

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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. SF-078999
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 checked="" 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 31-6 UNIT 219A
3a. Address 4001 PENBROOK ODESSA, TX 79762	3b. Phone No. (include area code) Ph: 915.368.1352	9. API Well No. 30-039-29483
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWNW 1482FNL 1201FWL K At proposed prod. zone NWNW 1482FNL 1201FWL 1900/N 2300/W F		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 K Sec 34 T31N R6W 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 2560.00	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 3493 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 0570 GL 6518	22. Approximate date work will start	17. Spacing Unit dedicated to this well w/2 SEC 34
23. Estimated duration		20. BLM/BIA Bond No. on file

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 Ph: 915.368.1352	Date 03/07/2005
Title AGENT		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 5/15/06
Title AEM	Office FED	

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 #54784 verified by the BLM Well Information System
For CONOCOPHILLIPS COMPANY, sent to the Farmington

HOLD C104 FOR directional survey

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

NMOCB

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-29483	*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL (GAS)
*Property Code 31328	*Property Name SAN JUAN 31-6 UNIT	
*Well Number 219A		
*OGRID No. 217817	*Operator Name CONOCOPHILLIPS COMPANY	
*Elevation 6518		

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
K	34	31N	R06W		2480	SOUTH	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
F	34	31N	06W		1900	NORTH	RIO ARRIBA

*Dedicated Acres W/2 320.0	*Joint or Infill	*Consolidation Code	*Order No.
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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

34

LEASE SF-078999

LAT: 36.85565° N
LONG: 107.45199° W
DATUM: NAD27

LAT: 36°51'20.3\"/>

N90°00'W 5280.00'

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Virgil Chavez

Signature
Virgil Chavez

Printed Name
Projects & Operations Lead

Title and E-mail Address
April 5, 2006

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: 02/24/06

Signature and Seal of Professional Surveyor

Certificate Number: NM 11393

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- 1 03
May 27, 2004

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. 30-039-27483
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		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 SAN JUAN 31-6 UNIT
4. Well Location Unit Letter <u>K</u> <u>2480</u> feet from the <u>SOUTH</u> line and <u>1940</u> feet from the <u>WEST</u> line Section <u>34</u> Township <u>31N</u> Range <u>6W</u> NMPM <u>RIO ARRIBA</u> County		8. Well Number 219A
I 1. Elevation (Show whether DR, RKB, RT, GR, etc.) 6518 GL		9. OGRID Number 217817
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> Closure <input type="checkbox"/>		10. Pool name or Wildcat BASIN FRUITLAND COAL
Pit type <u>DRILL</u> Depth to Groundwater <u>2100'</u> Distance from nearest fresh water well <u>9915'</u> Distance from nearest surface water <u>380'</u> Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume: <u>4400</u> bbls; Construction Material: <u>Synthetic</u>		

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 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

TITLE Senior Associate

DATE 04/11/2006

Type or print name

E-mail address peggy.s.james@conocophillips.com:

Telephone No.: (432)368-1230

For State Use Only

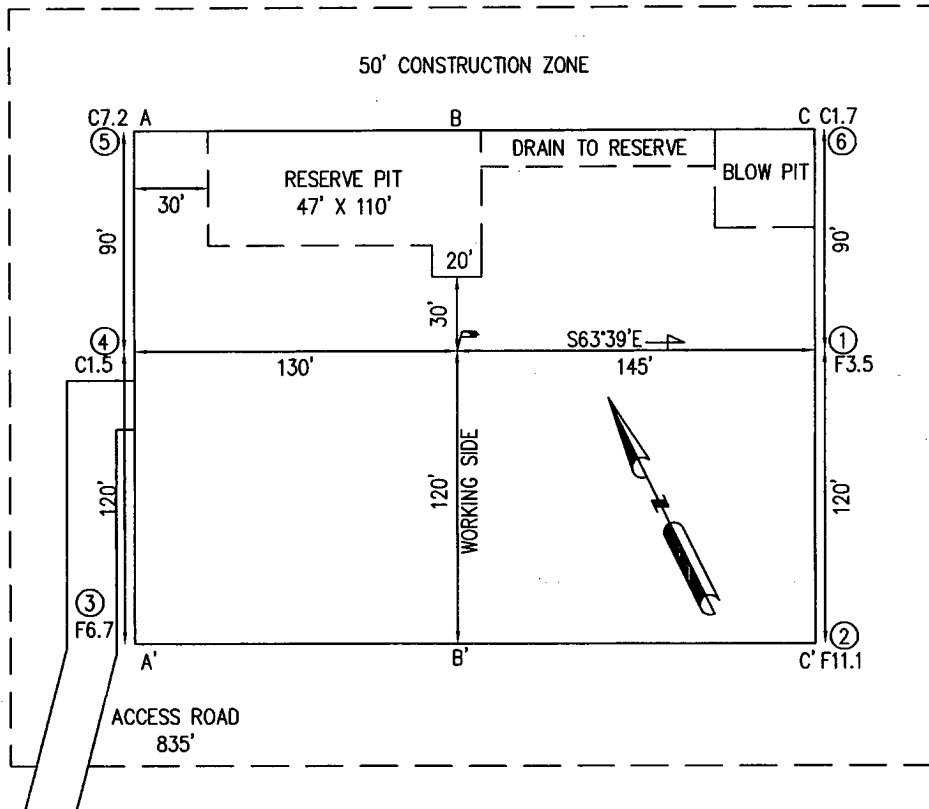
APPROVED BY: [Signature]

TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 40 DATE MAY 17 2006

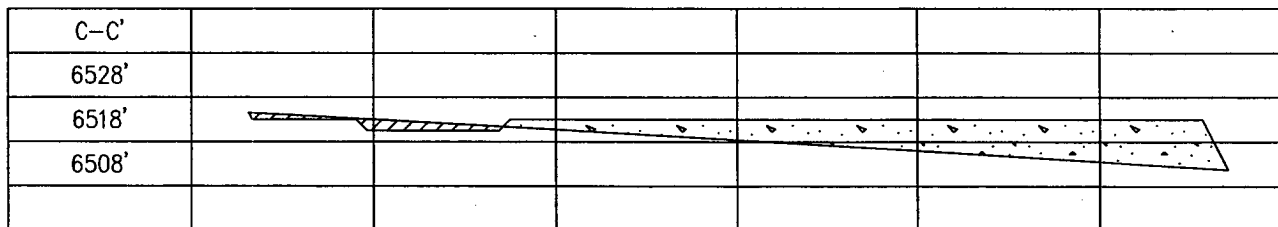
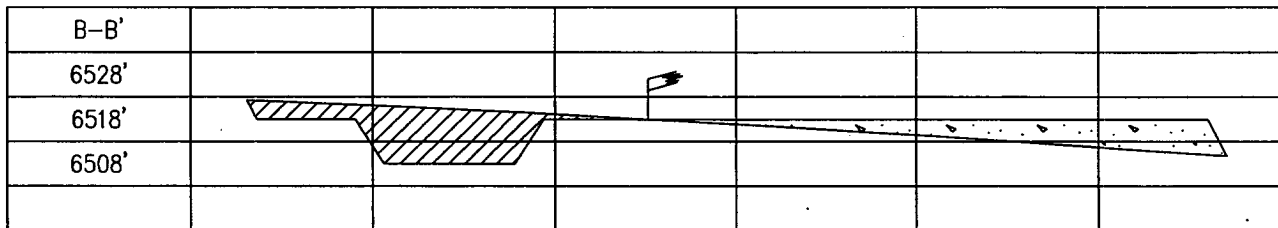
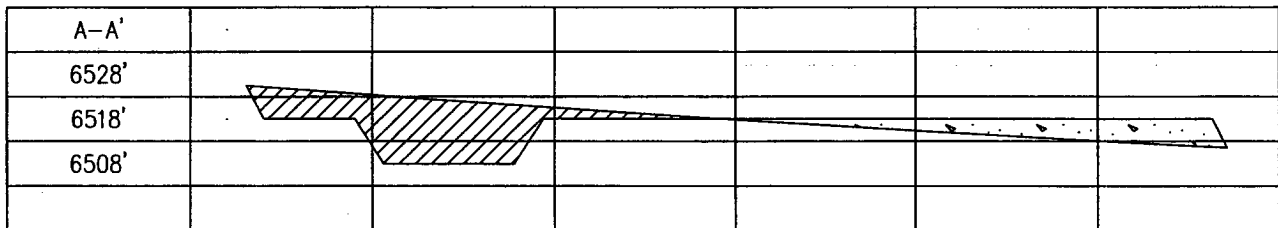
Conditions of Approval (if any):

CONOCOPHILLIPS COMPANY SAN JUAN 31-6 UNIT #219A
 2480' FSL & 1940' FWL, SECTION 34, T31N, R06W, NMPM
 RIO ARRIBA COUNTY, NEW MEXICO ELEVATION: 6518'

LATITUDE: 36.85565° N
 LONGITUDE: 107.45199° W
 DATUM: NAD27



PLAT NOTE:
 SURFACE OWNER
 BLM



PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 31-6 219A

Lease:	AFE #: WAN.CBM.6120			AFE \$:
Field Name: 31-6	Rig: 320-2419	State: NM	County: RIO ARRIBA	API #:
Geoscientist: Wentz, Robert M.	Phone: 832-486-2056	Prod. Engineer: Bergman, Pat W.	Phone: (832) 486-2358	
Res. Engineer: Stasney, Janet F.	Phone: +832 486-2359	Proj. Field Lead:	Phone:	

Primary Objective (Zones):

Zone	Zone Name
JCV	BASIN FRUITLAND COAL (GAS)

Location: Surface		Datum/Code: NAD 27			Deviated	
Latitude: 36.855650	Longitude: -107.451990	X:	Y:	Section: 34	Range: 6W	
Footage X: 1940 FWL	Footage Y: 2480 FSL	Elevation: 6518	(FT)	Township: 31N		
Tolerance:						

Location: Bottom Hole				Datum Code: NAD 27		Deviated	
Latitude: 36.858125	Longitude: -107.450794	X:	Y:	Section: 34	Range: 6W		
Footage X: 2300 FWL	Footage Y: 1900 FNL	Elevation:	(FT)	Township: 31N			
Tolerance:							

Location Type:	Start Date (Est.):	Completion Date:	Date In Operation:
Formation Data:	Assume KB = 6534	Units = FT	

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
SAN JOSE	16	6518	<input type="checkbox"/>			
Surface Casing	216	6318	<input type="checkbox"/>			12-1/4 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.
NCMT	1464	5070	<input type="checkbox"/>			
CJAM	2544	3990	<input type="checkbox"/>			Possible water flows.
KRLD	2634	3900	<input type="checkbox"/>			
FRLD	3074	3460	<input type="checkbox"/>			Possible gas.
Intermediate Casing	3184	3350	<input type="checkbox"/>			8 3/4" Hole. 7", 23 ppf, J-55, LTC Casing, Special Drift to 6.25". Circulate cement to surface.
TOP COAL	3214	3320	<input type="checkbox"/>			
BASE MAIN COAL	3364	3170	<input type="checkbox"/>			
Total Depth	3444	3090	<input type="checkbox"/>			6-1/4" hole possibly underreamed to 9.5". Optional Liner: 5.5", 15.5#, J-55 LTC - left uncemented.
PC TONGUE	3474	3060	<input type="checkbox"/>			
BASE LOWEST COAL	3484	3050	<input type="checkbox"/>			
PCCF	3494	3040	<input type="checkbox"/>			

Reference Wells:

Reference Type	Well Name	Comments
Intermediate	31-6 #217	
Intermediate	31-6 #217A	
Intermediate	31-6 #211A	
Intermediate	31-6 #218	
Intermediate	31-6 #231	
Intermediate	31-6 #204A	

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 31-6 219A

Logging Program

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

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

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
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Comments: Location/Tops/Logging - Non-prospective lowest coal

General/Work Description - Drill and complete Fruitland Coal well.

Location revised to a direction well drilled in section 34 to a BHL = 1900' FNL and 2300' FWL of 31-6 section 34.

The GL elevation = 6518' from survey plat and tops have been edited for a 6534' KB (16' RKB).

Total depth must be above the PCCF formation as "formation tops" indicate'

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, and corrosion inhibitor as needed.

TOPSET FRUITLAND COAL Wells: (topset casing above coal to prepare for cavitation/DO/UR)

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

CASE & FRAC FRUITLAND COAL Wells: (casing set below coal to prepare for frac completion)

Drilling Mud Program:

Surface: spud mud

Production: fresh water mud with bentonite and polymer 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

Production: 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

MESA VERDE Wells:

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

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

DAKOTA Wells:

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

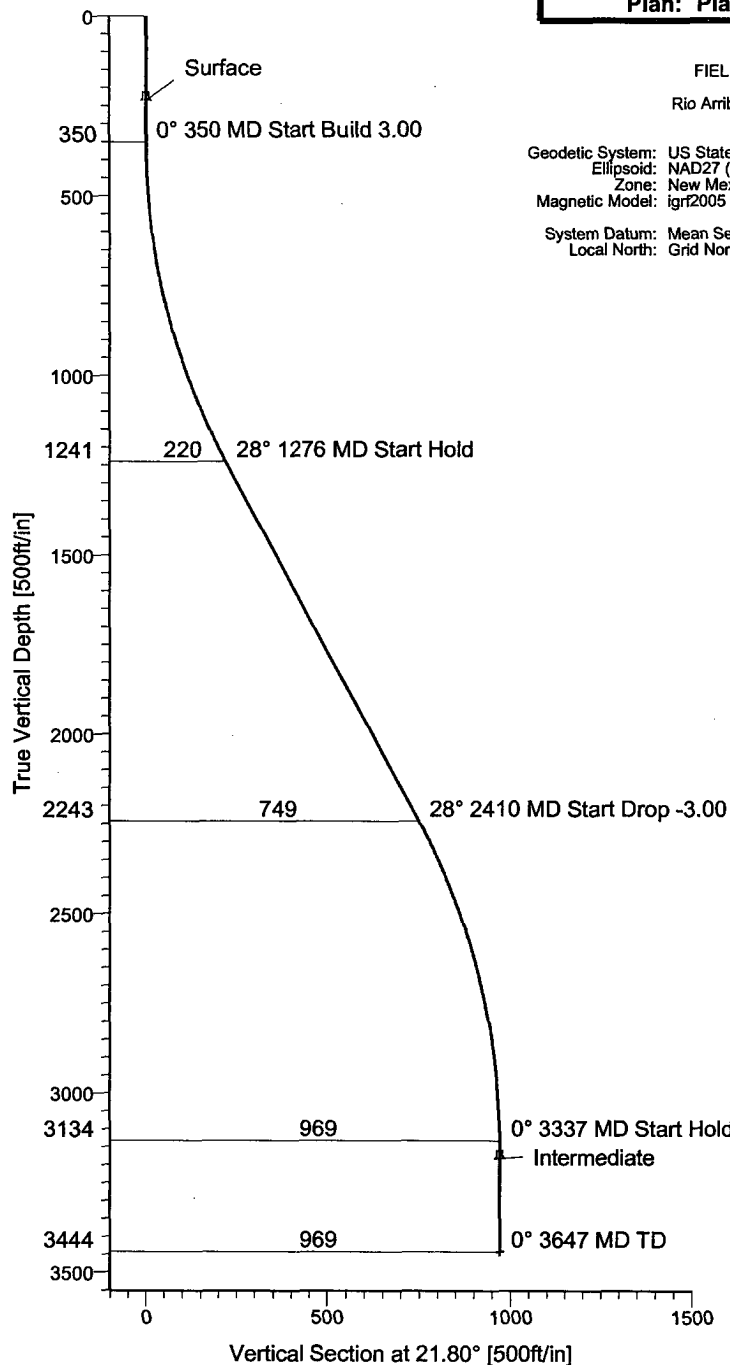
San Juan 31-6 #219A**TVD - MD Formation Tops**

Formation	TVD	MD
San Jose	13	13
Surface Casing	213	213
NCMT	1464	1529.05
OJAM	2544	2736.62
KRLD	2634	2830.58
FRLD	3074	3276.59
Intermediate Casing	3184	3387.00
TOP COAL	3214	3416.62
Base Main Coal	3364	3566.62
Total Depth	3444	3647.00
PC Tongue	3474	3677.00
Base Lowest Coal	3484	3687.00
PCCF	3494	3697.00



ConocoPhillips

Field: Rio Arriba County, NM
Site: San Juan 31-6 #219A
Well: Well #219A
Wellpath: Original Hole
Plan: Plan #1



FIELD DETAILS

Rio Arriba County, NM
USA

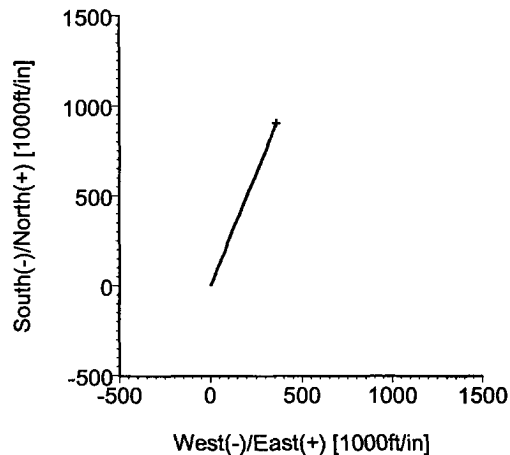
Geodetic System: US State Plane Coordinate System 1927
Ellipsoid: NAD27 (Clarke 1866)
Zone: New Mexico, Western Zone
Magnetic Model: igr2005

System Datum: Mean Sea Level
Local North: Grid North

SITE DETAILS

San Juan 31-6 #219A
Sec. 34 T31N R6W
Rio Arriba County

Water Depth: 0.00
Positional Uncertainty: 0.00
Convergence: 0.00



WELLPATH DETAILS

Original Hole

Rig:	SITE		0.00ft
Ref. Datum:			
V.Section Angle	Origin +N/-S	Origin +E/-W	Starting From TVD
21.80°	0.00	0.00	3444.00

CASING DETAILS

No.	TVD	MD	Name	Size
1	235.00	235.00	Surface	9.625
2	3184.00	3386.62	Intermediate	7.000

TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Shape
PBHL	3444.00	900.00	360.00	Point

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	21.80	0.00	0.00	0.00	0.00	0.00	0.00	
2	350.00	0.00	21.80	350.00	0.00	0.00	0.00	0.00	0.00	
3	1276.50	27.79	21.80	1240.58	204.59	81.84	3.00	21.80	220.35	
4	2410.13	27.79	21.80	2243.42	695.41	278.16	0.00	0.00	748.98	
5	3336.62	0.00	21.80	3134.00	900.00	360.00	3.00	180.00	969.33	
6	3646.62	0.00	21.80	3444.00	900.00	360.00	0.00	0.00	969.33	PBHL

Ryan Energy Technology
15510 Oil Center Blvd
Houston, TX 77073
Ph: 281-443-1414
Fx: 281-443-1676



Plan: Plan #1 (Well #219A/Original Hole)
Created By: Jeff T. Kirchhoff Date: 3/30/2008
Checked: _____ Date: _____
Reviewed: _____ Date: _____
Approved: _____ Date: _____

HOLE: 13.5 "
CSG OD: 9.625 "
CSG ID: 9.001 "
WGT: 32.3 ppf
GRADE: H-40
EXCESS: 125 %
DEPTH: 235'

SURFACE:

Option 1
222 sx
46.2 bbls
259.5 cuft
1.17 ft³/sx
15.8 ppg
4.973 gal/sx
Class G Cement
+ 3% S001 Calcium Chloride
+ 0.25 lb/sx D029 Cellophane Flakes

Option 2
214 sx
46.2 bbls
259.5 cuft
1.21 ft³/sx
15.6 ppg
5.29 gal/sx
Standard Cement
+ 3% Calcium Chloride
+ 0.25 lb/sx Flocele

INTERMEDIATE LEAD:

Option 1
443 sx
205.9 bbls
1156.2 cuft
2.61 ft³/sx
11.7 ppg
15.876 gal/sx
Class G Cement
+ 0.25 lb/sx D029 Cellophane Flakes
+ 3% D079 Extender
+ 0.20% D046 Antifoam

Option 2
397 sx
205.9 bbls
1156.2 cuft
2.91 ft³/sx
11.5 ppg
16.88 gal/sx
Standard Cement
+ 3% Econolite (Extender)
+ 0.25 lb/sx Flocele
+ 10 lb/sx Gilsonite

HOLE: 8.75 "
CSG OD: 7 "
CSG ID: 6.456 "
WGT: 20 ppf
GRADE: J-55
EXCESS: 160 %
TAIL: 300'
DEPTH: 338.7'

INTERMEDIATE TAIL:

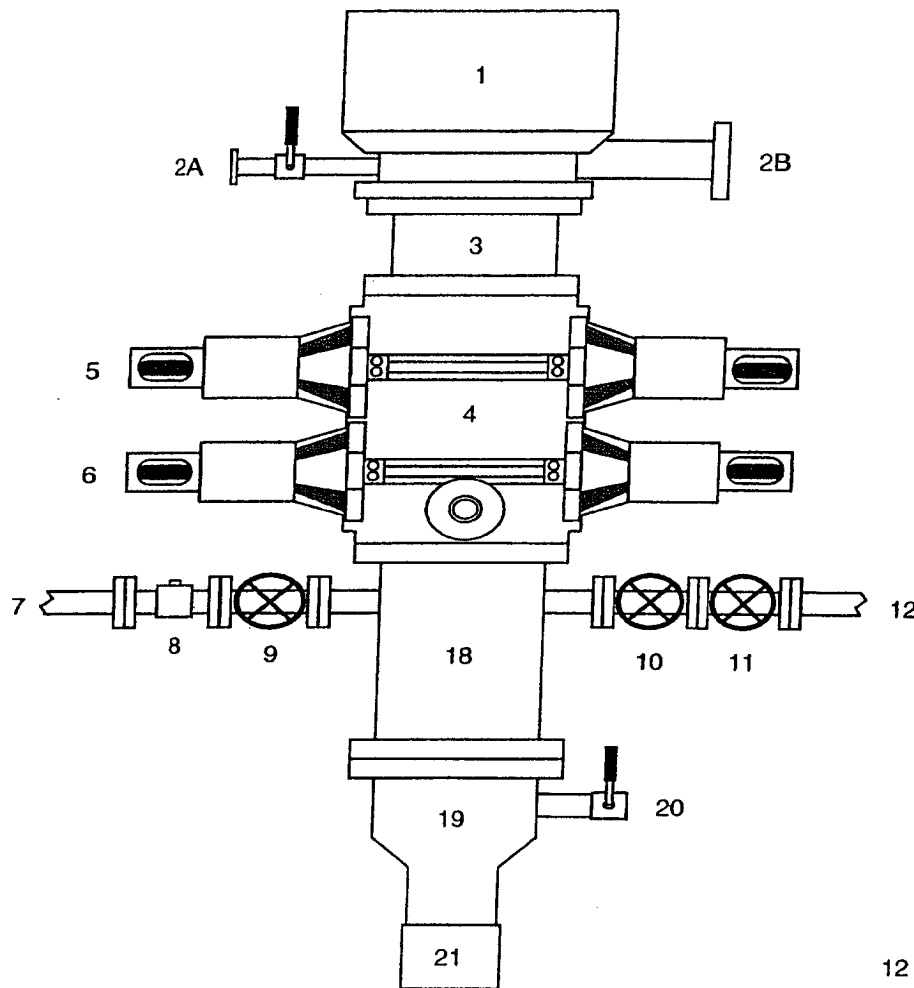
Option 1
100 sx
22.6 bbls
126.9 cuft
1.27 ft³/sx
13.5 ppg
5.182 gal/sx
50/50 Poz: Class G Cement
+ 0.25 lb/sx D029 Cellophane Flakes
+ 2% S001 Calcium Chloride
+ 2% D020 Bentonite
+ 5.0 lb/sx D024 Gilsonite Extender
+ 0.2% D046 Antifoamer

Option 2
95 sx
22.6 bbls
126.9 cuft
1.33 ft³/sx
13.5 ppg
5.36 gal/sx
50/50 Poz: Standard Cement
+ 2% Bentonite
+ 0.25 lb/sx Flocele
+ 5.0 lb/sx Gilsonite
+ 2% Calcium Chloride

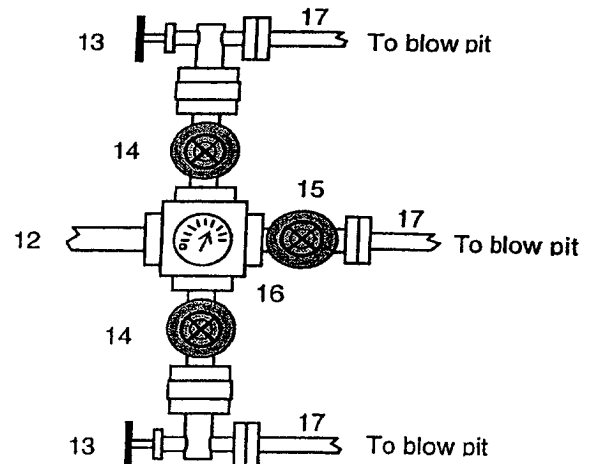
DEPTH: 364.7'

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



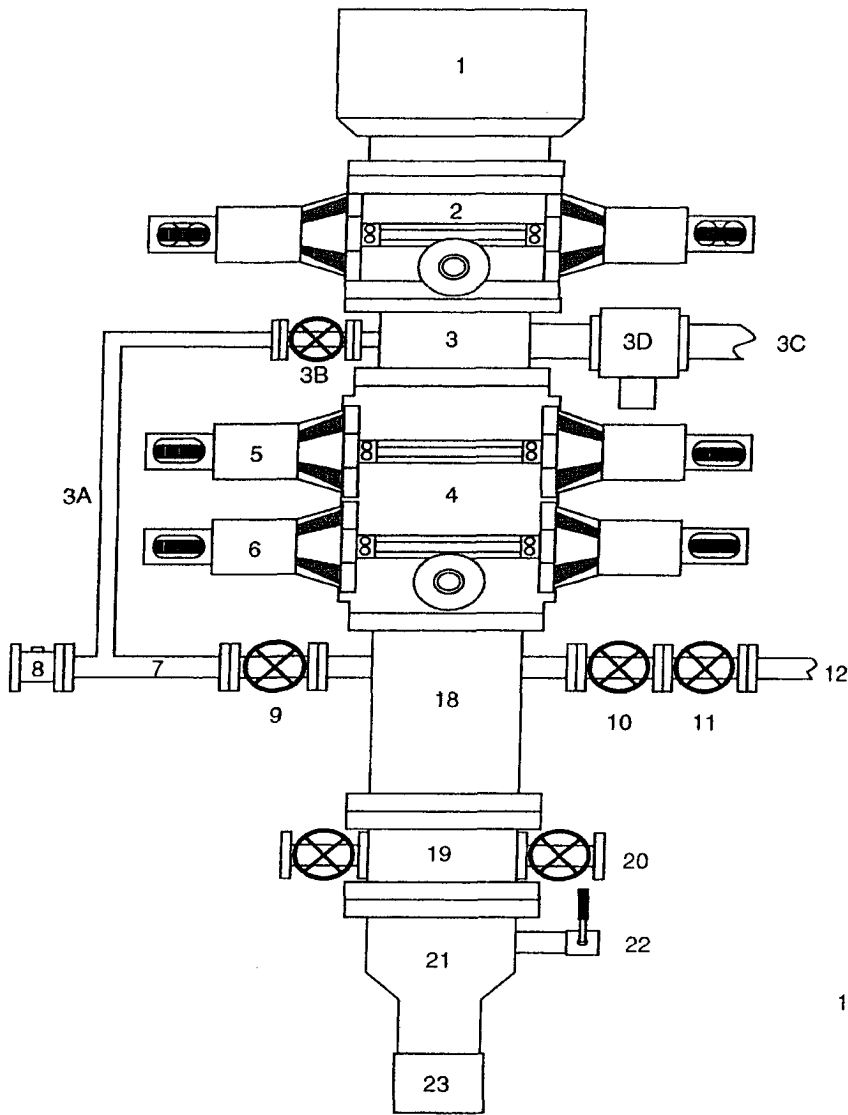
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe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

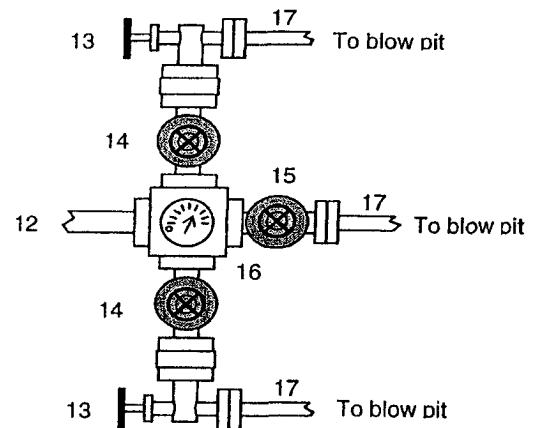
1. Upper Kelly cock Valve with handle
2. Stab-in TIW valve for all drillstrings in use

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Cavitation Program



1. Stripping 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 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).

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE- Other instructions on reverse side.**1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
ConocoPhillips Company3a. Address
4001 Penbrook, Odessa, TX 797623b. Phone No. (include area code)
432-368-12304. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NWNW 1182 FNL - 1201 FWL SECTION 34, T31N, R6W5. Lease Serial No.
SF-078999

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
SAN JUAN 31-6 UNIT #219A9. API Well No.
300392948310. Field and Pool, or Exploratory Area
BASIN FRUITLAND COAL11. County or Parish, State
RIO ARriba COUNTY, NM**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other MOVE WELL
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	& DRILL
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	DIRECTIONALLY

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

ConocoPhillips Company requests to move the location of this well and drill directionally.

The new footages are:

Surface: NESW 2480 FSL - 1940 FWL Section 34, T31N, R6W, Rio Arriba County, NM

Bottom Hole: SENW 1900 FNL - 2300 FWL Section 34, T31N, R6W, Rio Arriba County, NM

Revised Supporting Documents are attached to this Sundry

The original APD for this well was filed 3/07/2005 and has not yet been approved.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Peggy James

Title **Senior Associate**

Signature

Date

04/11/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

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)

NMOCD

Property : SAN JUAN 31-6 UNIT **Well #:** 219A

Surface Location:

Unit: K **Section:** 34 **Township:** 31N **Range:** 6W

County: RIO ARRIBA **State:** New Mexico

Footage: 2480 **from the** SOUTH **line,** 1940 **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.