

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RCVD AUG 31 '07

OIL CONS. DIV.

DIST. 3

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number SF-079000-A	
1b. Type of Well GAS	6. If Indian, All. or Tribe NMNM-78421A-MV	
2. Operator ConocoPhillips	7. Unit Agreement Name San Juan 31-6 Unit	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name 9. Well Number #7M	
4. Location of Well Surf: Unit G (SWNE), 1738' FNL & 1873' FEL, BH: Unit A (NENE), 660' FNL & 700' FEL Surf: Latitude 36° 50.6409951 N Longitude 107° 31.1449611 W Surf: Latitude 36° 50.8598279 N BH: Longitude 107° 31.8517562 W	10. Field, Pool, Wildcat Blanco MV/Basin DK 11. Sec., Twn, Rge, Mer. (NMPM) G Sec. 1, T30N, R7W API # 30-039- 30324	
14. Distance in Miles from Nearest Town 59 miles/Bloomfield	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 660'	17. Acres Assigned to Well MV/DK 319.7 (E/2)	
16. Acres in Lease	18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease	
19. Proposed Depth 7900' TVD/8215' TMD	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6350' GL	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: Rhonda Rogers (Regulatory Technician)	8-13-07 Date	

PERMIT NO.	APPROVAL DATE
APPROVED BY: <i>[Signature]</i>	TITLE: AEM DATE: 8/30/07
HOLD OIA FOR <i>directional survey</i>	

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 Bond Numbers ES-0048 and ES-0085

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

NMOCD

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

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

2007 AUG Fee Lease - 3 Copies
State Lease 47 Copies
Submit to Appropriate District Office
Revised June 10, 2003
Form C-102
RCUD AUG 31 '07
 AMMENDED REPORT
OIL CONS. DIV.

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045- 30324		² Pool Code 71599/72319		³ Pool Name BASIN DAKOTA / BLANCO MESAVERDE		DIST. 3	
⁴ Property Code 31328		⁵ Property Name SAN JUAN 31-6				⁶ Well Number 7M	
⁷ OGRID No. 217817		⁸ Operator Name CONOCOPHILLIPS COMPANY				⁹ Elevation 6,349.7'	

¹⁰ SURFACE LOCATION

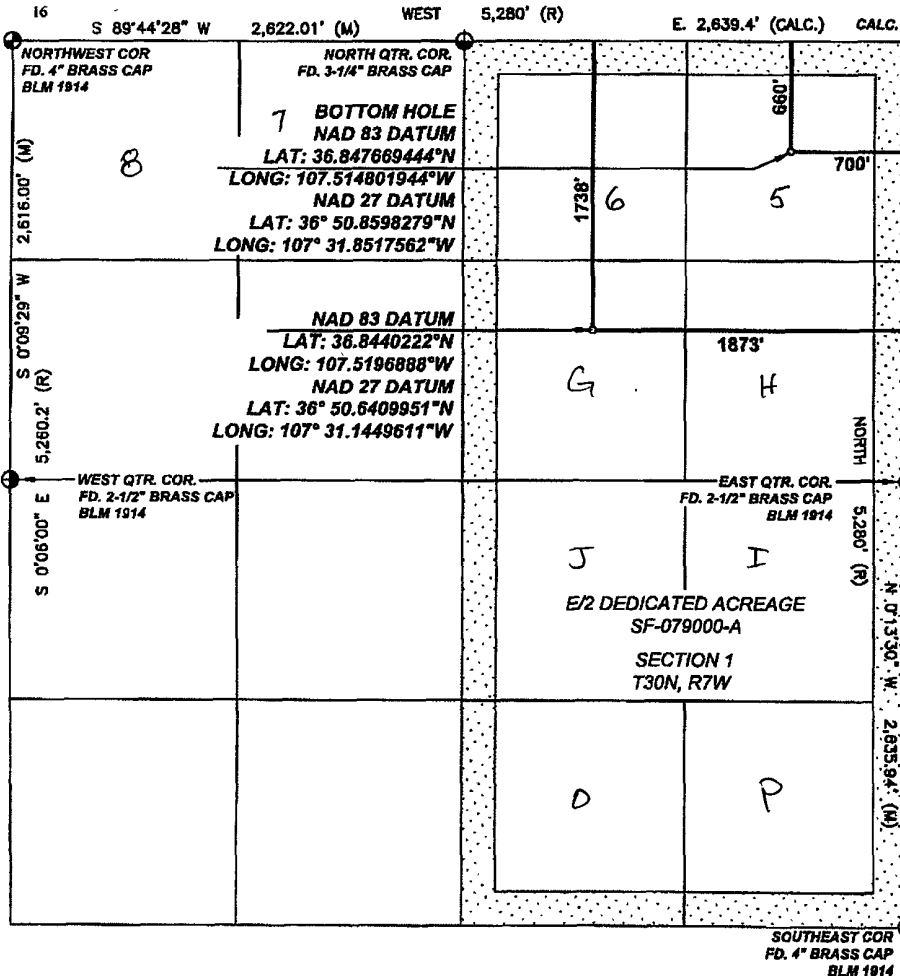
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	1	30-N	7-W		1738	NORTH	1873	EAST	RIO ARRIBA

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
A	1	30-N	7-W	(5)	660	NORTH	700	EAST	RIO ARRIBA

¹² Dedicated Acres 319.7	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



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.

Signature: *Juanita Ferrell*
 Printed Name: Juanita Ferrell
 Title and E-mail Address: Regulatory Technician
 Date: 11/14/2006

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: 7/21/06
 Signature and Seal of Professional Surveyor:

Certificate Number: NM 11393

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Energy, Minerals and Natural Resources

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

WELL API NO.	30-039-30324
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	Federal Lease SF-079000-A
7. Lease Name or Unit Agreement Name	San Juan 31-6 Unit
8. Well Number	#7M
9. OGRID Number	217817
10. Pool name or Wildcat	Blanco MV/Basin DK

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

3. Address of Operator
3401 E. 30TH STREET, FARMINGTON, NM 87402

4. Well Location
Unit Letter G : 1738' feet from the North line and 1873' feet from the East line
Section I Township 30N Rng 7W NMPM County Rio Arriba

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6350'

Pit or Below-grade Tank Application or Closure

Pit type New Drill Depth to Groundwater >100 Distance from nearest fresh water well >1000' Distance from nearest surface water >1000

Pit Liner Thickness: NA 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: <u>New Drill</u> <input checked="" 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

RCVD AUG 31 '07
OIL CONS. DIV.
DIST. 3

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 8-13-07

Type or print name Rhonda Rogers E-mail address: rogerrs@conocophillips.com Telephone No. 505-599-4018

For State Use Only
APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3

DATE SEP 06 2007

Conditions of Approval (if any):

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 31-6 UNIT 7M

DEVELOPMENT

Lease:		AFE #: WAN.CNV.7216		AFE \$:	
Field Name: 31-6		Rig: XXX 2009 Directional		State: NM County: RIO ARRIBA	
Geologist:		Phone:		Geophysicist:	
Geoscientist: Pippin, Eddie A		Phone: 505-326-9780		Prod. Engineer:	
Res. Engineer: Tomberlin, Timothy A		Phone: (832) 486-2328		Proj. Field Lead:	

Primary Objective (Zones):	
Zone	Zone Name
FRR	BASIN DAKOTA (PRORATED GAS)
RON	BLANCO MESAVERDE (PRORATED GAS)

Location: Surface		Datum Code: NAD 27		Deviated	
Latitude: 36.844017	Longitude: -107.519083	X: 591953.00	Y: 2126634.00	Section: 01	Range: 007W
Footage X: 1873 FEL	Footage Y: 1738 FNL	Elevation: 6349	(FT)	Township: 030N	
Tolerance:					

Location: Bottom Hole		Datum Code: NAD 27		Deviated	
Latitude: 36.847664	Longitude: -107.514196	X: 593378.00	Y: 2127966.00	Section: 01	Range: 007W
Footage X: 700 FEL	Footage Y: 660 FNL	Elevation:	(FT)	Township: 030N	
Tolerance:					

Location Type: Restricted	Start Date (Est.):	Completion Date:	Date In Operation:
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Formation Data: Assume KB = 6275 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	215	6060	<input type="checkbox"/>			12-1/4 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 170 cu. ft. Circulate cement to surface.
OJAM	2311	3964	<input type="checkbox"/>			Possible water flows.
KRLD	2569	3706	<input type="checkbox"/>			
FRLD	2918	3357	<input type="checkbox"/>			Possible gas.
PCCF	3280	2995	<input type="checkbox"/>			
LEWS	3467	2808	<input type="checkbox"/>			
HURF	4065	2210	<input type="checkbox"/>			
CHRA	4351	1924	<input type="checkbox"/>			
Intermediate Casing	4551	2678	<input type="checkbox"/>			8 3/4" Hole. 7", 23.0 ppf, L-80, LT&C casing. Cement with 1096 cu. ft. Circulate cement to surface.
UCLFH	4896	1379	<input type="checkbox"/>			
CLFH	5188	1087	<input type="checkbox"/>			Gas; possibly wet
MENF	5254	1021	<input type="checkbox"/>			Gas.
PTLK	5501	774	<input type="checkbox"/>	800		Gas.
MNCS	5929	346	<input type="checkbox"/>			
UPPER GALLUP	6818	-543	<input type="checkbox"/>			
GRHN	7545	-1270	<input type="checkbox"/>	2600		Gas possible, highly fractured
GRRS	7596	-1321	<input type="checkbox"/>			Gas possible, highly fractured
TWLS	7719	-1444	<input type="checkbox"/>			Gas
PAGU	7733	-1458	<input type="checkbox"/>			Gas. Highly Fractured.
CBRO	7744	-1469	<input type="checkbox"/>			
CBRL	7774	-1499	<input type="checkbox"/>			
ENCN	7841	-1566	<input type="checkbox"/>			

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 31-6 UNIT 7M

DEVELOPMENT

TD	7900	-1625	<input type="checkbox"/>	6 1/4" Hole. 4-1/2", 11.6 ppf, L-80, LT&C casing. Cement with 458 cu. ft. Circulate cement a minimum of 100' inside the previous casing string. No open hole logs. Cased hole TDT with GR to surface.
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Reference Wells:		
Reference Type	Well Name	Comments
Intermediate	SJ 31-6 6M	1-30N-7W-SW, KB = 6340
Intermediate	SJ 31-6 50	31-31N-6W-SW, KB = 6208
Intermediate	SJ 31-6 301	6-30N-6W-NE, KB = 6334
Intermediate	SJ 31-6 3R	6-30N-6W-NE, KB = 6314
Intermediate	SJ 31-6 6	1-30N-7W-SW, KB = 6564
Intermediate	SJ 31-6 7	1-30N-7W-NE, KB = 6340
Intermediate	SJ 30-6 123	7-30N-6W-NW, KB = 6467

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 type="checkbox"/> TDT <input checked="" type="checkbox"/> Other
GR/CBL	

Additional Information:					
Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks

Comments: Location/Tops/Logging - Reach = ~1600' Azimuth = ~40 degrees Twinned with SJ 31-6 7-1 --- TD is 355' below top of Greenhorn --- Bottom perf in ENCN 146' below top CBRO (337' below top GRHN)

Zones - MVNM030N007W01NE2 AND DKNM030N007W01NE1

General/Work Description - DIRECTIONAL FROM #7 WELL PAD. NO LEWIS.

ConocoPhillips or its affiliates
Planning Report

Database:	EDM Central Planning	Local Co-ordinate Reference:	Well: SJ 31-6 7M
Company:	ConocoPhillips Lower 48	TVD Reference:	Generic Rig KB @ 6365.0ft (Generic Rig)
Project:	San Juan Basin	MD Reference:	Generic Rig KB @ 6365.0ft (Generic Rig)
Site:	Russell's Site for Directional MV/DK wells	North Reference:	True
Well:	SJ 31-6 7M	Survey Calculation Method:	Minimum Curvature
Wellbore:	SJ 31-6 #7M		
Design:	Principal		

Formations					
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (d)	Dip Direction (d)
2,458.3	2,311.0	Ojo		0.00	
2,739.7	2,569.0	Kirtland		0.00	
3,120.5	2,918.0	Fruitland		0.00	
3,515.4	3,280.0	Pictured Cliffs		0.00	
3,719.4	3,467.0	Lewis		0.00	
4,370.5	4,065.0	Huerfano Bentonite		0.00	
4,665.7	4,351.0	Chacra		0.00	
5,211.4	4,896.0	Upper Cliffhouse		0.00	
5,503.4	5,188.0	Mass. Cliffhouse		0.00	
5,569.4	5,254.0	Menefee		0.00	
5,816.4	5,501.0	Point Lookout		0.00	
6,244.4	5,929.0	Mancos		0.00	
7,133.4	6,818.0	Upper Gallup		0.00	
7,860.4	7,545.0	Greenhorn		0.00	
7,911.4	7,596.0	Graneros		0.00	
8,034.4	7,719.0	Two Wells		0.00	
8,048.4	7,733.0	Paguate		0.00	
8,059.4	7,744.0	Cubero		0.00	
8,089.4	7,774.0	Lower Cubero		0.00	
8,156.4	7,841.0	Encinal		0.00	
8,215.4	7,900.0	TD		0.00	

CONOCOPHILLIPS COMPANY

SAN JUAN 31-6 UNIT 7M

1738' FNL, 1873' FEL

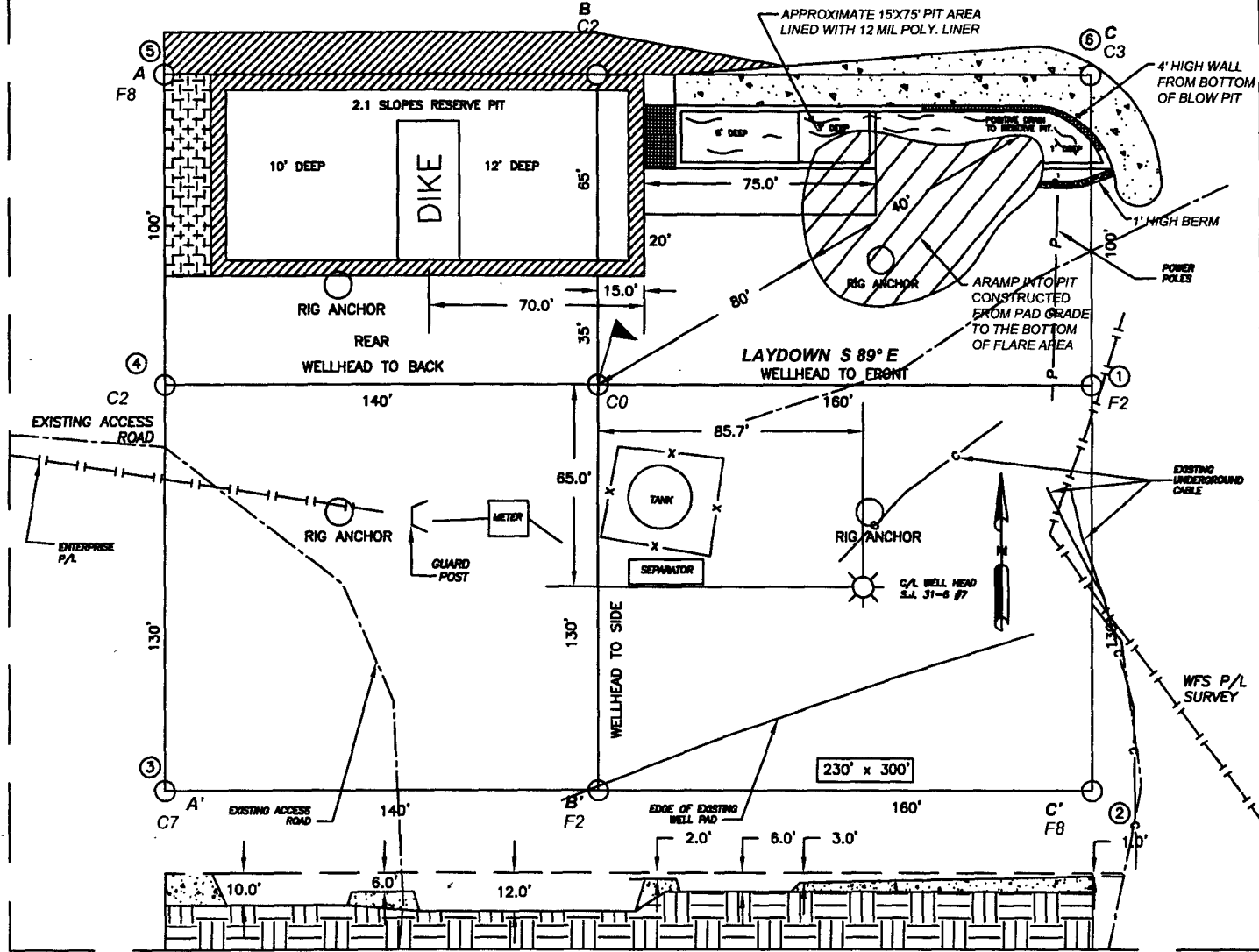
SECTION 1, T-30-N, R-7-W, N.M.P.M.,

RIO ARriba COUNTY, NEW MEXICO

GROUND ELEV.: 6350 NAVD88 DATE: JULY 21, 2006

NO NEW ACCESS

50' EDGE OF DISTURBANCE



PIT CROSS SECTION

330' x 400' = 3.03 ACRES

NAD 83 LAT.: 36.844022° N / LONG.: 107.519689° W

NOTES:

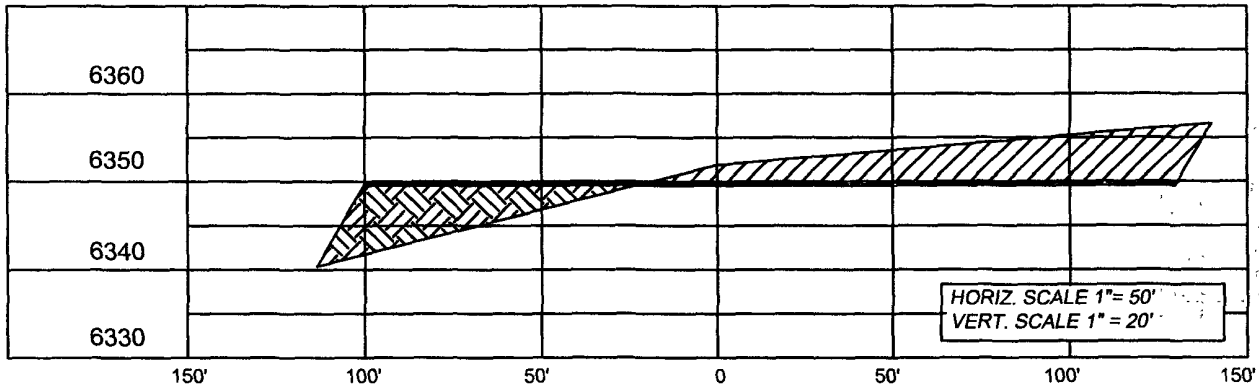
1. RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW-3' WIDE AND 1' ABOVE SHALLOW SIDE).
2. C.C.I. SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

CCI
CHENAULT CONSULTING INC.
 P.O. BOX 328
 BLOOMFIELD, NM, 87413
 PHONE: (505)325-7707

CONOCOPHILLIPS COMPANY
SAN JUAN 31-6 UNIT 7M
 1738' FNL, 1873' FEL
SECTION 1, T-30-N, R-7-W, N.M.P.M.,
RIO ARRIBA COUNTY, NEW MEXICO
 ELEV.: 6350 NAVD88

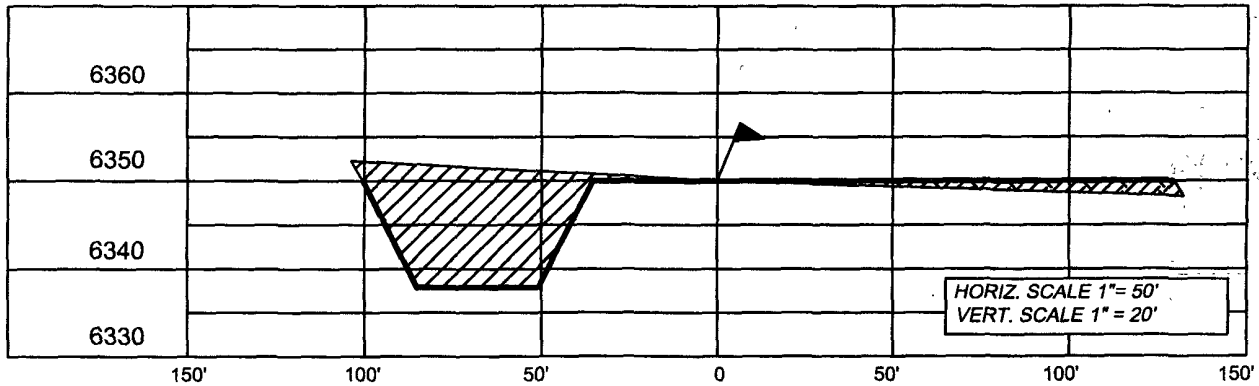
A - A'

C/L



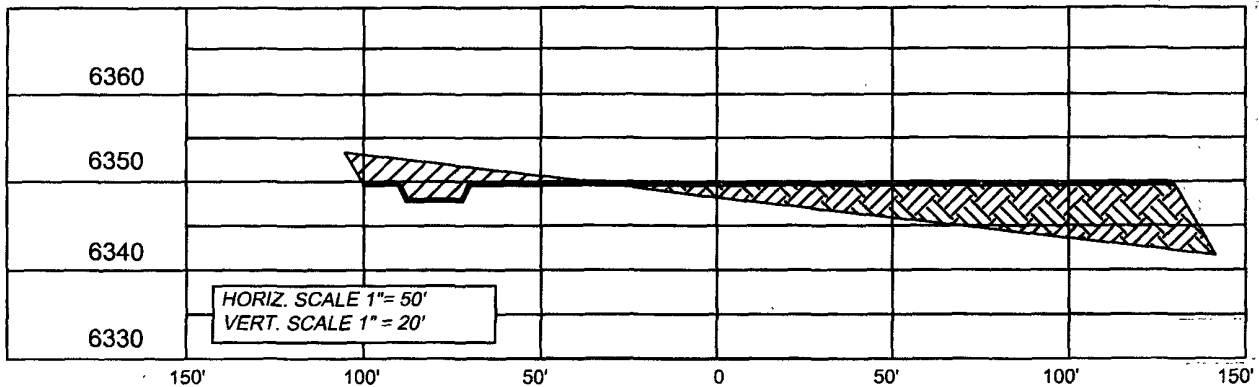
B - B'

C/L



C - C'

C/L



NOTE. CCI IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.

CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD PRIOR TO CONSTRUCTION.

REVISIONS

NO	DESCRIPTION	REVISED BY	DATE
1	ISSUE FOR REVIEW	L.H.	7/21/06
2	BOTTOM HOLE COORDS.	L.H.	8/2/07

CCI

P.O. BOX 328
 BLOOMFIELD, NM, 87413
 PHONE: (505)325-7707

CHENAULT CONSULTING INC.