Form 3160-3 (August 1999)

# UNITED STATES DEPARTMENT OF THE INTERIOR BURGALLOF LAND MANAGEMENT

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

	BUREAU OF LAND	MANAGEMENT		5. Lease Serial No. SF-079380	
	APPLICATION FOR PERMIT	TO DRILL OR RE	ENTER	6. If Indian, Allottee or Tribe	Name
/	1a. Type of Work: ☑ DRILL ☐ REENTER			7. If Unit or CA Agreement,	Name and No.
	1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Oth	ner 🔲 Sing	ele Zone 🛛 Multiple Zone	8. Lease Name and Well No. SAN JUAN 32-8 UNIT 2	
	2. Name of Operator CONOCOPHILLIPS COMPANY Contact:	VICKI WESTBY E-Mail: Vicki.R.Westby@	Qconocophillips.com	9. API Well No. 30 -045-37	884
	3a. Address 4001 PENBROOK ODESSA, TX 79762	3b. Phone No. (include Ph: 915.368.1352		10. Field and Pool, or Explor BASIN FRUITLAND (	atory
	4. Location of Well (Report location clearly and in accorda	nce with any State requi	rements.*)	11. Sec., T., R., M., or Blk. a	nd Survey or Area
4	At surface NESE 1597FSL 663FEL	,		Sec 23 T32N R8W M	er NMP
	At proposed prod. zone NESE 1597FSL 663FEL  14. Distance in miles and direction from nearest town or post of	office*		12. County or Parish SAN JUAN	13. State
	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 L	ease	17. Spacing Unit dedicated to	
	18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 3693 MD		20. BLM/BIA Bond No. on f	ile O
	21. Elevations (Show whether DF, KB, RT, GL, etc. 6750 GL	22. Approximate date	work will start	23. Estimated duration/	
		24. Atta	achments	(A) (C)	3 3
	<ol> <li>The following, completed in accordance with the requirements of</li> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest System SUPO shall be filed with the appropriate Forest Service Off</li> </ol>	em Lands, the	Bond to cover the operatio Item 20 above).     Operator certification	ns unless covered by an existing of the control of	Lla 3. in
	25. Signature (Electronic Submission)	Name (Printed/Typed) VICKI WESTB)	Ph: 915.368.1352		Date 02/10/2005
	Title AGENT				
	Approved by (Signature)	Name (Printed/Typed)			Date 31/05
Ly	tield Manager-Mineral	Office			
(	Application approval does not warrant or certify the applicant hospitations thereon.  Conditions of approval, if any, are attached.	lds legal or equitable titl	e to those rights in the subject lea	ase which would entitle the appl	icant to conduct
	Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 n	aske it a crime for any n	erson knowingly and willfully to	make to any department or ago	nov of the Linited

Additional Operator Remarks (see next page)

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #53948 verified by the BLM Well Information System For CONOCOPHILLIPS COMPANY, sent to the Farmington

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

## State of New Mexico Energy, Minerals & Natural Resources Department

District | 1 1625 N. French Dr., Hobbs, NM 88240 District | 1 1301 W. Grand Avenue, Artesia, NM 88210 District | 11 1000 Rio Brazos Rd., Aztec, NM 87410 District | IY 1220 S. St. Francis Dr., Santa Fe, NM 87505 OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised June 10, 2003 Submit to Appropriate District Office

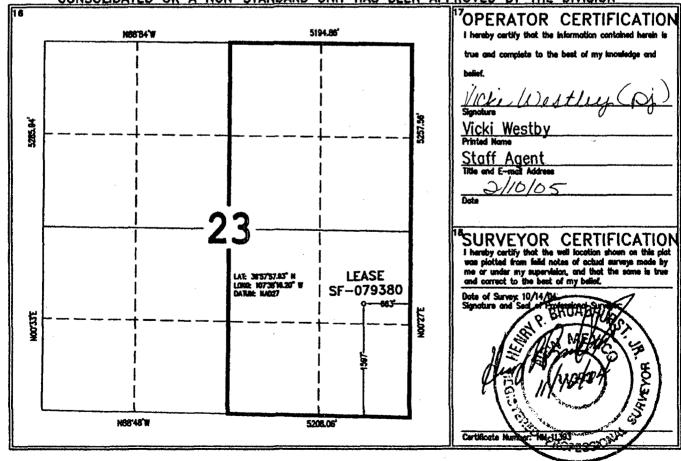
State Lease — 4 Copies

Fee Lease - 3 Copies

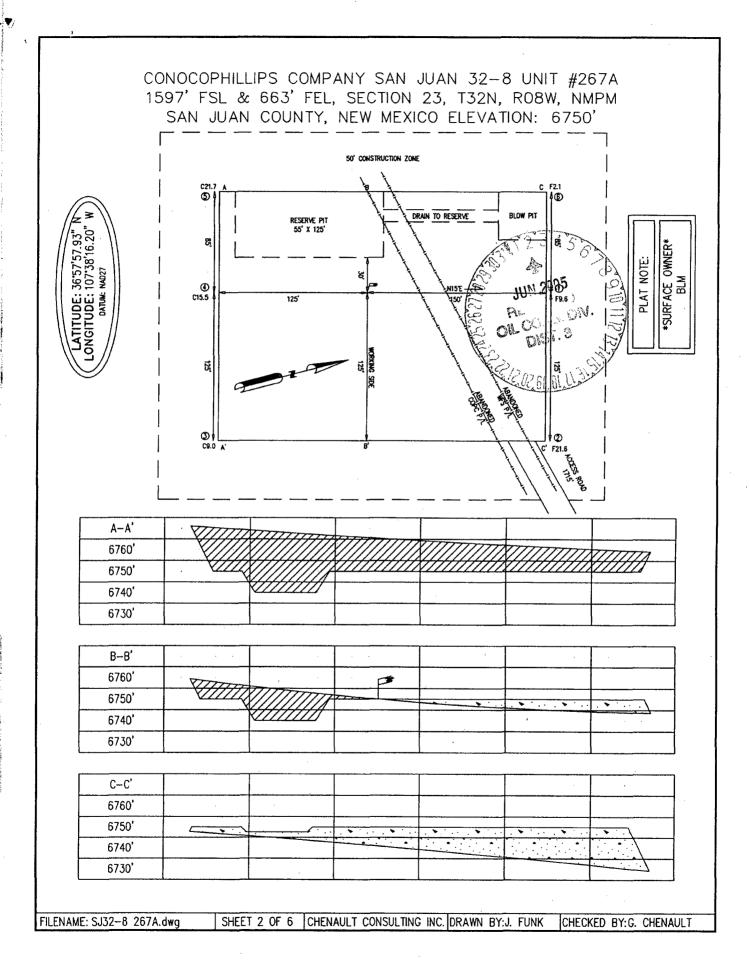
**MAMMENDED REPORT** 

10Surface Location UL or let no. 08W 1597 SOUTH 663 EAST SAN JUAN 32N Bottom Hole Location If Different From Surface UL or lot no. Feet from the North/South line County <sup>13</sup>Joint or Infili<sup>14</sup>Consolidation Code <sup>56</sup>Order No. Dedicated Acres E/2 320.0

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



Submit 3 Copies To Appropriate District Office	State of New M	lexico	Fonn C-1 03
District I	Energy, Minerals and Nat	ural Resources	May 27, 2004
1625 N. French Dr., Hobbs, NM 88240 District 11			WELL API NO.
1301 W. Grand Ave., Artesia, NM 882 1 0	OILCONSERVATION		5. Indicate Type of Lease
<u>District III</u> I 000 Rio Brazos Rd., Aztec, NM 8741 0	1220 South St. Fra		STATE FEE
District IV	Santa Fe, NM 8	7505	6. State Oil & Gas Lease No.
1220 S. St. Francis Dr., Santa I e, NM 87505			
	ICES AND REPORTS ON WELLS	3	7. Lease Name or Unit Agreement Name
(DONOTUSETHIS FORMFOR PROPO DIFFERENT RESERVOIR, USE 'APPLIC			
PROPOSALS)			San Juan 32-8 Unit  8. Well Number
1. Type of Well: Oil Well	Gas Well Other		20/A
2. Name of Operator	ConocoPhillips Company	,	9. OGRID Number 217817
3. Address of Operator	Conocornings Company		I 0. Pool name or Wildcat
3.7 todaes of operator	4001 Penbrook, Odessa, TX 7	19762	Basin Fruitland Coal
4. Well Location	4001 Chorook, Odessa, 174	7102	Dasin Futualit Coal
Unit Letter I	1597 feet from the Sout	h line and	663 feet from the East line
Section 23		ange 8W	NMPM San Juan County
	I 1. Elevation (Show whether D	OR, RKB, RT, GR, etc.)	
	67.	50 GL	
Pit or Below-grade Tank Application C		> 1 M31-	(0)
Pit type DRILL Depth to Groundwa			Distance from nearest surface water 60'
Liner Thickness: mil	Below-Grade Tank: Volume	bb1s; Cons	struction Material
12. Check A	Appropriate Box to Indicate N	lature of Notice, F	Report or Other Data
NOTICE OF IN	TENTION TO:	SUR	SEQUENT REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WORK	
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRIL	
PULLORALTERCASING [	MULTIPLE COMPL	CASING/CEMENT	JOB
OTHER:	П	OTHER:	П
	leted operations. (Clearly state all		give pertinent dates, including estimated date
of starting any proposed wo			ch wellbore diagram of proposed completion
or recompletion.	•		
The pit will be constructed and closed in	accordance with Rule 50 and as per the	he Nov. 1, 2004 Guide	lines. See the attached diagram that details the be closed after the well has been completed.
The solids left after the water has been	n disposed of will be sampled and i	NMOCD annroval w	ill be obtained prior to closure of this pit.
	. aspessed of visit of sampled take	wie ces approvar w	in so common prior to closure of this pic.
	•		263458
			and the second
			10 My 2000 = 3
			3
I hereby certify that the information al	ove is true and complete to the best	of my knowledge and	d belief. I further certify that any pit or below.
grade tank has been/will be constructed or cl	osed according to NMOCD guidelines	], a general permit [] or	r an (attached) alternative OCD-approved plan
SIGNATURE Vicki Westby	TITI F.C.	ff Agont	DATE 2/10/05 : 1\
VICKI WESIDY	TITLE Sta	и Адеш	DATE 2/10/05
Type or print name	E-mail ad	dress:	Telephone No.
For State Use Only	0 -		fall IN - 0 DAZ
A DDD OVED DV		OIL & GAS INSPECT	
APPROVED BY:  Conditions of Approval (if any):	TITLE		DATE
	/ *   /		





## PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

**SAN JUAN 32-8 267A** 

Lease:	marks mark in mark gripe i mentendri i semmente filma i filologica de la calendaria	V. 1176 - San			AFE #:		- representative per la communicación de la co	T. PPROVINCE COMMERCATIONS also finds of advantures recognized	TOTAL TOTAL CONTRACT OF THE PARTY OF THE PAR	AFE \$:
Field Name: hPH	LLIPS 32-8		Rig:				State: NM	County: SA	N JUAN	API #:
Geoscientist: Clo	ud, Tom A			: +1 832 48	36-2377	Prod	. Engineer:	<del></del>		ione: 832-486-2254
Res. Engineer: Pe		-	Phone	486-2055		·	Field Lead:			one:
Primary Objecti										
Zone	Zone Name							<u> </u>		·63/
JCV	BASIN FRUIT	LAND COAL	(GAS)						4	ं की
L	<u></u>	······································	·						Mil 5002	. 9
								120	Va. s	M. 3
								600		(5°,
Location: Suifae									Padit i v	Straight Hole*
Latitude: 36.97		ide: -107.64	4	X:		Y:		Section: 2	3/-	Range: 8W
Footage X: 663 F	<del></del>	e Y: 1597 FS		Elevation: 6		(FT)	Townshine 23N	1 ~	Carolin D	Michalige: OV
-	- rootage	E 1. 1397 F3	).		3730	(Г)	Township: 32N			
Tolerance:			C D	nto (Est.).					D-1- 7- 0-	
Location Type:				ate (Est.):			mpletion Date:		Date In Op	eration:
Formation Data:	Assume KB =	6763 l	Jnits =							
Formation Call & Casing Points		Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)		внт			Remarks	
SAN JOSE		13	6750							
Surface Casing		213	6550				12-1/4 hole. 9 to surface.	9 5/8" 32.3 p	pf, H-40, STC	casing, Circulate cement
NCMT		938	5825	П			to surface.			
OJAM		2488	4275	ñ			Possible water	flows.		& **
KRLD		3039	3724		٠					
FRLD		3193	3570				Possible gas.			. j <sup>e</sup>
Intermediate Casin	9	3238	3525	. 🗆			8 3/4" Hole. 7 surface.	", 20 ppf, J-5	55, STC Casing	. Circulate cement to
TOP COAL		3268	3495			•				
BASE MAIN COAL		3428	3335		1350					
PC TONGUE		3506	3257							,
BASE LOWEST COA	L	3618	3145							à
PCCF		3623	3140							
Total Depth		3693	3070				6-1/4" hole po 15.5#, J-55 LT	ssibly undern	eamed to 9.5"	. Optional Liner: 5.5",
Reference Wells			9.674	West of the	46.47	48 4	13.3#, J-33 CI	C ICIT UIICE	nemeu.	
Control of the Contro	Well Name			Comment	:5					
Intermediate	NWPL SJ 32-8	#37								
Logging Program			1400		4 (4)		4.0			destruction
Intermediate Logs:	Log only	if show	GR/ILD	Triple	e Combo					
TD Logs:	☐ Triple Co	mbo 🏻 Dii	pmeter	□ RFT [	Sonic [	] VSF	TDT			
								····		
Additional Informa	tion:							<del></del>		
Auditional Informa	uon.				·					
Log Type	Stage	From	(Ft)	To (Ft)	)	Tool	Type/Name	Rei	marks	

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### PROJECT PROPOSAL - New Drill / Sidetrack

**SAN JUAN 32-8 267A** 

Comments: General/Work Description - 4-8 ft coal just above PCCF. No PCCF PA.

Final staked elevation.

Notify geologist if graded location elevation differs from staked elevation.

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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Form 3160-5 (August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: November 30, 2000

Lease Serial No. NMSF079380

SUNDRY NOTICES AND REPORTS ON WELLS	
Do not use this form for proposals to drill or to re-enter an	
shandoned well. Use form 3160-3 (APD) for such proposals	

6 If Indian Allottee or Tribe Name

abandoned wel	I. Use form 3160-3 (APD) fo	r such proposals.	0. II ilidiali, Anottee	of Titoe Name
SUBMIT IN TRI	PLICATE - Other instruction	s on reverse side.	7. If Unit or CA/Agr NMNM78424B	eement, Name and/or No.
1. Type of Well	·		8. Well Name and No SAN JUAN 32-8	
Oil Well Gas Well Oth		ZLWESTSV	9. API Well No.	
Name of Operator     CONOCOPHILLIPS COMPAN	Contact: VICHIY E-Mail: vicki.r.westby@		30-045-32886	-00-X1
3a. Address P O BOX 2197 WL 6106 HOUSTON, TX 77252		Phone No. (include area code: 432.368.1352	10. Field and Pool, of BASIN FRUIT	
4. Location of Well (Footage, Sec., 7	., R., M., or Survey Description)	···	11. County or Parish	, and State
Sec 23 T32N R8W NESE 159	7FSL 663FEL		SAN JUAN CO	DUNTY, NM
12. CHECK APPI	ROPRIATE BOX(ES) TO IN	DICATE NATURE OF 1	NOTICE, REPORT, OR OTH	ER DATA
TYPE OF SUBMISSION		TYPE O	F ACTION	
Notice of Intent	☐ Acidize	Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
_	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	Recomplete	Other Change to Original A
Final Abandonment Notice	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	PD
	Convert to Injection	☐ Plug Back	☐ Water Disposal	
determined that the site is ready for for the ConocoPhillips company requirements calculated and cement calculated and cement calculated and cements can be accordingly to the conocine control of the conocine certain cert	ests to submit revised cemen	it information for this well	The original 23456 Jun 2005 Jun 2005 Dist. S. Div.	18 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1
14. I hereby certify that the foregoing is	Electronic Submission #5550	09 verified by the BLM We	I Information System	
Comm	For CONOCOPHILLI nitted to AFMSS for processing	PS COMPANY, sent to the by ADRIENNE BRUMLEY	Farmington on 03/29/2005 (05AXB0995SE)	
Name (Printed/Typed) VICKI WE	•	Title AGENT	,	
Signature (Electronic	Submission)	Date 03/28/2	2005	
	THIS SPACE FOR F	EDERAL OR STATE	OFFICE USE	
Approved By  Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conduct the applicant th	uitable title to those rights in the sub- uct operations thereon.	ject lease Office	The 1d Wange	_ Date \$ \langle 31/0
Title 18 U.S.C. Section 1001 and Title 43	U.S.C. Section 1212, make it a crim	ne for any person knowingly an	d willfully to make to any department	or agency of the United

#### San Juan 32-8 # 267A **Halliburton Cementing Program**

#### **SURFACE CASING:**

12.25	**
9.625	**
32.3	ppf
H-40	
230	•
	cuft/s
	lb/gal
125	%
141	sx

SHOE

230 ', 9.625 ",

32.3 ppf,

STC

8.75

20 ppf J-55 3238 2.91 cuft/sk 11.5 lb/gal 160 % 315 1.33 cuft/sk 13.5 lb/gal 160 %

375 sx 100 sx

#### **INTERMEDIATE CASING:**

Drill Bit Diameter	
Casing Outside Diameter	
Casing Weight	
Casing Grade	
Shoe Depth	104
Lead Cement Yield	
Lead Cement Density	
Lead Cement Excess	
Tail Cement Length	
Tail Cement Yield	
Tail Cement Density	
Tail Cement Excess	
Lead Cement Required	
Tail Cement Required	0.00

Casing Inside Diam. 6.456"

Casing Inside Diam. 9.001"

LINER TOP

3218 '

SHOE

3238 ',

J-55



LINER BOTTOM 3693 (Uncemented)

20 ppf,

#### SAN JUAN 32-8 #267A

#### HALLIBURTON OPTION

	TIMEEIDORTOROI	11014		
	9-5/8 Surface Casir	ng		
	Standard Cement			
Cement Recipe	+ 3% Calcium Chloride			
	+ 0.25 lb/sx Flocele			
Cement Volume	141	sx		
Cement Yield	1.21	cuft/sx		
Clure / Volumo	170.7	cuft		
Slurry Volume	30.4	bbls		
Cement Density	15.6	ppg		
Water Required	5.29	gal/sx		

7" Intermediate Casing					
	Lead Slurry				
	Standard Cement				
Cement Recipe	+ 3% Econolite (Los	t Circulation Additive)			
Cement Recipe	+ 10 lb/sx Gilsonite (Lost Circ. Additvie)				
	+ 0.25 lb/sx Flocele	(Lost Circ. Additive)			
Cement Required	375	sx			
Cement Yield	2.91	cuft/sx			
Slurry Volume	1090.9	cuft			
Siurry volume	194.3	bbls			
Cement Density	11.5	ppg			
Water Required	16.88	gal/sx			

	7" Intermediate Casi	ng			
	Tail Slurry				
	50 / 50 POZ:Standar	rd Cement			
	+ 2% Bentonite (Ligh	+ 2% Bentonite (Light Weight Additive)			
Cement Slurry	+ 5 lbm/sk Gilsonite	(Lost Circ. Additive)			
i	+ 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			
Sidily volume	23.6	bbls			
Cement Density	13.5	ppg			
Water Required	5.36	gal/sx			

#### SCHLUMBERGER OPTION

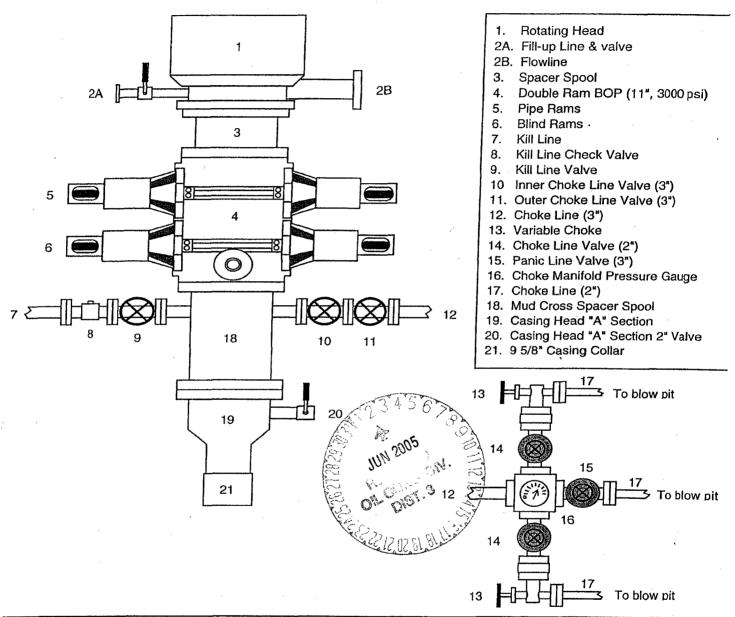
	9-5/8 Surface Casing				
	Class G Cement				
Cement Recipe	+ 3% S001 Calcium Chloride				
	+ 0.25 lb/sx D029 Cellophane Flakes				
Cement Volume	147 sx				
Cement Yield	1.16 cuft/sx				
Slurry Volume	170.7 cuft				
	30.4 bbls				
Cement Density	15.8 ppg				
Water Required	4.983 gal/sx				

	7" Intermediate Casin	g
	Lead Slurry	
Cement Recipe	Class G Cement	
	+ 3% D079 Extender	
	+ 0.25 lb/sx D029 Cellophane Flakes	
	+ 0.2% D046 Antifoam)	
Cement Required	420	sx
Cement Yield	2.61	cuft/sx
Slurry Volume	1096.8	cuft
	195.3	bbls
Cement Density	11.7	ppg
Water Required	15.876	gal/sx

	7" Intermediate Casin	g	
	Tail Slurry		
Cement Slurry	50 / 50 POZ : Class G Cement		
	+ 2% D020 Bentonite		
	+ 5 lb/sx D024 Gilsonite extender		
	+ 0.25 lb/sx D029 Cellophane Flakes		
	+ 2% S001 Calcium Choloride		
	+ 0.2% D046 Antifoam		
Cement Required	100	sx	
Cement Yield	1.27	cuft/sx	
Slurry Volume	126.9	cuft	
	22.6	bbls	
Cement Density	13.5	ppg	
Water Required	5.182	gal/sx	

#### **BLOWOUT PREVENTER ARRANGEMENT & PROGRAM**

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



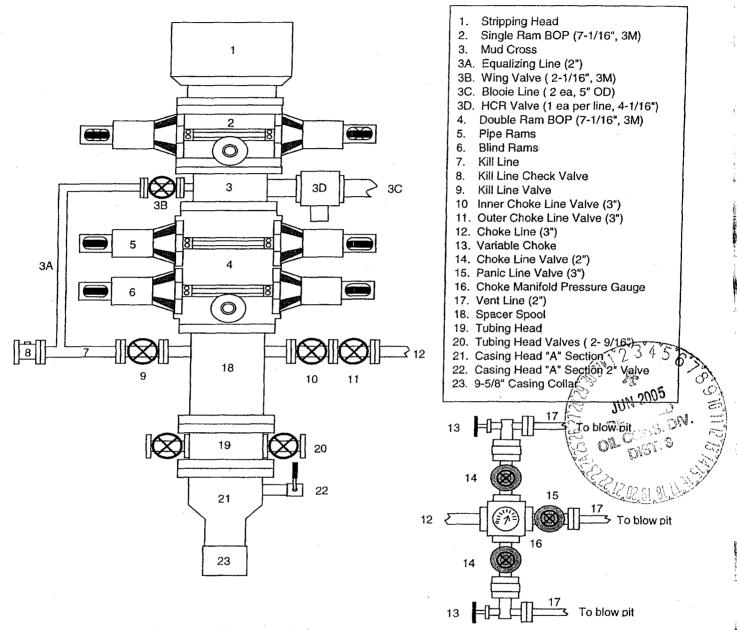
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 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 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 10 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 10 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).