Form 3160-5 (April 2004)

UNITED STATES

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 200

	DEPARTMENT OF THE BUREAU OF LAND MAN		. /	- 1	Expires: March 31, 2007	
	5. Lease Ser					
SUNDRY		079380				
Do not use to abandoned w	his form for proposals 1 vell. Use Form 3160-3 (to drill or t (APD) for su	o re-enter an ch proposals.	6. If India	n, Allottee or Tribe Name	
SUBMIT IN TR	PIPLICATE- Other insti	ructions on	reverse side.	7. If Unit o	or CA/Agreement, Name and/or No.	
1. Type of Well Oil Well	San Ju	uan 32-8 Unit				
	Gas Well Other			8. Well Na 263A	ame and No.	
2. Name of Operator ConocoPhill	ips Company			9. API W		
3a. Address 4001 Penbrook, Odessa, TX 7	9762	3b. Phone No. 432-368-13	. (include area code) 152		5-32796-00-X1 nd Pool, or Exploratory Area	
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description)	L		Basin	Fruitland Coal	
SECTION 15, T32N, R8W, SI	ESE 999 FSL - 1152 FEL			11. County	or Parish, State	
				San Ju	an County, NM	
12. CHECK A	PPROPRIATE BOX(ES) TO	INDICATE 1	IATURE OF NOTICE,	REPORT, OF	R OTHER DATA	
TYPE OF SUBMISSION			TYPE OF ACTION			
✓ Notice of Intent	Acidize	Deepen		(Start/Resume)	Water Shut-Off	
<u> </u>	Alter Casing Casing Repair	Fracture Tre New Constr			Well Integrity ✓ Other revise completion to	
Subsequent Report	✓ Change Plans	Plug and Ab		Abandon	case and frac	
Final Abandonment Notice	Convert to Injection	Plug Back	Water Dispo	sal		
determined that the site is ready ConocoPhillips Company	requests to change the complet	tion for this we	ll from cavitation to case	ŕ	ised well plan; cement	
calculations and BOP schematic supporting this change are attached to this sundry.						
			16 9 0 17, MAY 2005		MAY 2 AM 1 RECEIVED OFARMINGTO	
			No.		3 5	
				Carried States	29	
14. I hereby certify that the forepresent Name (Printed/Typed)	going is true and correct	1				
Vicki Westby		Т	itle Staff Agent			
Signature Vicke U	Jestby (Pit) [Date	04/29/2005		
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved to Conditions of approval, if any, are a	ABRUMLY .	logs not worres	Title Pet. En		rate 5/4/05	
certify that the applicant holds legal which would entitle the applicant to	or equitable title to those rights in	the subject lease	Office F	0		
Title 10 IICC Continu 1001 and Title	42 HCC Continu 1012	· · · · ·	1 ' 1 1 2001		1	

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.



PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 32-8 263A

											·r-	
Lease:						AFE #: W	AN.CBN	1.5130			AFE \$:	
Field Name: hPt	HILLIPS	32-8		Rig:			,	State:	NM Cou	nty: SAN JUAN	API #:	
Geoscientist: Cle	oud, To	m A		Phone	e: +1 832 486	5-2377	Prod	. Engineer:	Limb, H	G	Phone: 1-	832-486-2427
Res. Engineer: P	etersor	n, Brad	T	Phone	e: 486-2055		Proj.	Field Lead:			Phone:	
Primary Object	tive (Z	ones):					100		100			
Zone	Zone	e Name)									
JCV	BASI	IN FRUI	TLAND COAL	(GAS)								
Location: Surfa	ce ·					* 12.5					Stra	ight Hale
Latitude: 36.98		Longit	ude: -107.66		X:		Y:		Sec	ction: 15	Rang	e: 8W
Footage X: 1152	FEL	Footag	je Y: 999 FSL		Elevation: 69	980	(FT)	Township:	32N			
Tolerance:												
Location Type:				Start (Date (Est.):		Co	mpletion Dat	te:	Date :	In Operation:	
Formation Data:	Assur	ne KB =	= 6993 l	Jnits =	FT						·	
Formation Call &		-	Depth	SS	Depletion	BHP	ВНТ			Remar	kc	
Casing Points			(TVD in Ft)	(Ft)	(Yes/No)	(PSIG)	J 5111	<u> </u>		Remar		
SAN JOSE			13	6980				43.4/4.5-1	. 0 5 (0)	22.2	·	.
Surface Casing			213	6780				to surface.	ie. 9 5/8"	32.3 ppr, H-40,	STC casing.	Circulate cemen
NCMT			1018	5975					•			
OJAM			2423	4570				Possible w	ater flows	•	and special management	
KRLD			3033	3960						200	391177	A
FRLD			3443	3550	=			Possible ga	3S.	£6)\	As	
TOP COAL			3541	3452						10	2000 Min	
BASE MAIN COAL			3661	3332		1250				400	Mill com	
PC TONGUE			3701	3292	=					1-13	F - 7	
BASE LOWEST CO	AL		3873	3120	=			7.7/08 5-1-	- E 4/00	17.0 1.55	TO	3
Total Depth			3876	3117				to surface.	2. 5 1/2"	17.0 ppr, J-55, t	- IC casing. Ci	irculate cement
PCCF			3879	3114							197	مرود از
Reference Wells	51				40.00					196		
	Well N				Comments							
Intermediate	Phillips	SJ 32-	8 #4-15		<u>l</u>							
Logging Prograi			:	CD/ILE		C						
Intermediate Logs	: L	og only	ir snow	GR/ILC	∪ I riple	Combo						
TD Logs:		riple Co	ombo 🔲 Dir	meter	RFT [] Sonic [JVSP	☐ TDT	-			
- 11 1311			TD include	es 80 f	eet sumn/rath	nle & CC)P(wi	ll comply with	th			
TD includes 80 feet sump/rathole & COPC will comply with Additional Information: the BLM's Conditions of Approval for the proposed												
					his non-produ							
Log Type	Stage	e	From (Ft)	To (Ft)		Tool	Type/Name		Remarks		

Comments: Location/Tops/Logging - Frac well completion. No intermediate casing.

Zones - Sundry notice needed with revised TD not penetrating PCCF. The notice should include the statement "Mudloagers will be

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PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 32-8 263A

used to prevent penetration into the Pictured Cliff Formation". Well is within existing PCCF PA Prospective 8 ft lowest coal seam just above PCCF.

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

General/Work Description - Provide funds to drill and fracture stimulate the Fruitland Coal formation in the San Juan 32-8 # 263A located in the SE 1/4 of Section 15, T32N, R8W, Basin Fruitland Coal Field, San Juan County, New Mexico.



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San Juan 32-8 # 263A **Halliburton Cementing Program**

SURFACE CASING:

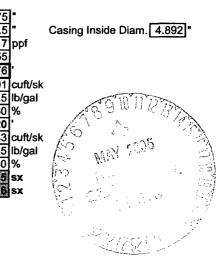
Drill Bit Diameter	12.25]•	
Casing Outside Diameter	9.625]=	Casing Inside Diam. 9.001
Casing Weight	32.3	ppf	-
Casing Grade	H-40	}	
Shoe Depth	230	•	
Cement Yield	1.21	cuft/sk	
Cement Density	15.6	lb/gal	
Excess Cement	125	%	
Cement Required	141	sx	

SHOE

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

INTERMEDIATE CASING:

Drill Bit Diameter	7.875
Casing Outside Diameter	5.5
Casing Weight	17
Casing Grade	J-55
Shoe Depth	3876
Lead Cement Yield	2.91
Lead Cement Density	11.5
Lead Cement Excess	160
Tail Cement Length	520
Tail Cement Yield	1.33
Tail Cement Density	13.5
Tail Cement Excess	160
Lead Cement Required	505
Tail Cement Required	176



Casing Inside Diam. 4.892"

SHOE

3876 ',

5.5 ",

17 ppf,

J-55 LTC

SAN JUAN 32-8 #263A

HALLIBURTON OPTION

HALLIBURTON OF HON				
9-5/8 Surface Casing				
	Standard Cement			
Cement Recipe	+ 3% Calcium Chlor	de		
	+ 0.25 lb/sx Flocele			
Cement Volume	141 sx			
Cement Yield	1.21 cuft/sx			
	170.7	cuft		
Slurry Volume	30.4	bbls		
Cement Density 1		ppg		
Water Required				

7" Intermediate Casing					
Lead Slurry					
	Standard Cement				
Cement Recipe	+ 3% Econolite (Los	t Circulation Additive)			
	+ 10 lb/sx Gilsonite (Lost Circ. Additvie)			
	+ 0.25 lb/sx Flocele	(Lost Circ. Additive)			
Cement Required	505	SX			
Cement Yield	2.91	cuft/sx			
	1468.8	cuft			
Slurry Volume	261.6	bbls			
Cement Density	11.5				
Water Required	16.88	gal/sx			

7" Intermediate Casing				
Tail Slurry				
	50 / 50 POZ:Standar			
Cement Slurry	+ 2% Bentonite (Ligh	+ 2% Bentonite (Light Weight Additive)		
	+ 5 lbm/sk Gilsonite	(Lost Circ. Additive)		
	+ 0.25 lbm/sk Flocel	+ 0.25 lbm/sk Flocele (lost Circ. Additive)		
	+ 2% Calcium Chloride (Accelerator)			
Cement Required	176	SX		
Cement Yield	1.33	cuft/sx		
	234.3	cuft		
Slurry Volume	41.7	bbls		
Cement Density	13.5 ppg			
Water Required	5.36	gal/sx		

SCHLUMBERGER OPTION

9-5/8 Surface Casing				
	Class G Cement			
Cement Recipe	+ 3% S001 Calcium	+ 3% S001 Calcium Chloride		
	+ 0.25 lb/sx D029 Ce	ellophane Flakes		
Cement Volume	147 sx			
Cement Yield	1.16	cuft/sx		
01	170.7	cuft		
Slurry Volume	30.4	bbls		
Cement Density	15.8 ppg			
Water Required	4.983	gal/sx		

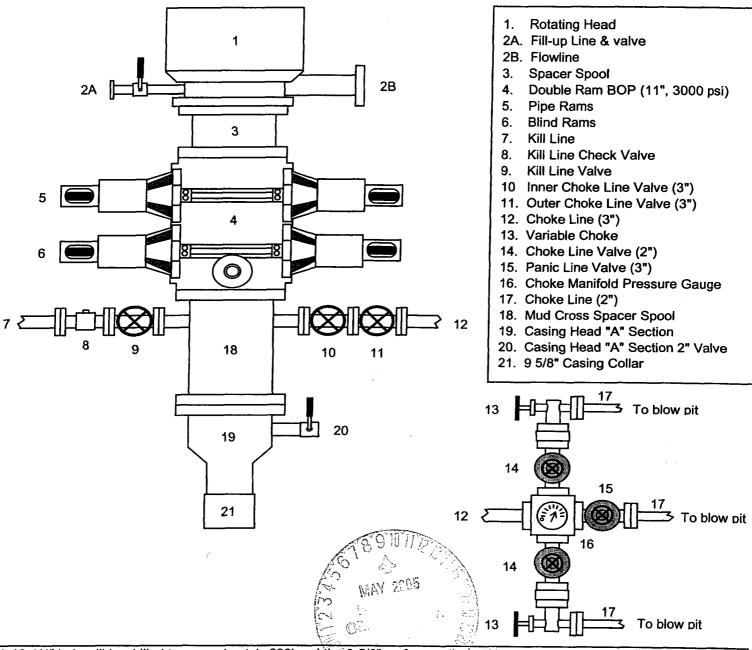
7" Intermediate Casing					
Lead Slurry					
	Class G Cement				
la Laurine	+ 3% D079 Extende				
Cement Recipe	+ 0.25 lb/sx D029 Co	ellophane Flakes			
	+ 0.2% D046 Antifoam)				
Cement Required	566 sx				
Cement Yield	2.61 cuft/sx				
Clearer Makama	1477.8	cuft			
Slurry Volume	263.2	bbls			
Cement Density	11.7 ppg				
Water Required	15.876	gal/sx			

7" Intermediate Casing					
	Tail Slurry				
	50 / 50 POZ : Class	G Cement			
	+ 2% D020 Bentonit	e			
0	+ 5 lb/sx D024 Gilso	nite extender			
Cement Slurry	+ 0.25 lb/sx D029 C	ellophane Flakes			
	+ 2% S001 Calcium Choloride				
[+ 0.2% D046 Antifoam				
Cement Required	177	sx			
Cement Yield	1.27	cuft/sx			
Chuma Valuma	225.3	cuft			
Slurry Volume	40.1	bbls			
Cement Density	13.5 ppg				
Water Required	5.182	gal/sx			



BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to Intermediate Casing Point & Setting 5 1/2" 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 10 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 10 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 a 7-7/8" hole will be drilled to production casing point and 5 1/2" 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