



Form 2460-3
(February 2005)

2005 SEP 7 AM 10 24

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

UNITED STATES RECEIVED
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT FARMINGTON NM

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-079012
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. NMN 78421 A
3a. Address 4001 Penbrook, Odessa, TX 79762		8. Lease Name and Well No. SAN JUAN 31-6 UNIT # 13H
3b. Phone No. (include area code) 432-368-1230		9. API Well No. 30-039-29652
4. Location of Well (Report location clearly and in accordance with any State requirements, *) At surface SWSW 795 FSL - 1310 FWL At proposed prod. zone		10. Field and Pool, or Exploratory BLANCO MESAVERDE / BASIN DAKOTA
14. Distance in miles and direction from nearest town or post office*		11. Sec., T. R. M. or Blk. and Survey or Area SECTION 4, T30N, R6W NMPM M
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)		12. County or Parish RIO ARRIBA
16. No. of acres in lease 639.84 ACRES		13. State NM
17. Spacing Unit dedicated to this well MV - W/2 - 319.84 ACRES DK - W/2 - 319.84 ACRES		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.		20. BLM/BIA Bond No. on file
19. Proposed Depth 7831' TVD		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6275' 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.
2. A Drilling Plan.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM-

25. Signature 	Name (Printed/Typed) Peggy James	Date 9/06/2005
Title Sr. Associate		

Approved by (Signature) 	Name (Printed/Typed) AFM	Date 4/9/06
Title AFM	Office FFO	

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 Blanco Mesaverde / Basin Dakota formations. This well will be drilled and equipped in accordance with the attachments submitted herewith. This application is for APD / ROW.

This well will be downhole commingled pursuant to the terms and conditions outlined in Order R-11363.

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

NMOC

This action is subject to technical and
pre-approval 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 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
7 AM 10 24

Form C-102
Revised February 21, 1994
Instructions on back
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

*API Number 30-039-29652		*Pool Code 72319 / 71599		*Pool Name BLANCO MESAVERDE / BASIN DAKOTA	
*Property Code 31328		*Property Name SAN JUAN 31-6 UNIT			*Well Number 13H
*OGRID No. 217817		*Operator Name CONOCOPHILLIPS COMPANY			*Elevation 6275'


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
M	4	30N	6W		795	SOUTH	1310	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 319.84 Acres - W/2 (MV) 319.84 Acres - W/2 (DK)					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

¹⁶ 1315.04' LOT 8 1320.00' LEASE SF-079012 639.84 acres 2640.00' 1310' 795' LAT: 36°50.1922' N LONG: 107°28.3287' W DATUM: NAD27 5285.28'				5280.00' LOT 7 LOT 6 LOT 5 1321.32' 1320.00' 2640.00'				¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Vicki Westby (pr) Vicki R. Westby Printed Name Staff Agent Title 9/6/2005 Date 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. Date of Survey: MAY 26, 2005 Signature and Seal of Professional Surveyor  JASON C. EDWARDS Certificate Number 15269	
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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

WELL API NO. 30-039-29652
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name SAN JUAN 31-6 UNIT
8. Well Number 13H
9. OGRID Number 217817
10. Pool name or Wildcat BLANCO MESAVERDE/BASIN DAKOTA

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator ConocoPhillips Company	
3. Address of Operator 4001 Penbrook, Odessa, TX 79762	
4. Well Location Unit Letter M 795 feet from the SOUTH line and 1310 feet from the WEST line Section 4 Township 30N Range 6W NMPM RIO ARRIBA County	

I 1. Elevation (Show whether DR, RKB, RT, GR, etc.) 6275' GL	
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> Closure <input type="checkbox"/>	
Pit type DRILL	Depth to Groundwater 180' Distance from nearest fresh water well > 1 MILE Distance from nearest surface water 225'
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 11.03. 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 *Peggy James* TITLE Sr. Associate DATE 9/6/2005

Type or print name E-mail address: Telephone No.

For State Use Only

APPROVED BY: *[Signature]* TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 40 DATE APR 06 2006

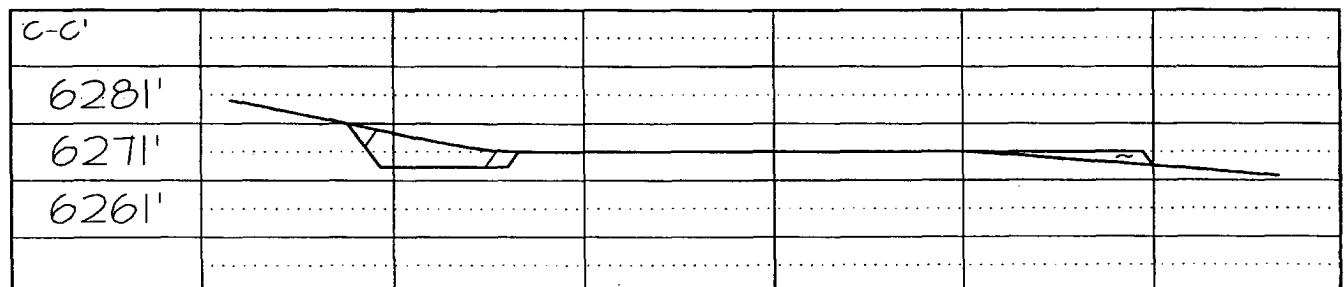
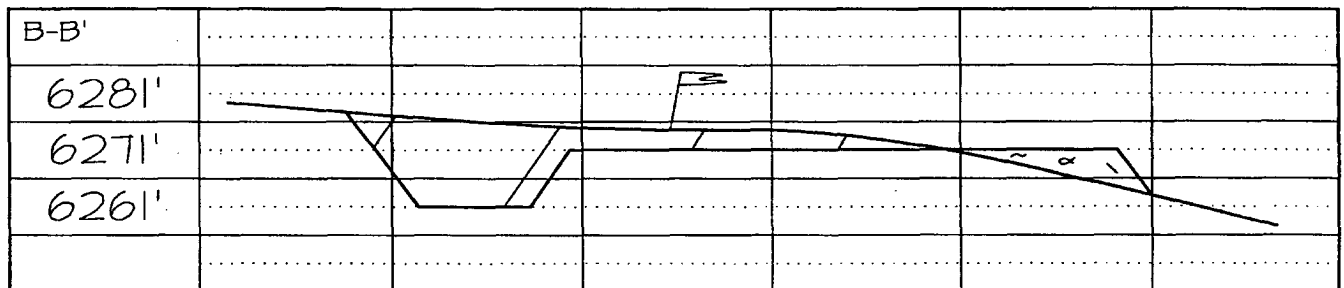
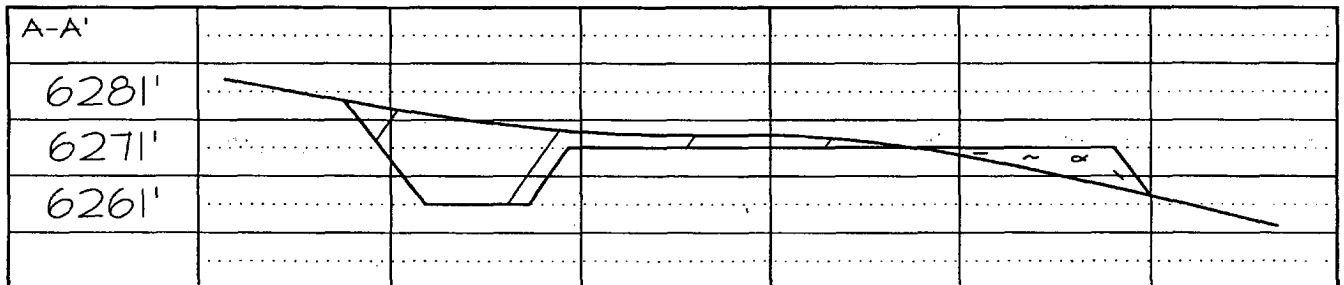
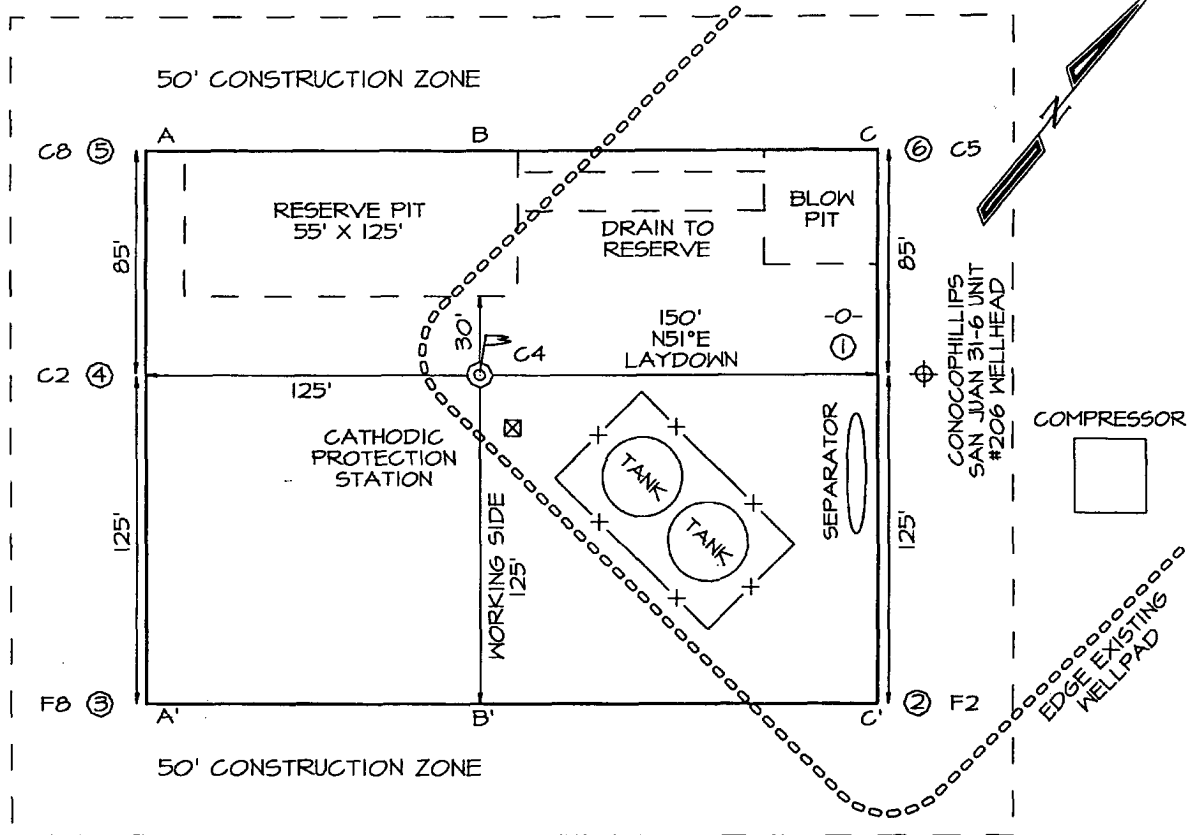
Conditions of Approval (if any):

CONOCOPHILLIPS COMPANY SAN JUAN 31-6 UNIT #13H
795' FSL & 1310' FWL, SECTION 4, T30N, R6W, NMPM
RIO ARriba COUNTY, NEW MEXICO ELEVATION: 6275'

LATITUDE: 36.83654° N
LONGITUDE: 107.47214° W
 DATUM: NAD1927

PLAT NOTE:

SURFACE OWNER
 Bureau of Land
 Management



PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 31-6 13H

Lease:			AFE #:			AFE \$:		
Field Name: hPHILLIPS 31-6			Rig:			State: NM		County: RIO ARRIBA
Geoscientist: Glaser, Terry J			Phone: (832)486-2332			Prod. Engineer: Moody, Craig E.		Phone: 486-2334
Res. Engineer: Tomberlin, Timothy A			Phone: (832) 486-2328			Proj. Field Lead: Fransen, Eric E.		Phone:
Primary Objective (Zones):								
Zone		Zone Name						
R20002		MESAVERDE(R20002)						
R20076		DAKOTA(R20076)						
Location: Surface								
Latitude: 36.84		Longitude: -107.47		X: 0.00		Y: 0.00		Section: 4
Footage X: 1310 FWL		Footage Y: 795 FSL		Elevation: 6275		(FT)		Township: 30N
Tolerance:								
Location Type:			Start Date (Est.):			Completion Date:		Date In Operation:
Formation Data: Assume KB = 6291 Units = FT								
Formation Call & Casing Points		Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks	
Surface Casing		216	6075	<input type="checkbox"/>			12-1/4 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.	
NCMT		1241	5050	<input type="checkbox"/>				
OJAM		2271	4020	<input type="checkbox"/>			Possible water flows.	
KRLD		2391	3900	<input type="checkbox"/>				
FRLD		2816	3475	<input type="checkbox"/>			Possible gas.	
PCCF		3216	3075	<input type="checkbox"/>				
LEWS		3416	2875	<input type="checkbox"/>				
Intermediate Casing		3516	2775	<input type="checkbox"/>			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface.	
CHRA		4341	1950	<input type="checkbox"/>				
CLFH		5181	1110	<input type="checkbox"/>			Gas; possibly wet	
MENF		5211	1080	<input type="checkbox"/>			Gas.	
PTLK		5471	820	<input type="checkbox"/>			Gas.	
GLLP		6841	-550	<input type="checkbox"/>			Gas. Possibly wet.	
GRHN		7481	-1190	<input type="checkbox"/>			Gas possible, highly fractured	
CBBO		7666	-1375	<input type="checkbox"/>			Gas	
Total Depth		7831	-1540	<input type="checkbox"/>			6-1/4" Hole. 4-1/2", 11.6 ppf, N-80, LTC casing. Circulate cement a minimum of 100' inside the previous casing string. No open hole logs. Cased hole TDT with GR to surface.	
Reference Wells:								
Reference Type		Well Name			Comments			

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 31-6 13H

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 checked="" type="checkbox"/> TDT					
Additional Information:					
Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks

Comments: Zones - Drilling Mud Program:

Surface: spud mud

Intermediate: fresh water mud with bentonite and polymer as needed

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

Centralizer Program:

Surface: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 3rd, & 4th joints

Intermediate: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 4th, 6th, 8th, & 10th joints

Turbolizers placed one per joint from the top of the Ojo Alamo to the top of the Kirtland Shale

Below Intermediate: no centralizers used in air holes. In mud holes centralizers are spaced out appropriately

San Juan 31-6 # 13H
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	235'	
Cement Yield	1.21	cuft/sk
Cement Density	15.6	lb/gal
Excess Cement	125	%
Cement Required	143	sx

SHOE 235 ', 9.625 ", 32.3 ppf, H-40 STC

INTERMEDIATE CASING :

Drill Bit Diameter	8.75"	
Casing Outside Diameter	7"	Casing Inside Diam. 6.456"
Casing Weight	20	ppf
Casing Grade	J-55	
Shoe Depth	3516'	
Lead Cement Yield	2.88	cuft/sk
Lead Cement Density	11.5	lb/gal
Lead Cement Excess	150	%
Lead Cement Required	351	sx
Tail Cement Length	703.2'	
Tail Cement Yield	1.33	cuft/sk
Tail Cement Density	13.5	lb/gal
Tail Cement Excess	150	%
Tail Cement Required	206	sx

SHOE 3516 ', 7 ", 20 ppf, J-55 STC

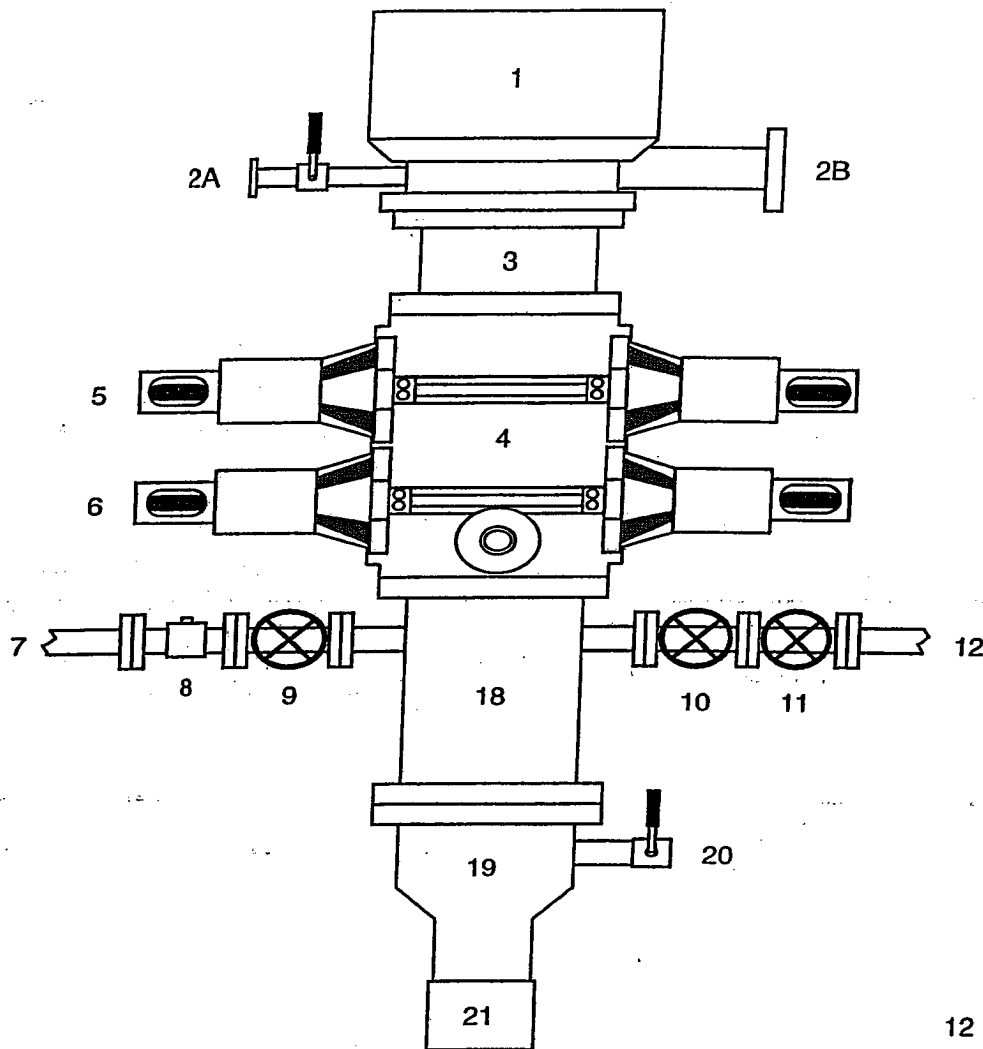
PRODUCTION CASING :

Drill Bit Diameter	6.25"	
Casing Outside Diameter	4.5"	Casing Inside Diam. 4.000"
Casing Weight	11.6	ppf
Casing Grade	N-80	
Top of Cement	3316'	200' inside intermediate casing
Shoe Depth	7831'	
Cement Yield	1.45	cuft/sk
Cement Density	13.1	lb/gal
Cement Excess	50	%
Cement Required	474	sx

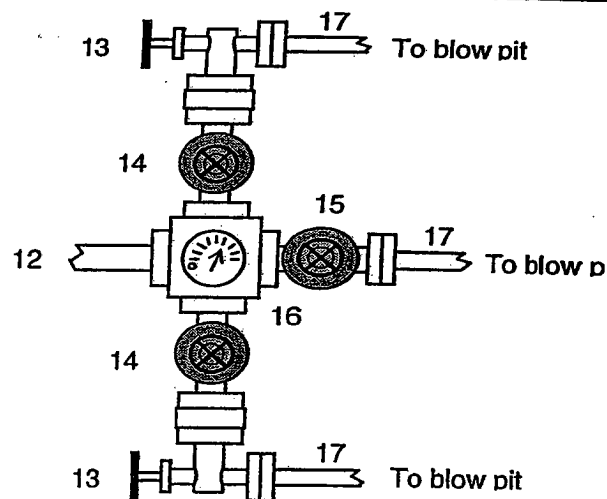
SHOE 7831 ', 4.5 ", 11.6 ppf, N-80 LTC

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



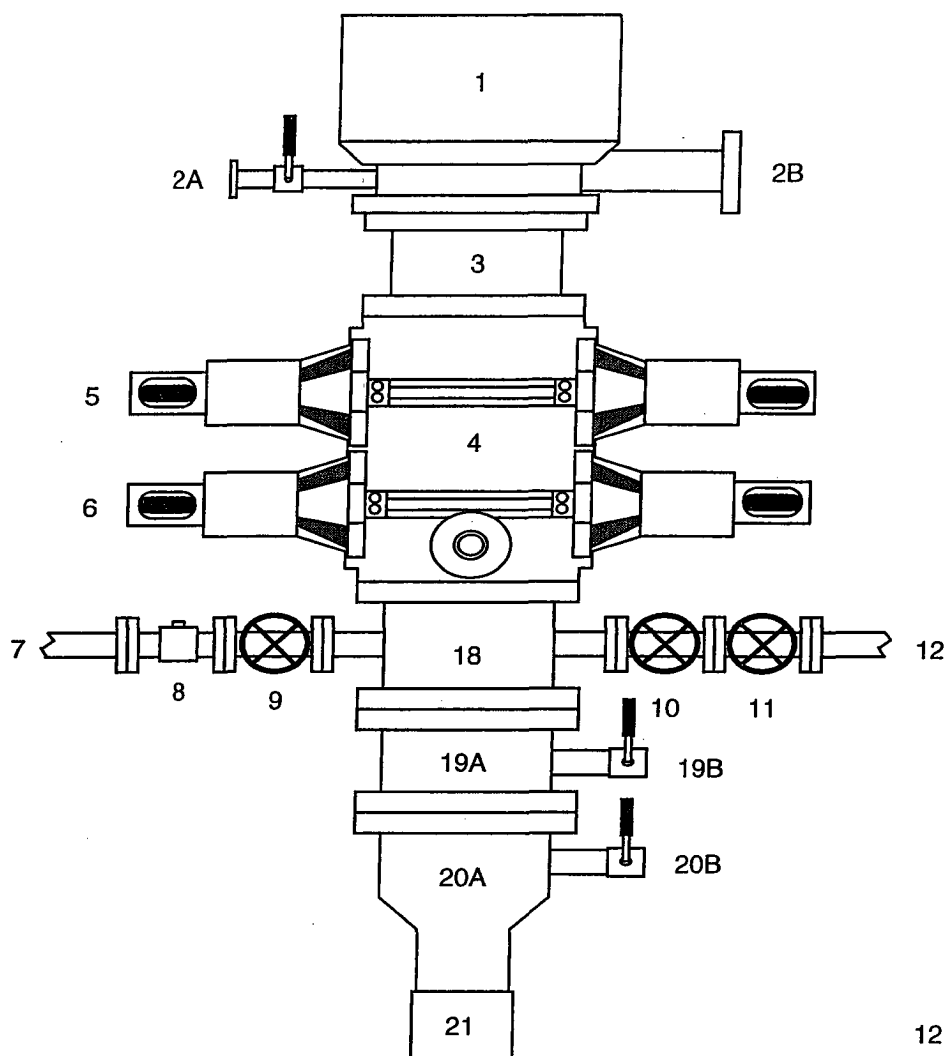
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe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

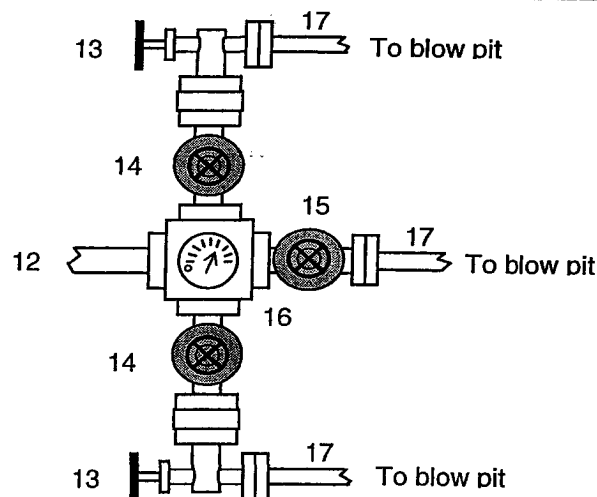
1. Inner Kelly cock Valve with handle

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to TD and Setting 4.5 inch Casing



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Bloopie Line (for Air Drilling)
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
- 19A Csg Spool "B" Section (11", 3M)
- 19B "B" Section Csg Valve (2", 3M)
- 20A Csg Head "A" Section (11", 3M)
- 20B "A" Section Csg Valve (2", 3M)
21. 9 5/8" Casing Collar



After the 7" intermediate casing has been run and cemented, the Casing Spool ("B" Section) will be installed on the wellhead ("A" Section) and the BOP will be installed on the Casing Spool. A test plug will be set in the wellhead and the pipe rams, blind rams, and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 10 minutes and to 3000 psi (high pressure test) for 10 minutes. Then the test plug will be removed and 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. Then we will air drill the 6-1/4" hole to TD and run and cement the 4-1/2" casing.

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 31-6 UNIT Well #: 13H

Surface Location:

Unit: M Section: 4 Township: 30N Range: 6W

County: RIO ARRIBA State: New Mexico

Footage: 795 from the SOUTH line, 1310 from the WEST 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.