

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-012398 012331
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator CONOCOPHILLIPS COMPANY		7. If Unit or CA Agreement, Name and No.
Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conocophillips.com		8. Lease Name and Well No. SAN JUAN 30-5 UNIT 212A
3a. Address 4001 PENBROOK, SUITE 346 ODESSA, TX 79762	3b. Phone No. (include area code) Ph: 915.368.1352	9. API Well No. 3003927858
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface SWNW 1605FNL 695FWL At proposed prod. zone		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
14. Distance in miles and direction from nearest town or post office*		11. Sec., T., R., M., or Blk. and Survey or Area E Sec 31 T30N R5W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in Lease	12. County or Parish RIO ARRIBA ✓
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 3820 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6827 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well w/ 320
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:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) VICKI WESTBY	Date 08/03/2004
Title AGENT		
Approved by (Signature) <i>Wayne Townsend</i>	Name (Printed/Typed) Wayne Townsend	Date 10/5/04
Title Acting AFM	Office FFO	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

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 make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #34031 verified by the BLM Well Information System
For CONOCOPHILLIPS COMPANY, sent to the Farmington

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

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

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

NMOCD

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

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

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

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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
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

*API Number 30-039-27858		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code 31327	*Property Name SAN JUAN 30-5 UNIT		*Well Number 212A
*OGRID No. 217817	*Operator Name CONOCOPHILLIPS COMPANY		*Elevation 6827'

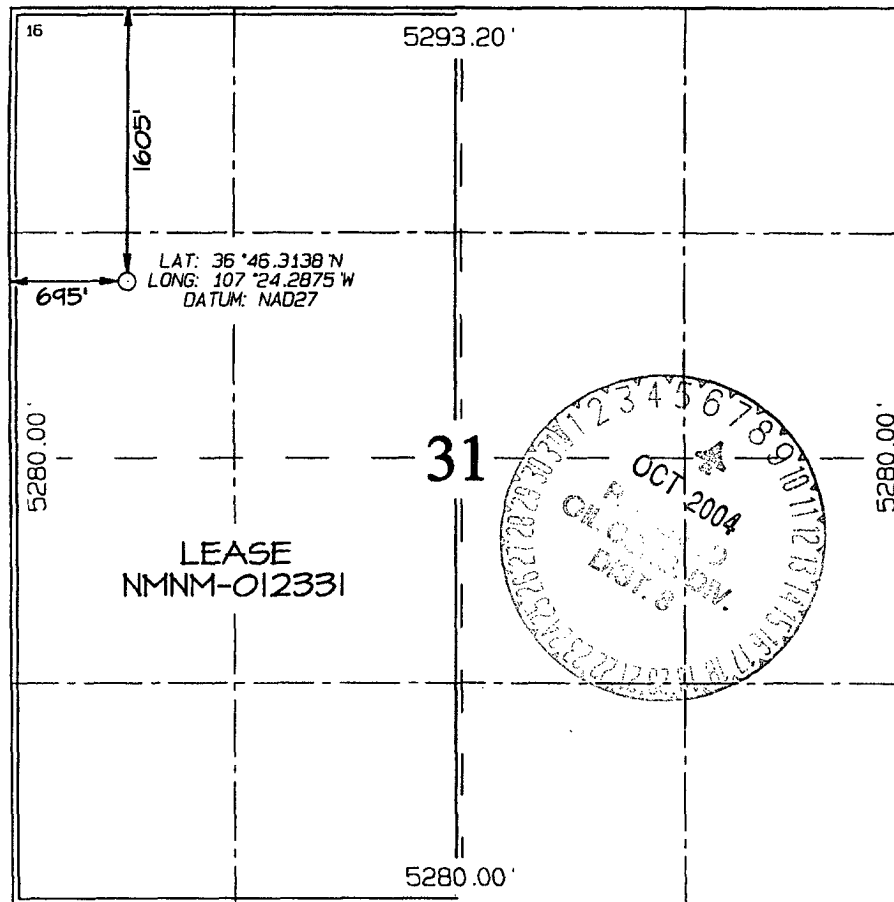

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	31	30N	5W		1605	NORTH	695	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
¹² Dedicated Acres 320.0 Acres - W/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

	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Vicki R. Westby</i> Signature Vicki R. Westby</p> <p>Printed Name Sr. Analyst</p> <p>Title Date <i>July 21, 2004</i></p>
	<p>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.</p> <p>Date of Survey: MARCH 18, 2004</p> <p>Signature and Seal of Professional Surveyor</p> <p></p> <p><i>JASON C. EDWARDS</i> Certificate Number 15269</p>

Submit 3 Copies To Appropriate District Office
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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

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.)		WELL API NO.
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator ConocoPhillips Company		6. State Oil & Gas Lease No.
3. Address of Operator 4001 Penbrook, Odessa, TX 79762		7. Lease Name or Unit Agreement Name <i>San Juan 30-5 Unit</i>
4. Well Location Unit Letter <i>E</i> : <i>1605</i> feet from the <i>North</i> line and <i>695</i> feet from the <i>West</i> line Section <i>31</i> Township <i>30N</i> Range <i>5W</i> NMPM <i>Rio Arriba</i> County		8. Well Number <i>212 A</i>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR		9. OGRID Number <i>217817</i>
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat <i>Basin Fruitland Coal</i>
Pit type <i>Drill</i> Depth to Groundwater <i>450'</i> Distance from nearest fresh water well <i>71000'</i> Distance from nearest surface water <i>71000'</i>		
Pit Liner Thickness: 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

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 *Vickie Westby (pj)* TITLE *SR. Analyst* DATE *8/3/04*

Type or print name Vicki Westby E-mail address: Vicki.R.Westby@ConocoPhillips.com Telephone No. 432-368-1352

For State Use Only

APPROVED BY: *[Signature]* TITLE *DEPUTY OIL & GAS INSPECTOR, DIST. #3* DATE *OCT - 7 2004*

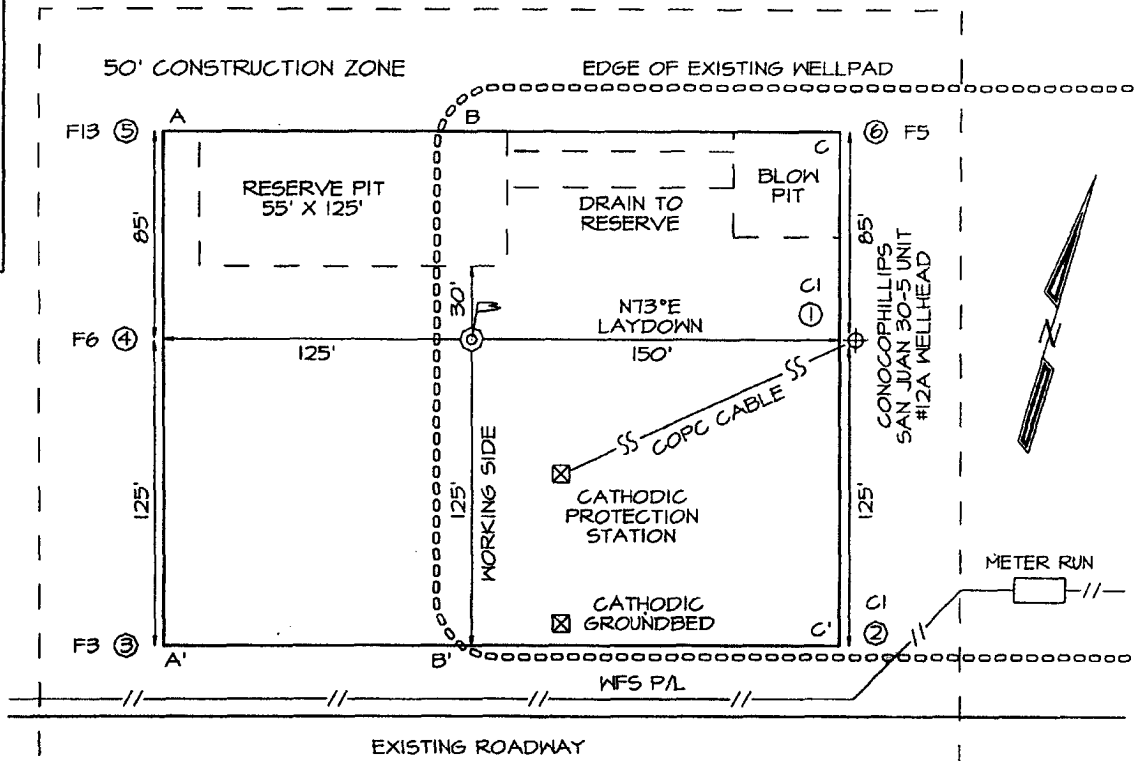
Conditions of Approval (if any):

CONOCOPHILLIPS COMPANY SAN JUAN 30-5 UNIT #212A
1605' FNL & 695' FWL, SECTION 31, T30N, R5W, NMPM
RIO ARriba COUNTY, NEW MEXICO ELEVATION: 6827'

PLAT NOTE:

SURFACE OWNER
 Bureau of Land
 Management

LATITUDE: 36.77190° N
 LONGITUDE: 107.40479° W
 DATUM: NAD1927



A-A'						
6837'						
6827'						
6817'						

B-B'						
6837'						
6827'						
6817'						

C-C'						
6837'						
6827'						
6817'						

FILENAME: 30531ET

SHEET 2 OF 6

NCE SURVEYS, INC.

DRAWN BY: EDO

CHECKED BY: JCE

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 attachments submitted herewith. This application is for APD / ROW.

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

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

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 30-5 212A

Lease:		AFE #: WAN.CBM.4182		AFE \$:	
Field Name: hPHILLIPS 30-5		Rig: 320-2419	State: NM	County: RIO ARRIBA	API #:
Geoscientist: Murphy, Jim O.		Phone: 832-486-2361	Prod. Engineer:		Phone:
Res. Engineer: Kolesar, James E.		Phone: (832) 486 - 2336	Proj. Field Lead:		Phone:

Primary Objective (Zones)	
Zone	Zone Name
JCV	BASIN FRUITLAND COAL (GAS)

Location: Surface					Straight Hole	
Latitude: 36.77	Longitude: -107.40	X:	Y:	Section: 31	Range: 5W	
Footage X: 695 FWL	Footage Y: 1605 FNL	Elevation: 6827	(FT)	Township: 30N		

Tolerance:			
Location Type:	Start Date (Est.):	Completion Date:	Date In Operation:
Formation Data: Assume KB = 6840 Units = FT			

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
SAN JOSE	13	6827	<input type="checkbox"/>			
Surface Casing	213	6627	<input type="checkbox"/>			12-1/4 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.
NCMT	1623	5217	<input type="checkbox"/>			
OJAM	2975	3865	<input type="checkbox"/>			Possible water flows.
KRLD	3080	3760	<input type="checkbox"/>			
FRLD	3435	3405	<input type="checkbox"/>			Possible gas.
Intermediate Casing	3525	3315	<input type="checkbox"/>			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
BASE MAIN COAL	3655	3185	<input type="checkbox"/>	160		
PC TONGUE	3710	3130	<input type="checkbox"/>			
Total Depth	3785	3055	<input type="checkbox"/>			6-1/4" hole possibly underreamed to 9.5". Optional Liner: 5.5", 15.5#, J-55 LTC - left uncemented.
PCCF	3820	3020	<input type="checkbox"/>			

Reference Wells		
Reference Type	Well Name	Comments

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 type="checkbox"/> VSP <input type="checkbox"/> TDT
Additional Information:	

Comments: Location/Tops/Logging - 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

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San Juan 30-5 # 212A

SURFACE CASING :

Drill Bit Diameter	12.25"
Casing Outside Diameter	9.625"
Casing Weight	32.3 ppf
Casing Grade	H-40
Shoe Depth	230'
Cement Yield	121 cuft/sk
Excess Cement	125%
Cement Required	147 sx

Casing Inside Diam. 9.001"

SHOE 230', 9.625", 32.3 ppf, H-40 STC

INTERMEDIATE CASING :

Drill Bit Diameter	8.75"
Casing Outside Diameter	7"
Casing Weight	20 ppf
Casing Grade	J-55
Shoe Depth	3525'
Lead Cement Yield	291 cuft/sk
Lead Cement Excess	160%
Tail Cement Length	315'
Tail Cement Yield	136 cuft/sk
Tail Cement Excess	160%
Lead Cement Required	414 sx
Tail Cement Required	100 sx

Casing Inside Diam. 6.456"

LINER TOP 3505'

SHOE 3525', 7", 20 ppf, J-55

LINER BOTTOM ~~3875'~~ 3820' (Uncemented)

San Juan 30-5 # 212A		
	Surf. Csg	Int. Csg
OD	9.625	7
ID	9.001	6.456
Depth	230	3525
Hole Diam	12.25	8.75
% Excess Lead		160
% Excess Tail	125	160
Lead Yield		2.91
Tail Yield	1.21	1.33
Ft of Tail Slurry	230	315
Top of Tail Slurry	0	3210
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	cuft	sx
Open Hole Annulus	230	0.055804	2.25	28.9	162.1	134.0
Shoe Track Volume	40	0.078735	1	3.1	17.7	13.3
Total				32.0	179.8	147.3

Intermediate Casing						
	Ft	Cap	XS Factor	bbls	cuft	sx
Lead Open Hole Annulus	2980	0.026786	2.6	207.5	1165.2	400.4
Lead Cased Hole Annulus	220	0.031116	1	6.8	38.4	13.2
Lead Total				214.4	1203.6	413.6
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				23.6	132.7	99.8

San Juan 30-5 # 212A	
9-5/8 Surface Casing	
Cement Recipe	Class C Standard Cement
	+ 3% Calcium Chloride
	+0.25 lb/sx Flocele
Cement Volume	1.47 sx
Cement Yield	1.21 cuft/sx
Slurry Volume	1.79 cuft
	32.0 bbls
Cement Density	15.6 ppg
Water Required	5.29 gal/sx

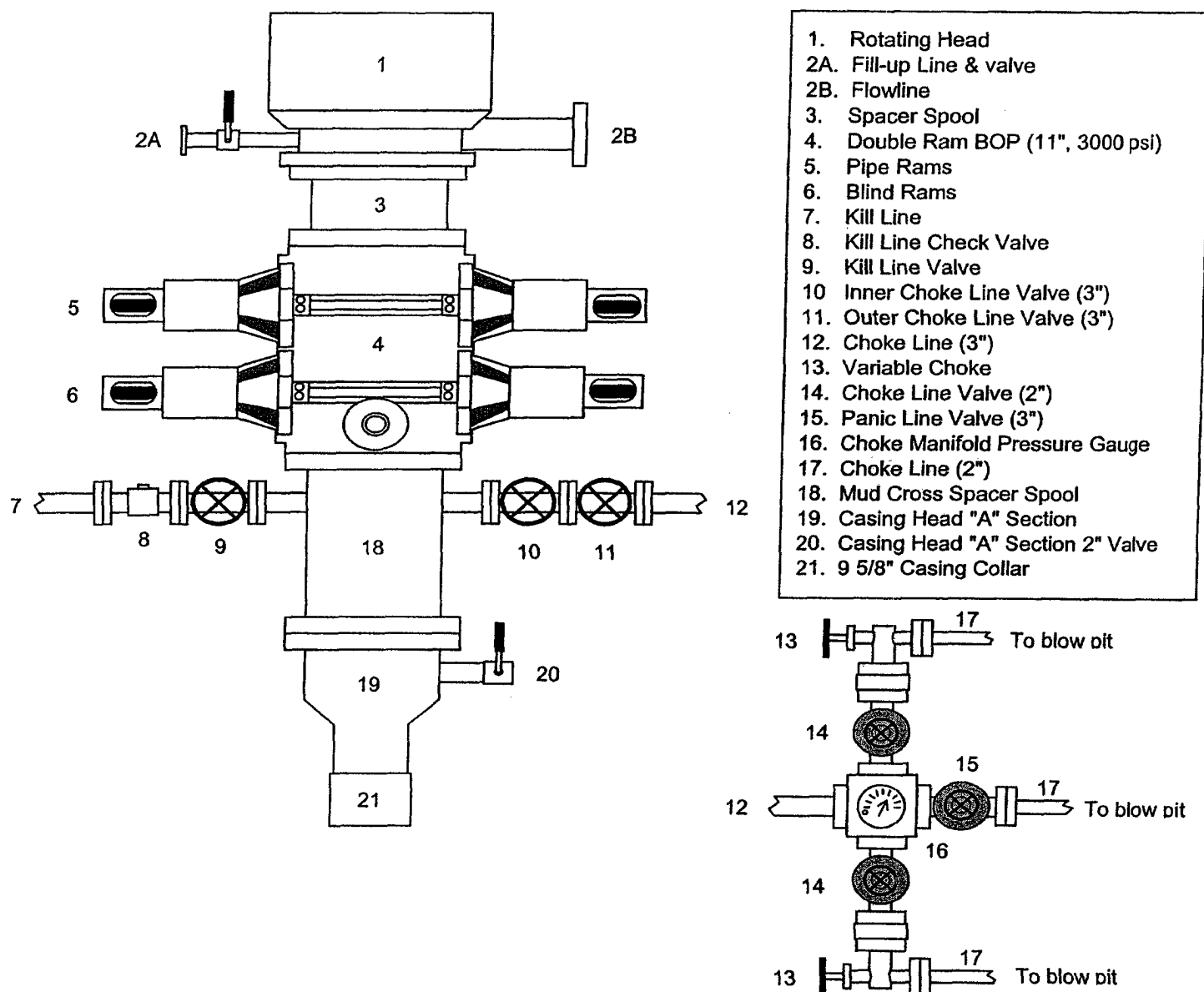
San Juan 30-5 # 212A

7" Intermediate Casing	
Lead Slurry	
Cement Recipe	Standard Cement + 3% Econolite (Lost Circulation Additive) + 10 lb/sx Gilsonite (Lost Circ. Additive) + 0.25 lb/sx Flocele (Lost Circ. Additive)
Cement Required	414 sx
Cement Yield	2.91 cuft/sx
Slurry Volume	1203.6 cuft
Cement Density	214.4 bbls
Water Required	11.5 ppg 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	400 sx
Cement Yield	1.33 cuft/sx
Slurry Volume	132.7 cuft
Cement Density	28.6 bbls
Water Required	13.5 ppg 5.36 gal/sx

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to Intermediate Casing Point & Setting 7" Intermediate Casing



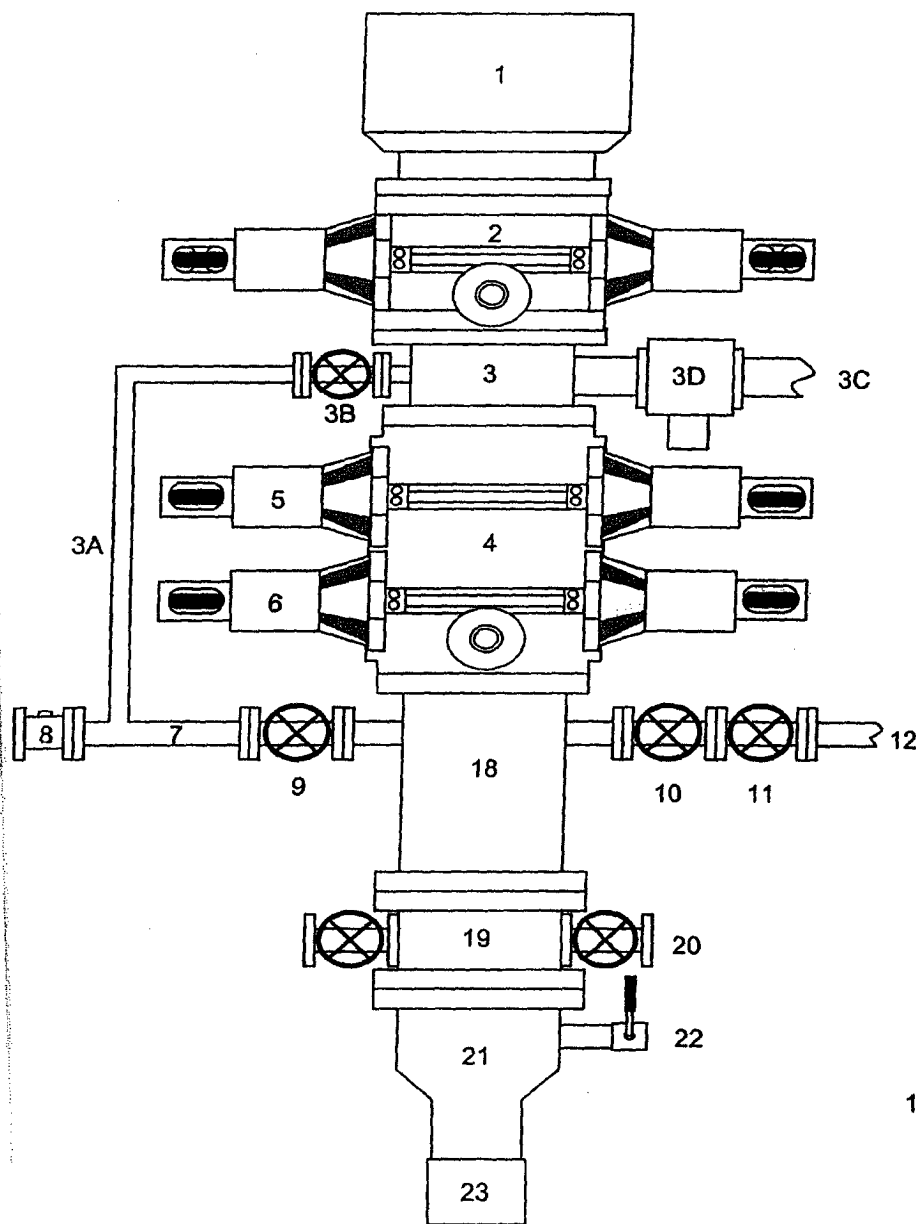
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe 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:

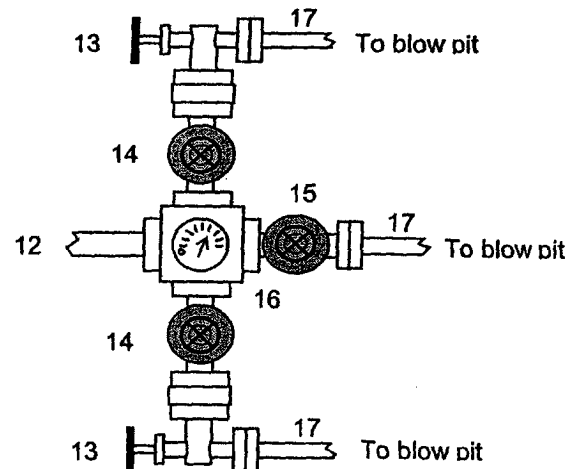
1. Upper Kelly cock Valve with handle
2. Stab-in TIW valve for all drillstrings in use

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Cavitation Program



1. Rotating Head
2. Single Ram BOP (7-1/16", 3M)
3. Mud Cross
- 3A. Equalizing Line (2")
- 3B. Wing Valve (2-1/16", 3M)
- 3C. Blooie Line (2 ea, 5" OD)
- 3D. HCR Valve (1 ea per line, 4-1/16")
4. Double Ram BOP (7-1/16", 3M)
5. Pipe Rams
6. Blind Rams
7. Kill Line
8. Kill Line Check Valve
9. Kill Line Valve
10. Inner Choke Line Valve (3")
11. Outer Choke Line Valve (3")
12. Choke Line (3")
13. Variable Choke
14. Choke Line Valve (2")
15. Panic Line Valve (3")
16. Choke Manifold Pressure Gauge
17. Vent Line (2")
18. Spacer Spool
19. Tubing Head
20. Tubing Head Valves (2- 9/16")
21. Casing Head "A" Section
22. Casing Head "A" Section 2" Valve
23. 9-5/8" Casing Collar



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 (HCR valve)



ConocoPhillips Company

PTRRC

Peggy James

4001 Penbrook St., Ste. 302

Odessa TX, 79762

Phone (432)368-1230

Fax (432)368-1287

August 3, 2004

RE: San Juan 30-5 #212A Well
Basin Fruitland Coal
1605' FNL & 195' FWL, Section 31, T30N-R5W
San Juan 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,

A handwritten signature in black ink, appearing to read "Peggy James", written over a horizontal line.

Peggy James
PTRRC / Odessa