

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

2005 SEP 28 PM 4 02

RECEIVED

OTO FARMINGTON NM

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF-079322
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input 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.
3a. Address 4001 Penbrook, Odessa, TX 79762	3b. Phone No. (include area code) 432-368-1230	8. Lease Name and Well No. SAN JUAN 32 FED 14 #1R
4. Location of Well (Report location clearly and in accordance with any State requirements, *) At surface NENE 1088 FNL - 1281 FEL At proposed prod. zone		9. API Well No. 30-045-33372
14. Distance in miles and direction from nearest town or post office*		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)		11. Sec., T. R. M. or Blk. and Survey or Area SECTION 14, T32N, R9W NMPM A
16. No. of acres in lease 474.72	17. Spacing Unit dedicated to this well E/2 - 316.19 ACRES	12. County or Parish SAN JUAN
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 3880'	13. State NM
20. BLM/BIA Bond No. on file	21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6894' 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, must 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 must be filed with the appropriate Forest Service office). | 6. Such other site specific information and/or plans as may be required by the BLM- |

25. Signature 	Name (Printed/Typed) Peggy James	Date 9/27/2005
Title Sr. Associate		

Approved by (Signature) 	Name (Printed/Typed) D. Mankie	Date 10/12/05
Title AFM		

Application approval does not warrant or certify that 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.

*(Instructions on page 2)

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.

ConocoPhillips will use mudloggers to prevent us from accessing the Pictured Cliffs formation.

This well does not require HPA notification.

This well is a replacement well for the San Juan 32 Fed 14 #1 well.

NMOCD

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. 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

RECEIVED
070 FARMINGTON NM

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-33372		² Pool Code 71629	³ Pool Name BASIN FRUITLAND COAL (GAS)
⁴ Property Code 34731	⁵ Property Name SAN JUAN 32 FED 14		⁶ Well Number #1R
⁷ OGRID No. 217817	⁸ Operator Name CONOCOPHILLIPS COMPANY		⁹ Elevation 6894

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	32N	09W		1088	NORTH	1281	EAST	SAN JUAN

¹¹Bottom 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

¹²Dedicated Acres ¹³Joint or Infill ¹⁴Consolidation Code ¹⁵Order No.

E/2 316.19

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>¹⁶</p>	<p>¹⁷OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Vicki Westby (pf)</i> Signature Vicki Westby Printed Name Staff Agent Title and E-mail Address 9/27/2005 Date</p>
	<p>¹⁸SURVEYOR CERTIFICATION</p> <p>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: 09/14/05 Signature and Seal of Professional Surveyor: </p> <p>Certificate Number: NM 11393</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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-103

May 27, 2004

WELL API NO.

30-045-33372

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

SAN JUAN 32 FED 14

8. Well Number

1R

9. OGRID Number

217817

10. Pool name or Wildcat

BASIN FRUITLAND COAL

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)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

ConocoPhillips Company

3. Address of Operator

4001 Penbrook, Odessa, TX 79762

4. Well Location

Unit Letter A 1088 feet from the NORTH line and 1281 feet from the EAST line
Section 14 Township 32N Range 9W NMPM SAN JUAN County

I 1. Elevation (Show whether DR, RKB, RT, GR, etc.)
6894' GL

Pit or Below-grade Tank Application ☒ Closure ☐

Pit type DRILL Depth to Groundwater 70' Distance from nearest fresh water well >1000' 1 MILE Distance from nearest surface water 300'

Liner Thickness:

mil

Below-Grade Tank: Volume

bb1s; Construction Material

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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 I 103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The pit will be constructed and closed in accordance with Rule 50 and as per COPC June 2005 General Pit Plan on file with the NMOCD. See the attached diagram that details the location of the pit in reference to the proposed wellhead. The drill pit will be lined. The drill pit will be closed after the well has been completed

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 Peggy James

TITLE Sr. Associate

DATE 9/27/2005

Type or print name

E-mail address:

Telephone No.

For State Use Only

APPROVED BY: [Signature]

TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 4

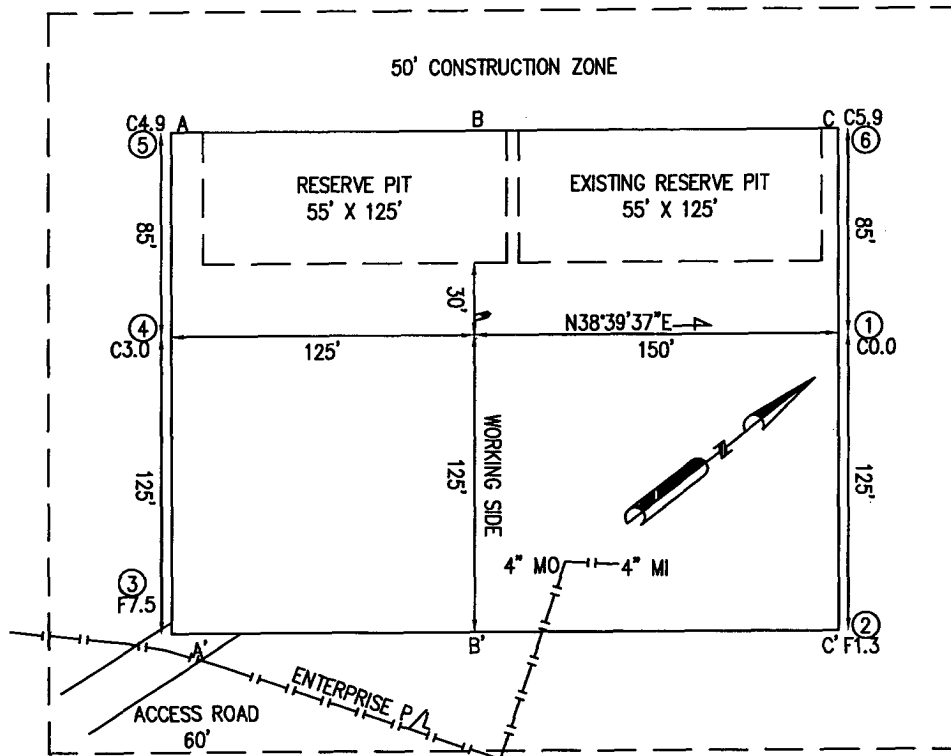
DATE

OCT 14 2005

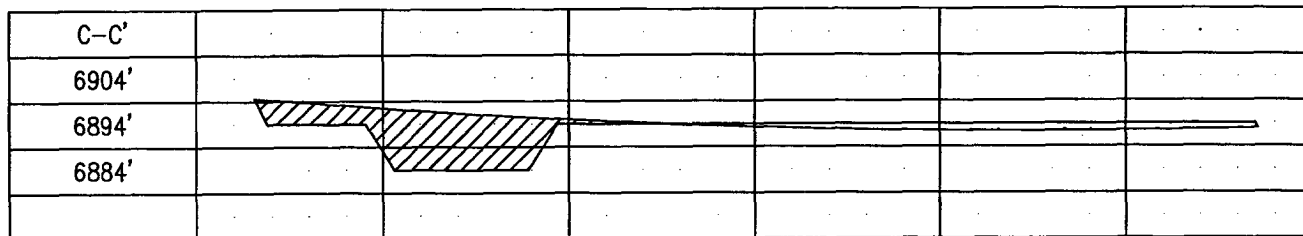
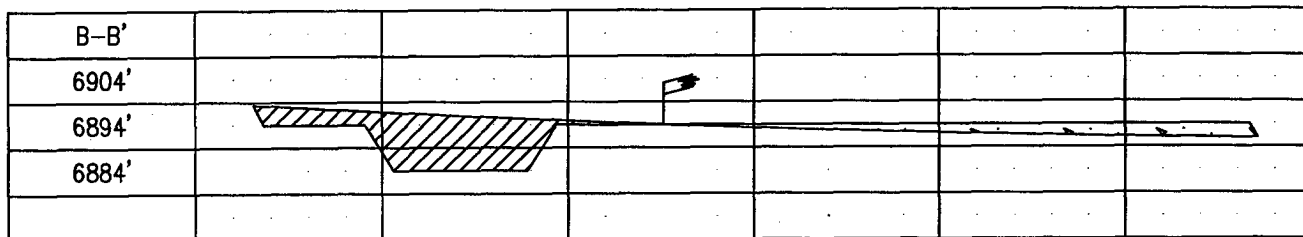
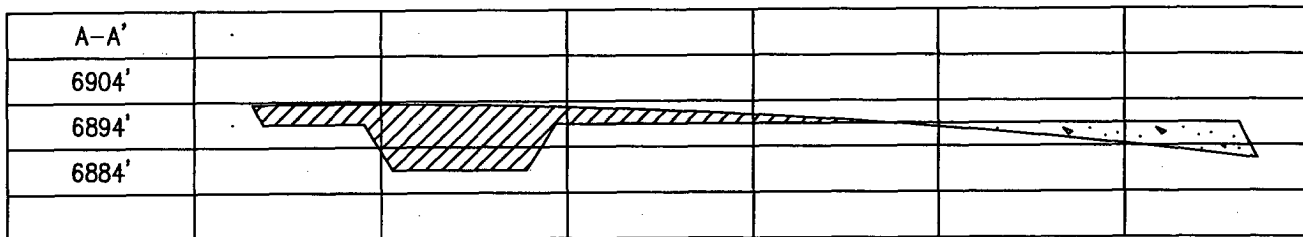
Conditions of Approval (if any):

CONOCOPHILLIPS COMPANY SAN JUAN 32 FED 14 #1R
 1088' FNL & 1281' FEL, SECTION 14, T32N, R09W, NMPM
 SAN JUAN COUNTY, NEW MEXICO ELEVATION: 6894'

LATITUDE: 36.98864° N
 LONGITUDE: 107.74382° W
 DATUM: NAD27



PLAT NOTE:
 SURFACE OWNER
 BLM



PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 32 FED 14 1 R

Lease:		AFE #:		AFE \$:	
Field Name: CBM DRILL BLOCKS		Rig:	State: NM	County: SAN JUAN	API #:
Geoscientist: Cloud, Tom A		Phone: +1 832 486-2377	Prod. Engineer: Bergman, Pat W.		Phone: (832) 486-2358
Res. Engineer: Peterson, Brad T		Phone: 486-2055	Proj. Field Lead:		Phone:

Primary Objective (Zones):

Zone	Zone Name
JCV	BASIN FRUITLAND COAL (GAS)

Location: Surface

Straight Hole

Latitude: 36.99	Longitude: 107.74	X:	Y:	Section: 14	Range: 9W
Footage X: 1281 FEL	Footage Y: 1088 FNL	Elevation: 6894	(FT)	Township: 32N	
Tolerance:					

Location Type:	Start Date (Est.):	Completion Date:	Date In Operation:
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Formation Data:	Assume KB = 6910	Units = FT
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Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	216	6694	<input type="checkbox"/>			12-1/4 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.
NCMT	960	5950	<input type="checkbox"/>			
OJAM	2230	4680	<input type="checkbox"/>			Possible water flows.
KRLD	2390	4520	<input type="checkbox"/>			
FRLD	3285	3625	<input type="checkbox"/>			Possible gas.
TOP COAL	3430	3480	<input type="checkbox"/>			
BASE MAIN COAL	3550	3360	<input type="checkbox"/>			
BASE LOWEST COAL	3757	3153	<input type="checkbox"/>			
PCCF	3760	3150	<input type="checkbox"/>			
Total Depth	3880	3030	<input type="checkbox"/>			7 7/8" hole. 5 1/2" 17 ppf, J-55, LTC casing. Circulate cement to surface.

Reference Wells:

Reference Type	Well Name	Comments
Production	COP 32 Fed 14 #1	Mudlog

Logging Program:

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

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

Cased hole CNL or RST sigma mode.

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
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Comments: Location/Tops/Logging - Case and Frac completion. No Mudlog. 100' west of original 32 Fed 14 #1.

Zones - Case and frac completion.

Drilling Mud Program:
Surface: spud mud

Printed on: 9/21/2005 8:13:25 AM

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 32 Fed 14 #1R
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 ", 32.3 ppf, H-40 STC

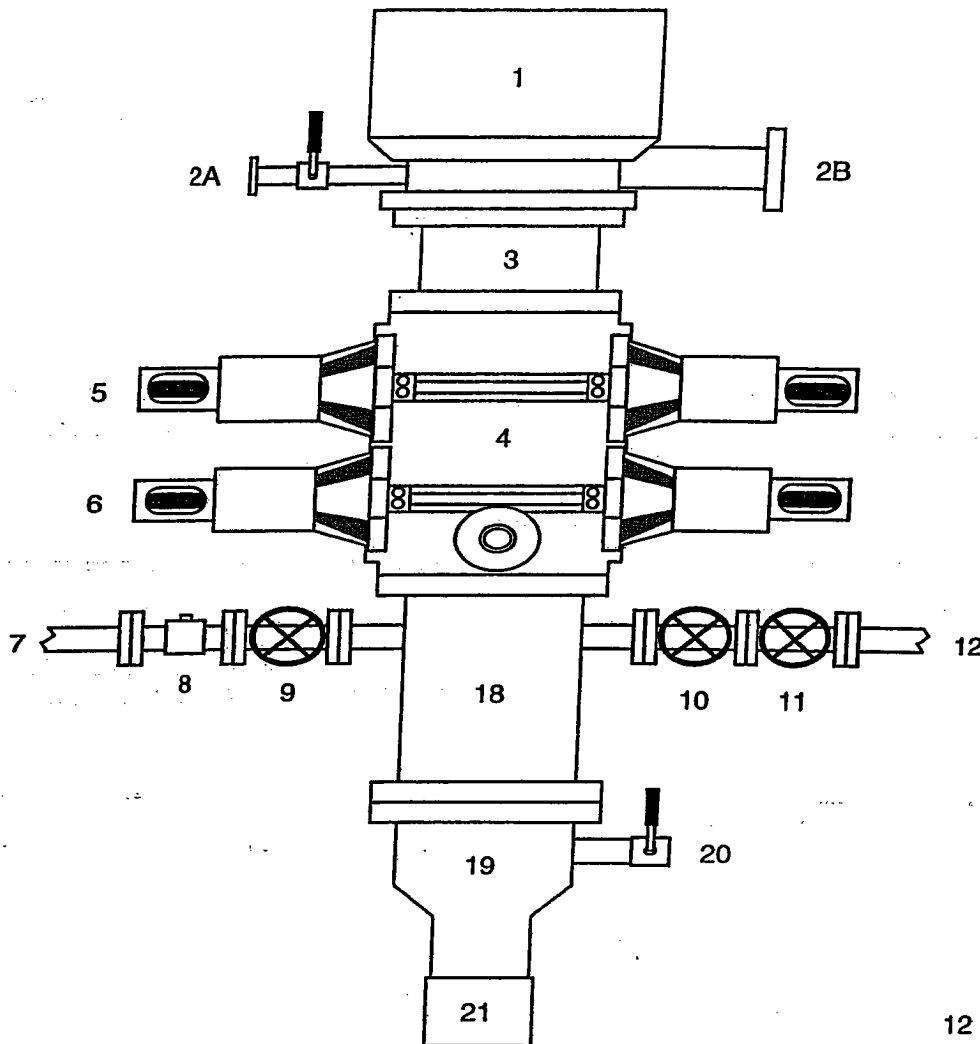
INTERMEDIATE CASING :

Drill Bit Diameter	7.875"	
Casing Outside Diameter	5.5"	Casing Inside Diam. 4.892"
Casing Weight	17	ppf
Casing Grade	J-55	
Shoe Depth	3880'	
Lead Cement Yield	2.91	cuft/sk
Lead Cement Density	11.5	lb/gal
Lead Cement Excess	160	%
Tail Cement Length	776'	
Tail Cement Yield	1.33	cuft/sk
Tail Cement Density	13.5	lb/gal
Tail Cement Excess	160	%
Lead Cement Required	466	sx
Tail Cement Required	263	sx

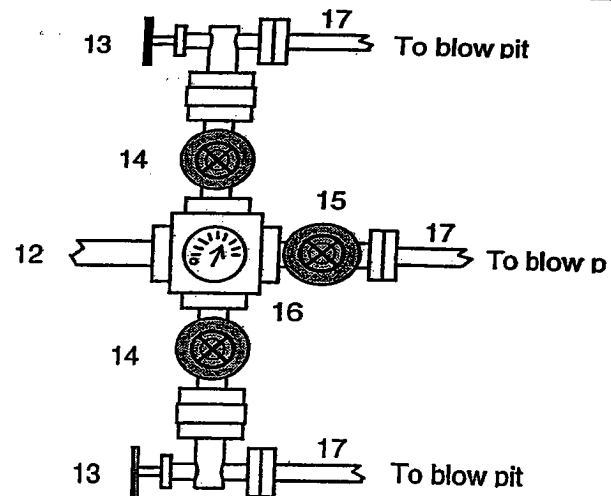
SHOE 3880 ', 5.5 ", 17 ppf, J-55 LTC

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

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



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Flowline
3. Spacer Spool
4. Double Ram BOP (11", 3000 psi)
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. Choke Line (2")
18. Mud Cross Spacer Spool
19. Casing Head "A" Section
20. Casing Head "A" Section 2" Valve
21. 9 5/8" Casing Collar



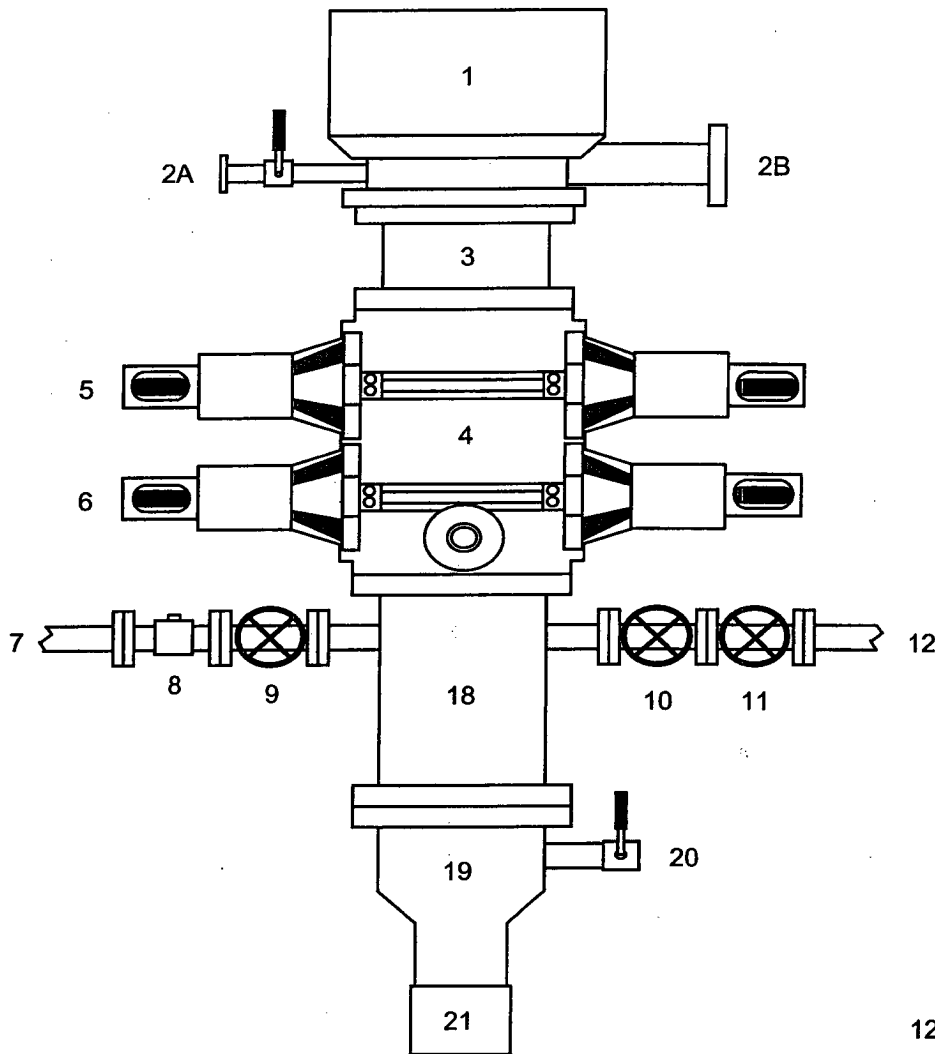
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe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

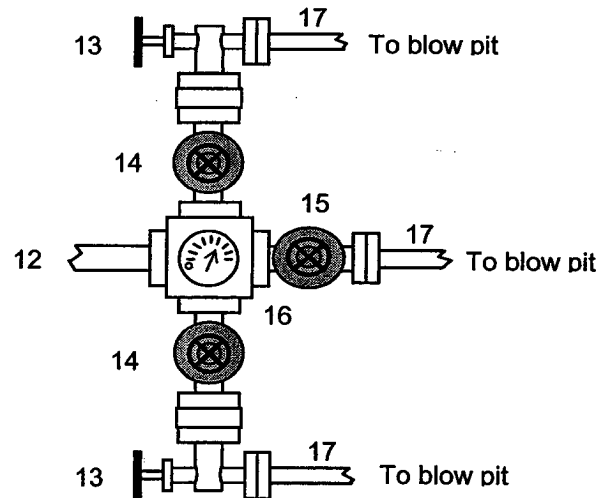
1. Inner Kelly cock Valve with handle

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to Intermediate Casing Point & Setting 5 1/2" Intermediate Casing



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Flowline
3. Spacer Spool
4. Double Ram BOP (11", 3000 psi)
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. Choke Line (2")
18. Mud Cross Spacer Spool
19. Casing Head "A" Section
20. Casing Head "A" Section 2" Valve
21. 9 5/8" Casing Collar



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

Property : SAN JUAN 32 FED 14 Well #: 1R

Surface Location:

Unit: A Section: 14 Township: 32N Range: 9W

County: SAN JUAN State: New Mexico

Footage: 1088 from the NORTH line, 1281 from the EAST line.

CATHODIC PROTECTION

ConocoPhillips (COP) proposes to drill a cathodic protection deep well groundbed for the subject well. COP will drill a hole vertically at the surface large enough to accommodate 20 feet of 8 inch diameter PVC pipe for surface casing to assist in further drilling and loading. Casing may be cemented in place for stability if needed. COP will drill a 6-7/8" hole to an anticipated minimum depth of 300' (maximum depth of 500'). Cement plugs will not be used unless more than one water zone is encountered. Prior drilling history for the area indicates only one zone to that depth. If more than one water zone is encountered, notification will be made and details of cement and casing will be provided.

All drilling activity will remain on the existing well pad and a Farmington based company will be doing the drilling for ConocoPhillips.