UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

	APPLICATION FOR PERMIT TO DRILL, DEEPEN	2005 AUG 2 AM 11 32
a.	Type of Work DRILL	5: Lease Number NMSF-078146 Unit Reporting Number 070 FARMINGTO
b.	Type of Well GAS	6. If Indian, All. or Tribe
2.	Operator ConocoPhillips	7. Unit Agreement Name
	Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499	8. Farm or Lease Name
	(505) 326-9700	9. Well Number Newberry A #2M
٠.	Location of Well Unit D (NWNW), 810' FNL & 760' FWL,	10. Field, Pool, Wildcat Blanco MV / Basin DK
	Latitude 36° 91858'N Longitude 108° 10738'W	11. Sec., Twn, Rge, Mer. (NMPM) Sec. 9, T31N, R12W API# 30-045- 33879
4.	Distance in Miles from Nearest Town	12. County 13. State San Juan NM
5.	Distance from Proposed Location to Nearest Property or Lease Line 760)
6.	Acres in Lease	17. Acres Assigned to Well MV & DK 320.0 - W/2
8.	Distance from Proposed Location to Nearest Well, Drlg, Compl, or A	Applied for on this Lease
9.	Proposed Depth 7222' Rotar	20. Rotary or Cable Tools
11.	Elevations (DF, FT, GR, Etc.) 6071' GL	22. Approx. Date Work will Start
3.	Proposed Casing and Cementing Program See Operations Plan attached	4 / /
24 .	Authorized by: Sr. Regulatory Analyst	<u> </u>
	IT NO. APPROVAL DA	
PPR	OVED BY Mayor yoursen TITLE Hetring HI	DATE 8/19/
	eological Report submitted	

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, dictinus low awdwortzeth argents or presentations as to say matter within its jurisdiction.

This action is subject to technical and procedural review pursuant to 48 CFR 8188.8 and appeal pursuant to 48 CFR 8188.4

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

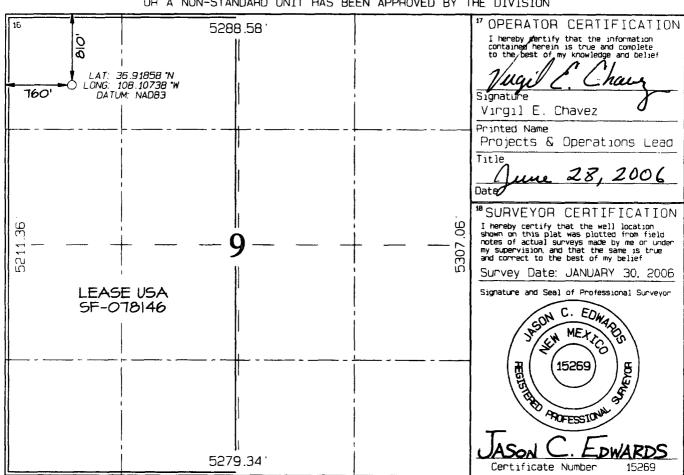
Form C-102 Revised February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

| AMENDED REPORT

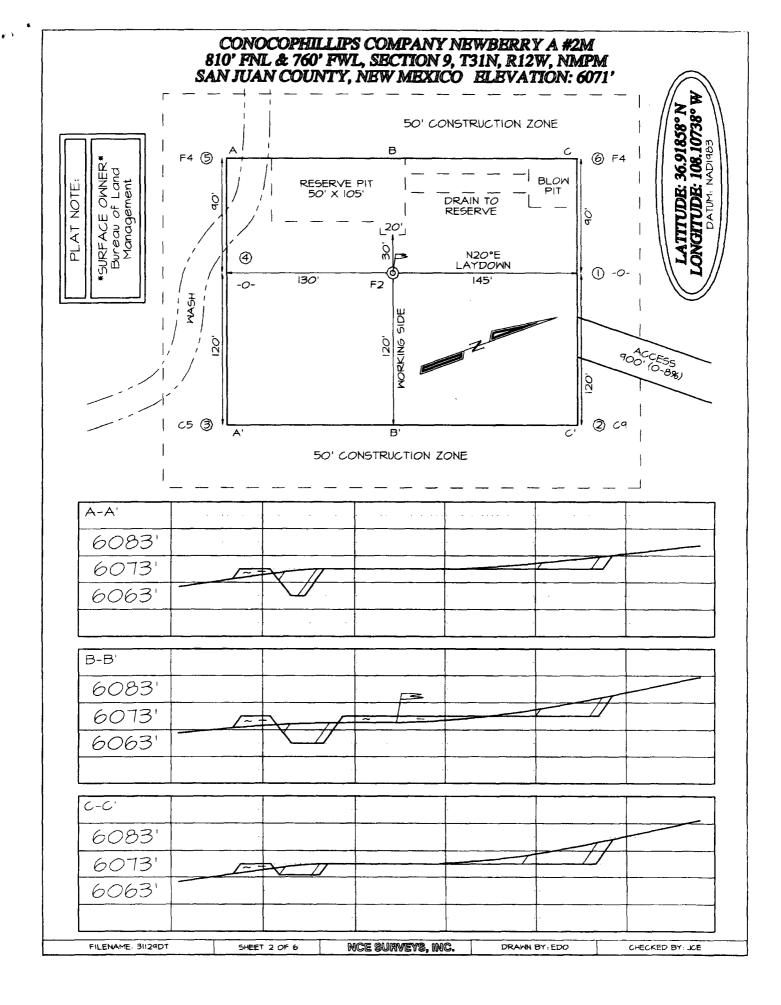
WELL LOCATION AND ACREAGE DEDICATION PLAT

	I Number		'Pool	Code	1		Pool Name			
30-045	-338	379	72319 /	71599	BLANCO MESAVERDE / BASIN DAKOTA					
*Property				* Wi	ell Number					
31840		NEWBERRY A						2M		
'OGRID N	lo.				*Operator	Name		•6	*Elevation	
217817 C				CO	NOCOPHILLIPS COMPANY				5071°	
	¹⁰ Surface Location									
UL or lot no.	Sect ion	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	9	31N	12W		810	NORTH	760	WEST SAN JUAN		
	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	320.0	Acres	- W/2	(MV)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.			
	320.0	Acres	- W/2	(DK)			•			

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



Office	State of New Mexico	Form C-103
District I	Energy, Minerals and Natural Resources	May 27, 2004
1625 N. French Dr., Hobbs, NM 88240		WELL API NO. 30-045- 33879
District II 1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION DIVISION	5. Indicate Type of Lease
District III	1220 South St. Francis Dr.	STATE FEE
1000 Rio Brazos Rd., Aztec, NM 87410	Santa Fe, NM 87505	6. State Oil & Gas Lease No.
District IV	·	Federal Lease - SF-078146
1220 S. St. Francis Dr., Santa Fe, NM 8750 SLINDRY NOTICE	ES AND REPORTS ON WELLS	7. Lease Name or Unit Agreement Name
	TO DRILL OR TO DEEPEN OR PLUG BACK TO A	7. Lease Name of One Agreement Name
DIFFERENT RESERVOIR. USE "APPLICATION	N FOR PERMIT" (FORM C-101) FOR SUCH	Newberry A
PROPOSALS.) 1. Type of Well:		8. Well Number
Oil Well Gas Well X	Other	#2M
2. Name of Operator		9. OGRID Number
	coPhillips Company	217817
3. Address of Operator	EET, FARMINGTON, NM 87402	10. Pool name or Wildcat Blanco Mesaverde / Basin DK
4. Well Location	5E1, 17Hdwillo1011, 11W 07102	Dianeo Westeverde / Dasin Dia
	10' feet from the North line and	760' feet from the West line
Section 9	Township 31N Rng 12W Elevation (Show whether DR, RKB, RT, GR, etc.)	NMPM County San Juan
	6071' GL	
Pit or Below-grade Tank Application	or Closure	
Pit type New Drill Depth to Groundwa	ater > 100' Distance from nearest fresh water well	>1000' Distance from nearest surface water >1000'
Pit Liner Thickness: 12	mil Below-Grade Tank: Volume	bbls; Construction Material
12. Check A	appropriate Box to Indicate Nature of Not	ice, Report or Other Data
NOTICE OF IN	· · ·	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON REMEDIA	
TEMPORARILY ABANDON	— 1	CE DRILLING OPNS. P AND A
PULL OR ALTER CASING	MULTIPLE COMPL CASING/C	EMENT JOB
OTHER: New	Drill X OTHER:	
13. Describe proposed or complete	d operations. (Clearly state all pertinent details, and g	rive pertinent dates, including estimated date
of starting any proposed work).	SEE DIJLE 1102 For Multiple Completions, Attack	de suculta and discussion of many and accordation
	SEE ROLE 1103. For Multiple Completions: Attac	in wendore diagram or proposed completion
or recompletion.	SEE ROLE 1103. For Multiple Completions: Attac	in wentoore diagram of proposed completion
	SEE ROLE 1103. For Multiple Completions: Attac	in wenoore diagram of proposed completion
	SEE ROLE 1103. For Multiple Completions: Attac	in wenoore diagram or proposed completion
	SEE ROLE 1103. For Multiple Completions: Attac	in welloore diagram of proposed completion
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	SEE ROLE 1103. For Multiple Completions: Attac	in welloore diagram of proposed completion
or recompletion.		
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or recompletion.		
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or recompletion. We are constructing Drilling and wor		
or recompletion. We are constructing Drilling and wor November 1, 2004 Guidelines.	kover pits as per our General plan on file with the OC	ED dated June 2005 and we are closing all pits as per the
or recompletion. We are constructing Drilling and wor November 1, 2004 Guidelines.		D dated June 2005 and we are closing all pits as per the
We are constructing Drilling and wor November 1, 2004 Guidelines. I hereby certify that the information aborgrade tank has been/will be constructed or close	kover pits as per our General plan on file with the OC ve is true and complete to the best of my knowledge a d according to NMOCD guidelines , a general permit	nd belief. I further certify that any pit or below-
or recompletion. We are constructing Drilling and wor November 1, 2004 Guidelines.	kover pits as per our General plan on file with the OC ve is true and complete to the best of my knowledge a d according to NMOCD guidelines , a general permit	D dated June 2005 and we are closing all pits as per the
or recompletion. We are constructing Drilling and wor November 1, 2004 Guidelines. I hereby certify that the information aborgrade tank has been/will be constructed or close SIGNATURE	kover pits as per our General plan on file with the OC ve is true and complete to the best of my knowledge a d according to NMOCD guidelines, a general permit	nd belief. I further certify that any pit or below- or an (attached) alternative OCD-approved plan
We are constructing Drilling and wor November 1, 2004 Guidelines. Thereby certify that the information aborgrade tank has been/will be constructed or close SIGNATURE	kover pits as per our General plan on file with the OC ve is true and complete to the best of my knowledge a d according to NMOCD guidelines, a general permit	nd belief. I further certify that any pit or below-
We are constructing Drilling and wor November 1, 2004 Guidelines. I hereby certify that the information aborgrade tank has been/will be constructed or close SIGNATURE Type or print name Patsy (For State Use Only)	kover pits as per our General plan on file with the OC ve is true and complete to the best of my knowledge a d according to NMOCD guidelines, a general permit	nd belief. I further certify that any pit or below- or an (attached) alternative OCD-approved plan
or recompletion. We are constructing Drilling and wor November 1, 2004 Guidelines. I hereby certify that the information aborgrade tank has been/will be constructed or close SIGNATURE Type or print name Patsy (we is true and complete to the best of my knowledge and according to NMOCD guidelines	nd belief. I further certify that any pit or below- or an (attached) alternative OCD-approved plan . egulatory Specialist DATE 6/29/2006 Obr-inc.com Telephone No. 505-326-9518



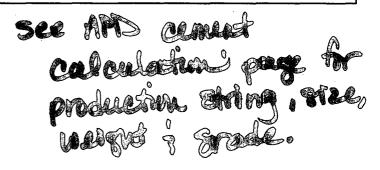


PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

NEWBERRY A 2M

Lease:				A	FE #: WA	N.CNV.	5145			A	FE \$:	
Field Name: NEW MEXICO-NORTH			Rig: 4	Rig: 486-0597		Г/	State: NM County: SAN JUAN			Δ	API #:	
Geoscientist: Glaser, Terry J			Phone	Phone: (832)486-2332		Prod. I	Engineer:	Piot	rowicz, Greg M.	Phor	ne: +18	32-486-3486
Res. Engineer: Tomberlin, Timothy A			Phone	Phone: (832) 486-2328		Proj. F	ield Lead:	Fran	sen, Eric E.	Phor	ne:	
Primary Objectiv	ve (Zon	es):			MEN.					7,000		
Zone	Zone N	ame			7							
R20002	MESAVI	ERDE(R20002))		7							
R20076	DAKOT	A(R20076)			7							
	Baraja i Terri		~~~~\\	VD 07				(5.75×5)		403 VIC. V	Xanana and a sanana	
Location: Surface	<u> </u>	in the State of States and States	Code: N/	A STANGER OF STREET OF STREET OF				¥.¥	Ι		\$15808-1000-15-57-15	nt Hole
Latitude: 36.91858		ongitude: -108		X:		Y:	<u> </u>		Section: 9		Range:	12W
Footage X: 760 FV	NL Fo	ootage Y: 810	FNL	Elevation: 60	71	(FT)	Township:	31N				
Tolerance:	 .											
Location Type: Ye	ar Round		Start I	Date (Est.):		Con	npletion Da	ite:	Date	In Oper	ration:	
Formation Data:	Assume	KB = 6087	Units =	FT								
Formation Call & Casing Points		Depth (TVD in	SS Ft) (Ft)	Depletion (Yes/No)	BHP (PSIG)	внт			Rema	rks		
Surface Casing		216	5871						5/8" 32.3 ppf, H-40	, STC ca	asing. Ci	culate cement
OJAM		1387	4700				to surface Possible v		flows.			
KRLD		1607		=			, 555,5,6					
FRLD		2067		=			Possible o	as.				
PCCF		2417		=			-					
LEWS		2617										
Intermediate Casing	g	2717		=			8 3/4" Ho surface.	le. 7	", 20 ppf, J-55, STC	Casing.	Circulate	e cement to
CHRA		3627	2460									
CLFH		4187	1900				Gas; poss	sibly v	vet			
MENF		4307	1780				Gas.					
PTLK		4827	1260				Gas.					
MNCS		5077	1010									
GRHN		6872	-785				Gas possi	ble, h	ighly fractured			
TWLS		7012	-925				Gas					
PAGU		7072	-985				Gas. High	hly Fr	actured.			
Total Depth		7222	-113!	5 🗆					ssibly underreamed to C. left uncemented		Optional	"Liner: 505",
Reference Wells								1	96 - 143 Marie - 143 A			
Reference Type	Well Na	me		Comments	1							



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PROJECT PROPOSAL - New Drill / Sidetrack

NEWBERRY A 2M

		if show GR/ILD				
TD Logs:	☐ Triple Co	ombo 🗌 Dipmeter	RFT So	nic □ VSP☑ TDT		
Additional Infor	rmation:					
Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks	

Comments:

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Comp Strength 8 hrs 475 psi 24 hrs 1375 psi	Comp. Strength 3 hrs 100 psi 24 hrs 443 psi	Comp. Strength 24 hrs 1850 psi 48 hrs 3411 psi ent e Extender oride
Option 3 65 sx 18.6 bbls 104.3 cuft 1.61 ft ³ /sx 14.5 ppg 7.41 gal/sx Type I-II Ready Mix + 20% Fly Ash	293 sx 293 sx 137.1 bbls 769.9 cuft 2.63 ft³/sx 11.7 ppg 15.92 gal/sx Class G Cement + 3% D079 Exender + 0.20% D046 Antifoam + 1.0 lb/bbl CemNet	Option 3 167 sx Com 38.1 bbls 24 hrs 28.1 bbls 24 hrs 1.28 ft²/sx 1.28 ft²/sx 1.3.5 ppg 5.255 gal(sx 50/50 Poz. Class G Cement + 2% D020 Bentonite + 5.0 lb/sx D024 Gilsonite Extender + 2% S001 Calcium Chloride + 0.1% D046 Antifoamer + 0.1% D046 Dispersant + 1.0 lb/bbl CemNet
Comp. Strength rs 250 psi rs 500 psi	Comp. Strength 1:47 hrs 50 psi 12 hrs 350 psi 24 hrs 450 psi	Comp. Strength 1550 psi hrs 1250 psi hrs 1250 psi hrs 1819 psi hrs 500 psi hrs 500 psi hrs 2300 psi hrs 2300 psi hrs 1819
Cod 6 hrs 8 hrs	54 T T T T T T T T T T T T T T T T T T T	Con 2:05 4:06 12 hrs 24hrs 24hrs ent 13:29 24 hrs ent s Additive s Additive s Additive
Option 2 143 sx 30.8 bbls 172.9 cuft 1.21 ft²/sx 15.6 ppg 5.29 gal/sx Standard Cement + 3% Calcium Chloride + 0.25 lb/sx Flocele	Option 2 296 sx 137.1 bbls 769.9 cuft 2.60 ft²/sx 11.5 ppg 14.62 gal/sx Type III Ashgrove Cement + 30 blys. San Juan Poz + 3%. Bentonite + 5.0 lb/sx Phenoseal	Option 2 161 sx Com 38.1 bbls 2.05 2.05 2.13.9 cuff 4.06 1.33 ft ³ /sx 12 hrs 13.5 ppg 24hrs 5.52 gal/sx 50/50 Poz. Standard Cement + 2% Bentonite + 6.0 lb/sx Phenoseal 127.7 bbls 9.32 717.0 cuft 12 hrs 1.45 ft ³ /sx 13.29 13.1 ppg 24 hrs 6.55 gal/sx 50/50 Poz. Standard Cement + 3% Bentonite + 0.2% CFR-3 Friction Reducer + 0.1% HR-5 Retarder + 0.1% HR-5 Retarder + 0.1% Halad-9 Fluid Loss Additive + 3.5 lb/sx Phenoseal
Comp. Strength 6 hrs 250 psi 8 hrs 500 psi psi nloride	Comp. Strength 9 hrs 300 psi 48 hrs 525 psi	Comp. Strength 3:53 500 psi 8:22 1000 psi 24 hrs 3170 psi 48 hrs 5399 psi ment pphane Flakes lide Extender er Comp. Strength 7 hrs 500 psi 24 hrs 2100 psi 24 hrs 2100 psi anent pphane Flakes ment pphane Flakes sis
Option 1 148 sx Comp. 30.8 bbls 6 hrs 2 172.9 cuff 8 hrs 5 1.17 ft ³ ex 15.8 ppg 4.973 gal/sx Class G Cement + 3% S001 Calcium Chloride + 0.25 lb/sx D029 Cellophane Flakes	INTERMEDIATE LEAD:	NTERMEDIATE TAIL: Option 1
9.625 " 9.001 " 32.3 ppf H-40 125 %	8.75 " 6.456 " 20 ppf 1-55 150 % 243.4'	6.25 " 4.5 " 4.5 " 11.6 ppf N-80 50 %
CSG OD: CSG ID: WGT: GRADE: EXCESS: DEPTH:	HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS: TAIL:	HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS:

	Option 5 367 sx Comp. Strength 137.1 bbls 10:56 500 psi 769.9 cuft 42 hrs 1012 psi 2.10 ft³sx 11.72 gal/sx 75% Type X/1 25% Class G Cement + 0.25 bl/sx D029 Cellophane Flakes + 3% D079 Extender + 0.20% D046 Antifoam	
SURFACE:	NTERMEDIATE LEAD: Option 4	PRODUCTION:
CSG OD: 9.625 " CSG OD: 9.625 " CSG ID: 9.001 " WGT: 32.3 ppf GRADE: H-40 EXCESS: 125 % DEPTH: 235	HOLE: 8.75 " CSG OD: 7" CSG ID: 6.456 " WGT: 20 ppf GRADE: J-55 EXCESS: 150 % TAIL: 543.4"	HOLE: 6.25 " CSG OD: 4.5 " CSG ID: 4.7 " WGT: 11.6 ppf GRADE: N-80 EXCESS: 50 %

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

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, 3nd, & 4th joints Production: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 4th, 6th, 8th, 8, &

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, 3nd, & 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

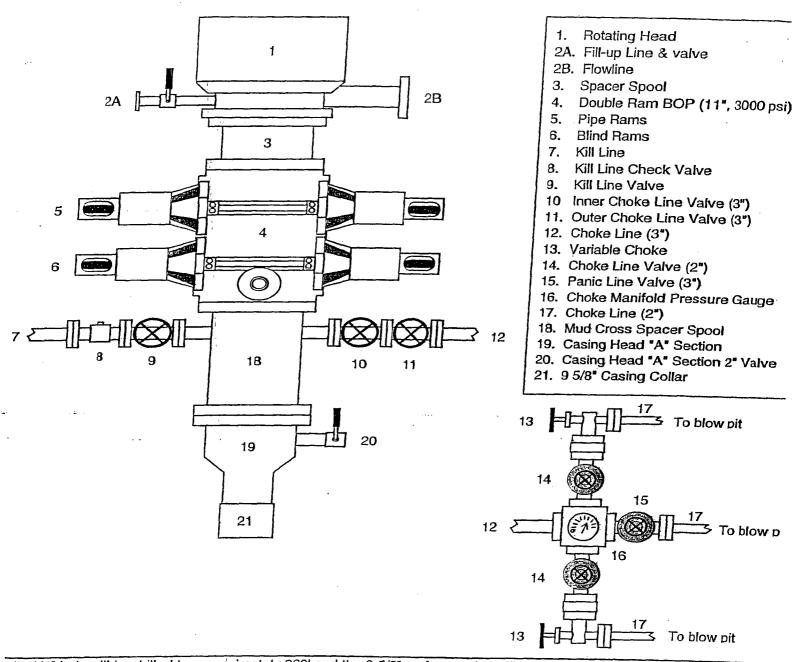
Intermediate: fresh water mud with bentonite and polymer as needed

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

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, 8. 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

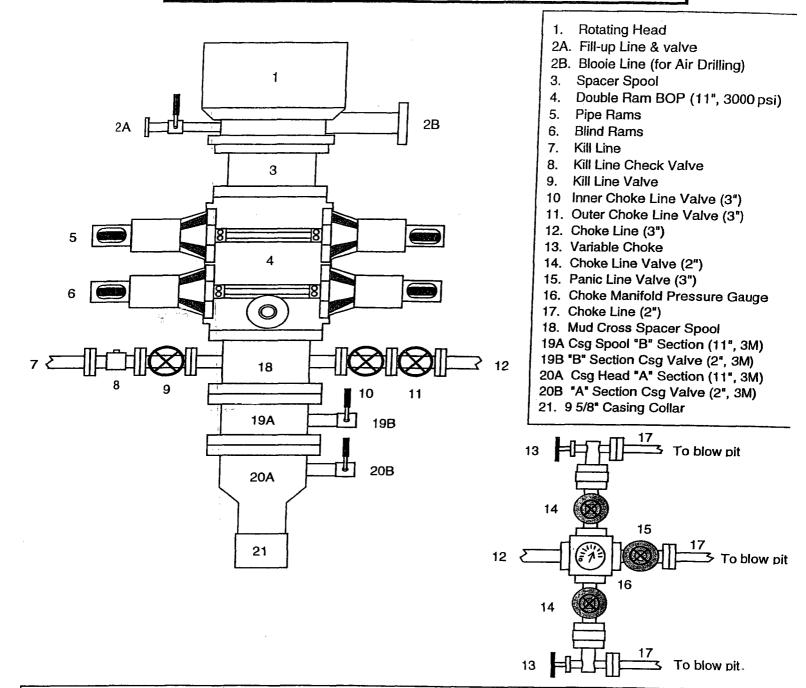
BLOWOUT PREVENTER ARRANGEMENT & PROGRAM For Drilling to Intermediate Casing Point & Setting 7" Intermediate Casing



. 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 st 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 st) 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" asing will be pressure tested against closed blind rams to 200 psi to 300 psi for 10 minutes and to 1000 psi for 30 inutes (this value is one 44% of the minimum internal yield pressure of the 9-5/8" casing). (Note: per regulatory quirements we will wait on cement at least 3 hrs after placement before testing the 9-5/8" surface casing). Then an 8-3/4" ble will be drilled to intermediate casing point and 7" intermediate casing will be run and cemented.

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to TD and Setting 4.5 inch Casing



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