Co	mbo 🔲 Di	pmeter	RFT [	] Sonic [	] VSP	☐ TDT		
Additional Informat	ion:									
								·		
Comments: Location	n/Tops	/Loggir	ng - HPA							

Zones - HPA

General/Work Description -

Mud Log from intermediate casing shoe to TD will be obtained.

Drilling Mud Program: Surface: spud mud

Intermediate: fresh water mud with bentonite and polymer as needed

Below Intermediate: air/mist drilling media with foamer, polymer, & corrosion inhibitor as needed

Printed on: 8/3/2004 3:03:39 PM

TD includes 80 feet sump/rathole & COPC will comply with the BLM's Conditions of Approval for the proposed sump/rathole in this non-producing Pictured Cliffs formation.

### San Juan 30-5 # 201A

#### **SURFACE CASING: Drill Bit Diameter** Casing Inside Diam. 9 001 Casing Outside Diameter Casing Weight Casing Grade Shoe Depth Cement Yield cuft/sk **Excess Cement** 125 **Cement Required** SHOE 230 ', 9.625 ", 32.3 ppf, H-40 STC **INTERMEDIATE CASING: Drill Bit Diameter** Casing Inside Diam. 6.456 " Casing Outside Diameter Casing Weight 20 ppf Casing Grade J-58 Shoe Depth 2833 Lead Cement Yield 2,91 cuft/sk **Lead Cement Excess** 160 **Tail Cement Length** Tail Cement Yield 1.83 cuft/sk **Tail Cement Excess** 160 % **Lead Cement Required** 321 sx **Tail Cement Required** LINER TOP 2813 ' SHOE 2833 ', 20 ppf, J-55

LINER BOTTOM 3675 ' (Uncernented)

San Juan	30-5#201A	
and the selection of the selection of	Surf Cag	Int. Csg
OD	9.625	7
ID .	9.001	6.456
Depth	230	2833
Hole Diam	12.25	8.75
% Excess Lead		160
% Excess Tail	(125)	160
Lead Yield		2,91
Tall Yields	1,21	1.88
Ft of Tail Slurry	230	315
Top of Tail Slurry	0	2518
Top of Lead Slurry	N/A	0
Mud Wt (ppg)	8.9	9.0
Mud Type	WBM	WBM

		Surface	Casing		
	Ft	Cap	XS Factor	bbls o	cuft sx
Open Hole Annul	us	230 0.055804	2.25	28.9	162.1 134.0
Shoe Track Volui	me	40 0.078735	i 1	3.1	17.7 13.3
Total - " - 4"	Part September	resident for the second		44 320	179.8

	Ft	Intermediat Cap	XS Factor	bbls	cuft	SX
Lead Open Hole Annulus	Control of the Contro	0.026786		159.3	894.6	307.4
Lead Cased Hole Annulus	220	0.031116	1	6.8	38.4	13.2
Lead Total Care Contains	1		4. 4. 4.	- h-166.2	933,1	320:6
Tail Open Hole Annulus	315	0.026786	2.6	21.9	123.2	92.6
Tail Shoe Track Volume	42	0.040505	1	1.7	9.6	7.2
Tail Total*e		all'est to the		-3.17.28.6	132.7	99.8

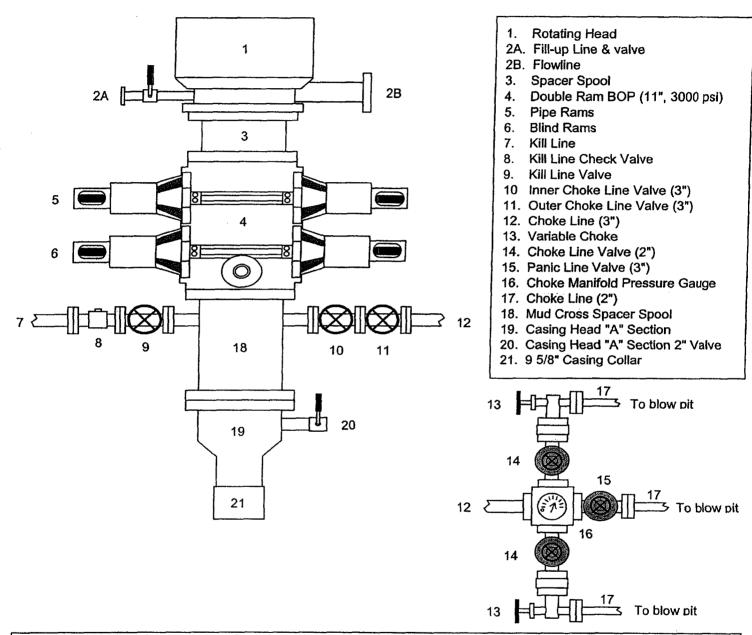
	San Juan 30-5#201A
	9-5/8 Surface Casing
	Class C Standard Cement
Cement Recipe	+ 3% Calcium Chloride
	#0.25 lb/sx Flocele
Cement Volume	PERMIT SX
Cement Yield	1,21 cuft/sx
Slurry Volume	179.8 cuft
Siurry volume	### 32.0 bbls**
Cement Density	15.6 ppg
Water Required	5.29 gal/sx

### San Juan (30) 5 # 201A

	7" Intermediate Casing					
	Lead Slurry					
	Standard Cement					
Cement Recipe	+ 3% Econolite (Lost Circulation Additive)					
	+ 10 lb/sx Gilsonite (Lost Circ. Additvie)					
	+ 0.25 lb/sx Flocele (Lost Circ. Additive)					
Cement Required	621 <b>SX</b>					
Cement Yield	2.91 cuft/sx					
Slurry Volume	983.4 cuft					
	### #66.2 bbls					
Cement Density	11.5 ppg					
Water Required	16.88 gal/sx					

	7" Intermediate Casing					
	Tail Slurry					
Cement Slurry	50 / 50 POZ:Standard Cement					
	+ 2% Bentonite (Light Weight Additive)					
	+ 5 lbm/sk Gilsonite (Lost Circ. Additive)					
	+ 0.25 lbm/sk Flocele (lost Circ. Additive)					
	± 2% Calcium Chloride (Accelerator)					
Cement Required	100 sx					
Cement Yield	1.33 cuft/sx					
Slurry Volume	132.7 cuft					
	23.6 <mark>bbls</mark>					
Cement Density	13.5 ppg					
Water Required	5.36 gal/sx					

# BLOWOUT PREVENTER ARRANGEMENT & PROGRAM For Drilling to Intermediate Casing Point & Setting 7" Intermediate Casing

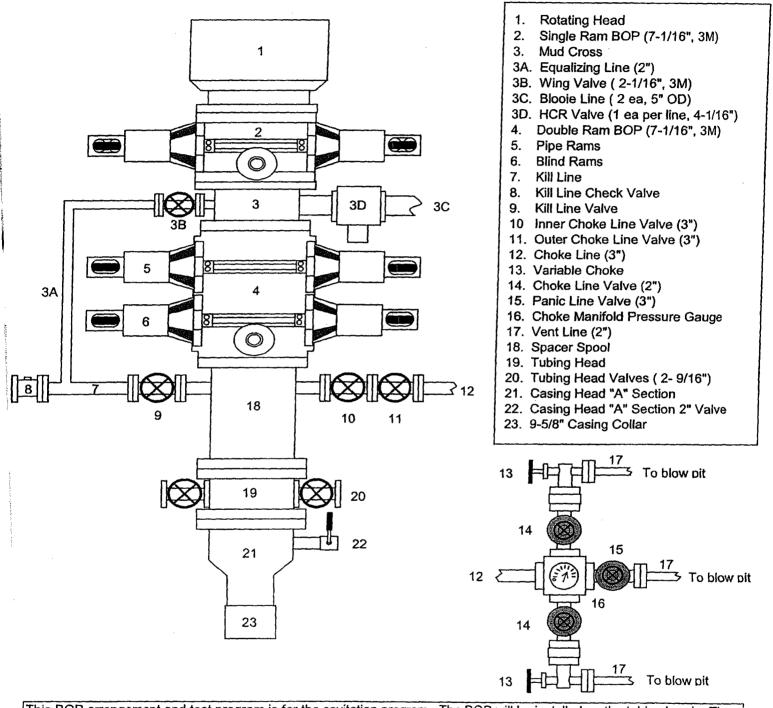


A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 2-3 minutes and to 1000 psi (high pressure test) for 10 minutes. Then the test plug will be removed, and the 9-5/8" casing will be pressure tested against closed blind rams to 200 psi to 300 psi for 2-3 minutes and to 1000 psi for 30 minutes (this value is one 44% of the minimum internal yield pressure of the 9-5/8" casing). (Note: per regulatory requirements we will wait on cement at least 8 hrs after placement before testing the 9-5/8" surface casing). Then an 8-3/4" hole will be drilled to intermediate casing point and 7" intermediate casing will be run and cemented.

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

# BLOWOUT PREVENTER ARRANGEMENT & PROGRAM For Cavitation Program



This BOP arrangement and test program is for the cavitation program. The BOP will be installed on the tubing head. The 7" casing will be pressure tested against closed blind rams to 200 psi to 300 psi for 2-3 minutes and to 1800 psi for 30 minutes - this test pressure is 48% of the minimum internal yield strength of 3740 psi for the 7", 20#, J-55, STC casing. The pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 2-3 minutes and to 1800 psi (high pressure test) for 10 minutes - This test will be done with a test plug or possibly without a test plug (ie against casing). If we conduct this test without a test plug we will ensure that we have sufficient drillstring weight in the hole to exceed the upward force generated by the test.

We use a power swivel and air/mist to drill the 6-1/4" hole in our cavitation program. We do not use a kelly. In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

- 1. String floats will be used inside the drillpipe
- 2. Stab-in TIW valve for all drillstrings in use
- 3. Each blooie line is equipped with a hydraulically controlled valve (HCP valve)

# ConocoPhillips

ConocoPhillips Company PTRRC

Peggy James 4001 Penbrook St. , Ste. 302 Odessa TX, 79762 Phone (432)368-1230 Fax (432)368-1287

August 21, 2004

NMOCD Attn: Steve Hayden 1000 Rio Brazos Rd Aztec, NM 87410

Re:

San Juan 30-5 #201A
Basin Fruitland Coal
1170 FNL / 930 FWL, Section 19, T-30N, R-5W

Die Amilia County Maria

Rio Arriba County, New Mexico

#### Dear Steve:

Please find attached a copy of the HPA notification letter and a copy of the certified return receipts for the San Juan 30-5 #201A well located in Section 19, T-30N, R-5W, Rio Arriba County, New Mexico. The waiting period for this notification should conclude 9/6/04.

Regards,

Peggy James PTRRC / Odessa



August 4, 2004

ConocoPhillips Company PTRRC Peggy James 4001 Penbrook St., Ste. 302 Odessa TX, 79762 Phone (432)368-1230

Fax (432)368-1287

Sent via certified mail

RE:

San Juan 30-5 #201A 1170 FNL, 930 FWL Section 19, T30N, R5W Rio Arriba County, New Mexico

To the Affected Parties:

ConocoPhillips Company is submitting the enclosed Application for Permit to Drill to the appropriate regulatory agency(s) for approval. This well is located inside the High Productivity Area of the Basin-Fruitland Coal Pool as indicated on the attached plat. Notice is being made pursuant to New Mexico Oil Conservation Commission Order R-8768-F dated July 17, 2003.

The affected parties have twenty (20) days from receipt of this notice in which to file with the District Office of the New Mexico Oil Conservation Division written objection to the proposed Application for Permit to Drill.

Sincerely,

PTRRC / Odessa

enclosures

### San Juan 30-5 #201A OFFSET OPERATOR PLAT

1170' FNL; 930' FWL

TOWNSHIP 30	NORTH,	RANGE_	5	WES
Burlington O & G	ConocoPhillips	ConocoPl	illips	
Burlington O & G	ĕ	ConocoPh	illips	
	1	9 —		
Burlington O & G		ConocoPh	illips	

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SCNDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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Blue Invelon Resources	
h Carbon HASA Ferrancen Hanna Min 87441 Madal Namba	ILLE Geomico Mannet El Espress (Mai)  El Republico de la El Fracurt mesenci per Morcres  de Branch Mais de Esperanto de la Republica (Mais de La Proposición de La Proposición de La Proposición de La Proposición de La Prop
Lanserrensere men 27/100 (0/2005) O PS Penin GS PT-August 2016 en 2016 a peninda nen	