

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number NMSF 079289-A Unit Reporting Number	
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator ConocoPhillips	7. Unit Agreement Name San Juan 28-7 Unit	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name 9. Well Number #159G	
4. Location of Well Surf: Unit F (SENW), 1705' FNL & 1945' FWL, BH: Unit B (NWNE), 400' FNL & 2400' FEL Surf: Latitude 36° 38.9575 N Longitude 107° 33.7594 W BH: Latitude 36° 39.1728 N Longitude 107° 33.5684 W	10. Field, Pool, Wildcat Blanco MV/Basin DK 11. Sec., Twn, Rge, Mer. (NMPM) F Sec. 22, T28N, R7W API # 30-039-30262	
14. Distance in Miles from Nearest Town 46 miles	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1705'	17. Acres Assigned to Well DK & MV - 320 - (E/2)	
16. Acres in Lease	18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 280' from San Juan 28-7 Unit 220M	
19. Proposed Depth 8306' (TVD)/8645' (TMD)	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6806' GL	22. Approx. Date Work will Start RCVD JUN25'07 OIL CONS. DIV. DIST. 3	
23. Proposed Casing and Cementing Program See Operations Plan attached	24. Authorized by: Rhonda Rogers (Regulatory Technician) 5-11-07 Date	

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

Archaeological Report attached

Threatened and Endangered Species Report attached

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

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, fictitious or fraudulent statements or presentations as to any matter within its jurisdiction.

Example Master Plan Type 3

NOTIFY ARLS OGD 24 HRS.

PRIOR TO CASING & CEMENT

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

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

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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Instructions on back
Submit to Appropriate District Office
State Lease 104 Copies
Fee Lease 113 Copies

212 RECEIVED
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-302102	² Pool Code 72319 / 71599	³ Pool Name BLANCO MESAVERDE / BASIN DAKOTA
⁴ Property Code 31739	⁵ Property Name SAN JUAN 28-7 UNIT	⁶ Well Number 1596
⁷ OGRID No. 217817	⁸ Operator Name CONOCOPHILLIPS COMPANY	⁹ Elevation 6806'

¹⁰ Surface Location

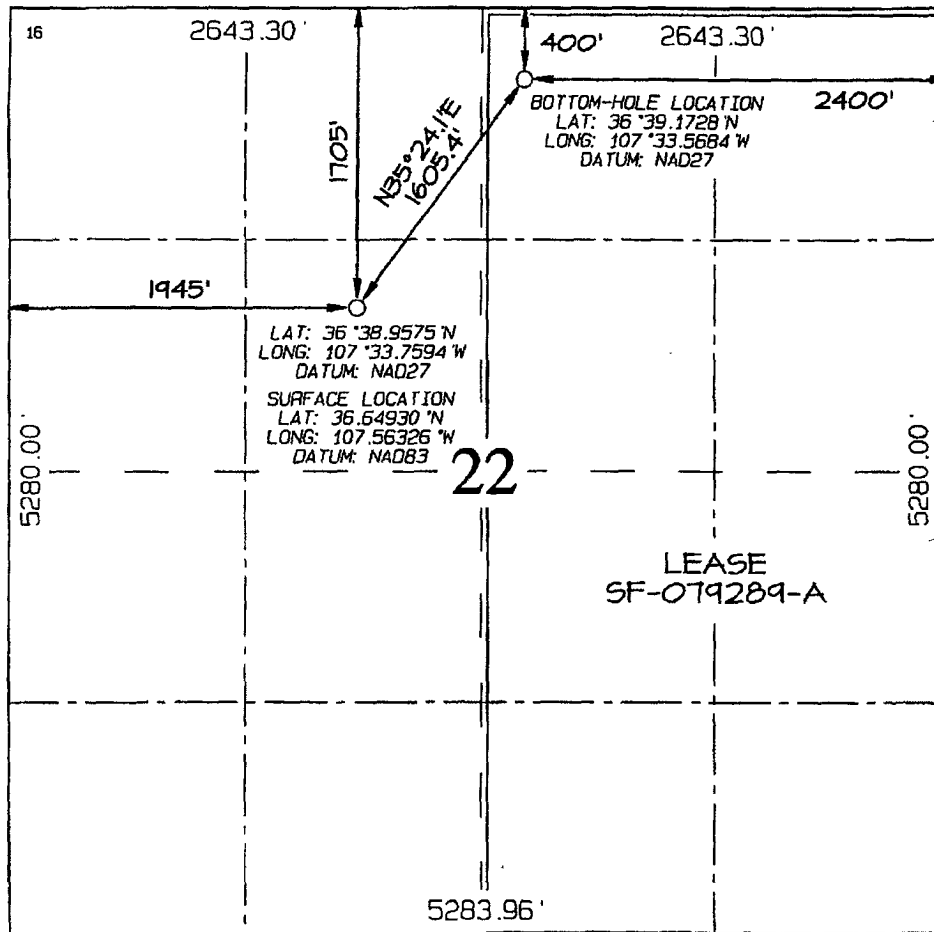
UL or lot no.	Section	Township	Range	Lot 10n	Feet from the	North/South line	Feet from the	East/West line	County
F	22	28N	7W		1705	NORTH	1945	WEST	RIO ARriba

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 10n	Feet from the	North/South line	Feet from the	East/West line	County
B	22	28N	7W		400	NORTH	2400	EAST	RIO ARriba

¹² Dedicated Acres	320.0 Acres - E/2 (MV)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No
	320.0 Acres - E/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



¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division

Virgil E. Chavez 12-4-06
Signature Date

Virgil E. Chavez
Printed Name

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: JULY 6, 2006

Signature and Seal of Professional Surveyor



Jason C. Edwards
Certificate Number 15269

State of New Mexico

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

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- <u>30262</u>
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		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. SF-078417-A
3. Address of Operator 3401 E. 30TH STREET, FARMINGTON, NM 87402		7. Lease Name or Unit Agreement Name San Juan 28-7 Unit
4. Well Location Unit Letter <u>F</u> : <u>1705'</u> feet from the <u>North</u> line and <u>1945'</u> feet from the <u>West</u> line Section <u>22</u> Township <u>28N</u> Rng <u>7W</u> NMPM County <u>Rio Arriba</u>		8. Well Number #159G
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6806'		9. OGRID Number 217817
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Blanco Mesaverde/Basin Dakota
Pit type <u>New Drill</u> Depth to Groundwater <u>>100'</u> Distance from nearest fresh water well <u>>1000'</u> Distance from nearest surface water <u>>1000'</u> Pit Liner Thickness: <u>N/A</u> mil Below-Grade Tank: <u>Volume</u> bbls; Construction Material <u> </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:

New Drill ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

New Drill, Unlined:

ConocoPhillips proposes to construct a new drilling pit, an associated vent/flare pit and a pre-set mud pit (if required). Based on ConocoPhillips' interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and pre-set mud pit will be unlined pits as detailed in ConocoPhillips' General Plan dated June 2005 on file at the NMOCD office. A portion of the vent/flare pit will be designed to manage fluids and that portion will be unlined as per the risk ranking criteria. ConocoPhillips anticipates closing these pits according to the November 1, 2004 Guidelines.

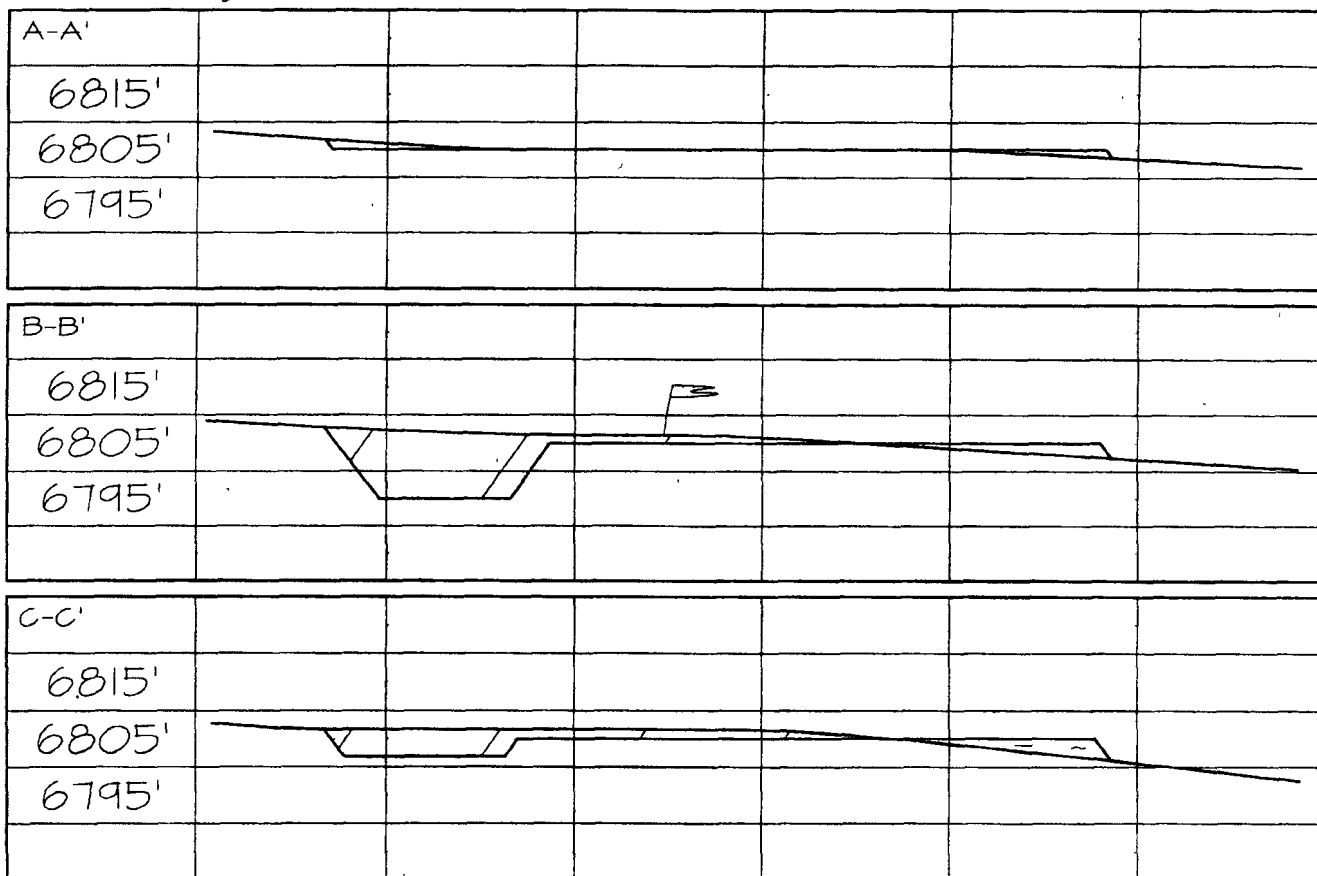
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Rhonda Rogers TITLE Regulatory Technician DATE 3/14/2007

Type or print name Rhonda Rogers E-mail address: rogers@brc-inc.com Telephone No. 505-326-9597
For State Use Only

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, DATE JUN 29 2007
 Conditions of Approval (if any): District #3

LATITUDE: 36.64930° N
LONGITUDE: 107.56326° W
DATUM: NAD1983



PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28-7 UNIT 159G

DEVELOPMENT

Lease:		AFE #: WAN.CNV.7162				AFE \$:	
Field Name: 28-7		Rig: Aztec Rig 673		State: NM	County: RIO ARRIBA		API #:
Geologist:		Phone:		Geophysicist:		Phone:	
Geoscientist: Glaser, Terry J		Phone: (832)486-2332		Prod. Engineer: Fontenot, Jessie C		Phone: +1 832-486-3483	
Res. Engineer: Johnson, Tom B.		Phone: (832)-486-2347		Proj. Field Lead: Fransen, Eric E.		Phone:	
Primary Objective (Zones):							
Zone	Zone Name						
R20002	MESAVERDE(R20002)						
R20076	DAKOTA(R20076)						
Location: Surface Datum Code: NAD 27 Deviated							
Latitude: 36.650551	Longitude: -107.563637	X:	Y:	Section: 22		Range: 007W	
Footage X: 1945 FWL	Footage Y: 1705 FNL	Elevation: 6806	(FT)	Township: 028N			
Tolerance:							
Location: Bottom Hole Datum Code: NAD 27 Deviated							
Latitude: 36.652794	Longitude: -107.559391	X:	Y:	Section: 22		Range: 007W	
Footage X: 2400 FEL	Footage Y: 400 FNL	Elevation:	(FT)	Township: 028N			
Tolerance:							
Location Type: Year Round		Start Date (Est.):		Completion Date:		Date In Operation:	
Formation Data: Assume KB = 6820 Units = FT							
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks	
216	216	6604	<input type="checkbox"/>			12-1/4" hole, 9-5/8" 32.3 ppf, H-40, STC casing. Cement w/ 203 cuft. Circulated Cmt to surface.	
NCMT	1307	5513	<input type="checkbox"/>				
OJAM	2648	4172	<input type="checkbox"/>			Possible water flows.	
KRLD	2745	4075	<input type="checkbox"/>				
FRLD	3055	3765	<input type="checkbox"/>			Possible gas.	
PCCF	3476	3344	<input type="checkbox"/>				
LEWS	3586	3234	<input type="checkbox"/>				
X HUERFANITO BENTONITE	4086	2734	<input type="checkbox"/>				
CHRA	4455	2365	<input type="checkbox"/>			ICP set @ 4561' TVD	
Intermediate Casing	4889	1931	<input type="checkbox"/>			8 3/4" hole. 7" 23 ppf L-80, LTC casing. Circulate cement to surface. Cement with 1091 cu.ft.	
UCLFH	5030	1790	<input type="checkbox"/>			Gas; possibly wet	
X MASSIVE CLIFF HOUSE	5129	1691	<input type="checkbox"/>				
MENF	5277	1543	<input type="checkbox"/>			Gas.	
PTLK	5679	1141	<input type="checkbox"/>			Gas.	
MANCOS	6159	661	<input type="checkbox"/>				
GLLP	6914	-94	<input type="checkbox"/>			Gas. Possibly wet.	
GRHN	7650	-830	<input type="checkbox"/>			Gas possible, highly fractured	
GRRS	7716	-896	<input type="checkbox"/>				
TWLS	7754	-934	<input type="checkbox"/>			Gas	
PAGU	7844	-1024	<input type="checkbox"/>			Gas. Highly Fractured.	
CBBO	7870	-1050	<input type="checkbox"/>			Gas	
CBRL	7899	-1079	<input type="checkbox"/>				

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28-7 UNIT 159G

DEVELOPMENT

ENCINAL	7962	-1142	<input type="checkbox"/>		
TOTAL DEPTH DK	8306	-1486	<input type="checkbox"/>	2000	6 1/4" hole. 4 1/2", 11.6 ppf, L-80 LTC casing. Cement with 467 cu.ft. 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
Production	28-7 #220M	NW 22-28N-7 W
Production	28-7 #159	NE 22-28N-7 W, ON strike

Logging Program:

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

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

GR_CBL

Mudlog from 100' above GRHN to TD - mudlogger will call TD.

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
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Comments: Location/Tops/Logging - Surface loc changed to accommodate a 4 well pad. Surf will be near the #220M (1,490 FNL 1,800 FWL) DK 28N07W22NE2 MVNM028N007W22NE2

Zones - This is part of a 4 well pad drill. Surface was moved to a location NEAR the existing #220M (1,490 FNL 1,800 FWL). Pad will need to be the right size/shape to accommodate a 4 well pad. Make sure there's enough room. DK 28N07W22NE2 MVNM028N007W22NE2

General/Work Description - NO LEWIS, 80/80 KD/Kmv

ConocoPhillips or its affiliates

Planning Report

Database:	EDM Central Planning	Local Co-ordinate Reference:	Site Monty's Site for directional MV/DK wells
Company:	ConocoPhillips Lower 48	TVD Reference:	WELL @ 6821 0ft (Original Well Elev)
Project:	San Juan Basin	MD Reference:	WELL @ 6821 0ft (Original Well Elev)
Site:	Monty's Site for directional MV/DK wells	North Reference:	True
Well:	SJ 28-7 #159G	Survey Calculation Method:	Minimum Curvature
Wellbore:	SJ 28-7 #159G		
Design:	SJ 28-7 #159G		

Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (d)	Dip Direction (d)
1,349.7	1,307.0	Nacimiento		0.00	
2,839.0	2,648.0	Ojo Alamo		0.00	
2,946.7	2,745.0	Kirtland		0.00	
3,291.0	3,055.0	Fruitland		0.00	
3,758.6	3,476.0	Pictured Cliffs		0.00	
3,880.8	3,586.0	Lewis		0.00	
4,419.9	4,086.0	Huerf. Bent		0.00	
4,793.7	4,455.0	Chacra		0.00	
5,368.8	5,030.0	Cliffhouse		0.00	
5,467.8	5,129.0	Mass. Cliffhouse		0.00	
5,615.8	5,277.0	Menefee		0.00	
6,017.8	5,679.0	Pt. Lookout		0.00	
6,497.8	6,159.0	Mancos Shale		0.00	
7,252.8	6,914.0	Gallup		0.00	
7,988.8	7,650.0	Greenhorn		0.00	
8,054.8	7,716.0	Graneros		0.00	
8,092.8	7,754.0	Two Wells		0.00	
8,182.8	7,844.0	Paguate		0.00	
8,208.8	7,870.0	Upper Cubero		0.00	
8,237.8	7,899.0	Lower Cubero		0.00	
8,300.8	7,962.0	Encinal		0.00	
8,644.8	8,306.0	TD		0.00	