Form 31	5 0-3
(August	1999)
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UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

1	FORM APPROVED
	OMB NO. 1004-0136
PEOGNAD.	Expires: November 30, 2000
IN to DOCK /	· · · · ·

BOKEAU OF BAIND MANAGEMENT				
APPLICATION FOR PERMIT TO DRILL OR REENTER 5. Lease Serial No. NMNM012698				
a. Type of Work X DRILL REENTER			Allotee or Tribe Name	
1b. Type of Well Oil Well Gas Well Other Single Zone Nultiple Zone 7 Unit or CA Agreement Name and No.				
2. Name of Operator		8. Lease Nam	e and Well No.	
ConocoPhillips Company 3a. Address	3b. Phone No. (include area code		n 29-6 Unit #103M	
5525 Highway 64, NBU 3004, Farmington, NM 87401	9. Art well r	03927519		
4. Location of Well (Report location clearly and in accordance with any St. At surface Unit D, 1100' FNL & 200' FWL	tate equirements)*	🚫 📉 Basin D	Cool, or Exploratory IK and Blanco MV	
At proposed prod. zone Same as above		DSec. 11	, M., or Blk. and Survey or Ar , T29N, R6W	
14. Distance in miles and direction from nearest town or post office*		12. County or	Parish 13. State	
approx. 44 miles east of B		Rio Arrib		
15. Distance from proposed* location to nearest	16 No. of Acres in lease 1	7. Späcing Unit ded	icated to this well	
property or lease line, ft. (Also to nearest drg. unit line, if any)	May and	320 N/2	DK; 320 W/2 MV	
18. Distance from proposed location* to nearest well, drilling, completed,	19. Proposed Depth 2	0:BLM/BIA Bond	No. on file	
applied for, on this lease, ft.	8165'		ES0085	
21. Elevations (Show whether DF, KDB, RT, GL, etc.	22. Approximate date work will start*	23. Estima	ated duration	
6462' GL	11/15/03		30 days	
	24. Attachments			
The following, completed in accordance with the requirements of Onshore O	il and Gas Order No. 1, shall be attached t	o this form:		
 Well plat certified by a registered surveyor. A Drilling Plan A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). Operator certification. Such other site specific information and/or plans as may be required by the authorized officer. 				
25. Signuature	Name (Printed/Typed)		Date	
alse Chistm	Patsy Clugston		10/6/03	
SHEAR Administrative Assistant				
Approved by (Signautre) Name (Printed/Typed)			Date NOV 2 0 2003	
Title	Office			
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 knowlingly and willfully to make to any department or agency of the				
United States any false, fictitious or fraudulent statements or representations		irany to make to a	my department of agency of the	

*(Instructions on Reverse)

DBH LING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS" 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 PO Box 1980, Hobbs, NM 88241-1980

District II PO Orawer OD, Artesia, NM 88211-0719

District III 1000 Rio Brazos Ad., Aztec, NM 87410

Oistrict IV PO 80x 2088, Santa Fe. NM 87504-2088

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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

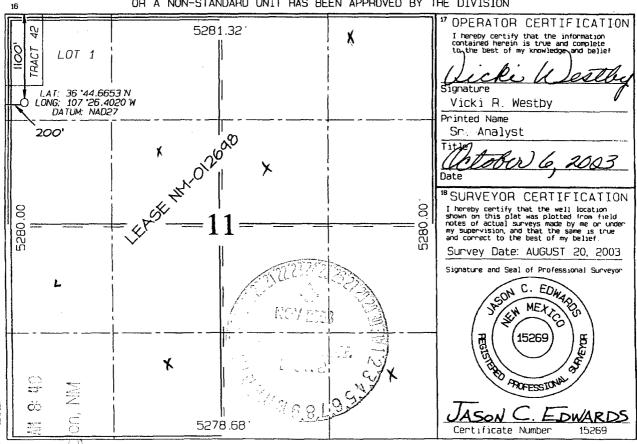
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number		*Pool 0	ode	'Pool Name	
30039-27	3/9	71599 /	72319	BLANCO MESAVERDE / BASIN (DAKOTA
'Property Code	Property Name Well Number				
31326	MEO1 103M		103M		
'OGRID No.	*Operator Name *Elevation				
217817	CONOCOPHILLIPS COMPANY 5462'				
-			10	Surface Location	

North/South line East/West line RIO Feet from the 29N БW 1100 NORTH 200 WEST D 11 ARRIBA ¹¹Bottom Hole Location If Different From Surface UL or lot no Lot Idn Feet from the North/South line Feet from the East/West line 13 Joint or Infill ¹⁴ Consolidation Code 15 Order No. 320.0 Acres - W/2 320.0 Acres - N/2 (MV) (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



CONOCOPHILLIPS COMPANY

WELI	L NAME: <u>San Juar</u>	29-6 Unit #103M (MV/DK)		
DRIL	LING PROGNOSIS			
1.	• -	Unit D, 1100' FNL & 200' FWL ection 11, T29N, R6W		
2.	Unprepared Ground Elevation:	@ 6462' (unprepared).		
3.	The geological name of the surface formation is <u>San Jose</u> .			
4.	Type of drilling tools will be re	otary.		
5.	Proposed drilling depth is 8165	<u>5'</u> .		
 7. 	Nacimiento - 1075' Ojo Alamo - 2465' Kirtland Sh - 2675' Fruitland Fm 3065' Pictured Cliffs - 3385' Lewis Shale - 3585' Cliffhouse - 5175' Menefee - 5275'	10 - 2465' - 2675' - 3065' - 3385' Cliffs - 3385' - 3585'		
8.	The proposed casing program is Surface String: 9-5/8", 32.3# I			
	Intermediate String: 7", 20#, J- only casing Production String: 4-1/2", 11.6	55 @ 3685' (J-55 will be used, unless the K-55 is the available)		

^{*} The surface casing will be set at a minimum of 200', but could be set deeper if required to maintain hole stability.

9. Cement Program:

Surface String:

130 sx 50/50 POZ, + 2% Bentonite, 3% CaCl2, 5#/sx Gilsonite, 0.25#/sx Cellophane flakes, & 0.2% CFR-3 Friction Reducer (1.34 yield = 174 cf); Cement density - 13.5 ppg. Water required 5.39 gal/sx. Compressive Strength - Sample cured at 70 deg F for 8 hours; 3 hrs 05 min. 50 psi; 7 hrs 45 min 500 psi; cement to surface w/150% excess of casing/hole annulus volume.

Intermediate String:

Lead Cement: 372 sx Standard cement + 3% Econolite (extender) + 10#/sx Pheno-seal; (2.88 yield = 1072 cf). Cement Density 11.5 ppg; Water required - 16.91 gal/sx. Compressive strength -Sample cured at 130 deg F for 24 hrs – 1 hr 47 min – 50 psi; 12 hrs - 350 psi; 24 hrs - 450 psi; Cement to surface with 150% excess of casing/hole annulus volume.

Tail Cement: 216 sx 50/50 POZ - Standard cement + 2% Bentonite + 6#/sx Pheno Seal; (1.33 yield = 287 cf); Cement Density - 13.5 ppg; Water required - 5.52 gal/sx; Compressive strength – Sample cured at 130 deg F for 24 hrs – 2 hrs 5 min – 50 psi; 2 hr 6 min – 500 psi; 12 hr – 1250 psi; 24 hrs – 1819 Cement to surface with 150% excess of casing/hole annulus volume.

Production String *:

Cement: 492 sx 50/50 POZ – Standard cement + 3% Bentonite + 5#/sx PhenoSeal + 0.2% CFR-3 Friction Reducer + 0.1% HR-5 Retarder + 0.8% Halad-9 Fluid Loss Additive (1.45 Yield – 713 cf) Cement density - 13.1 ppg; Water required 6.47 gal/sx; Compressive Strength - Sample cured at 200 de F for 23 hrs; 9 hr 50 min - 50 psi; 13 hrs 45 min - 500 psi; 16 hrs - 1500 psi; 23 hrs 2525 psi.

*The production casing cement is calculated to cover the openhole interval with 50% excess and annular volume 200' within intermediate shoe. Depending on hole conditions, the well may be cemented in a single stage or two staged.

Centralizer Program:

Surface:

Total four (4) - 1st joint - 10' above the shoe & 1 at the top of the 2nd, 3rd and 4th joints latched over the casing collar

Intermediate: Total seven (9) – 10' above shoe, top of 2nd, 4th, 6th, & 8th, 10th its & 10th 1 it. above surface casing, and on first two casing collars below the wellhead. .

Production:

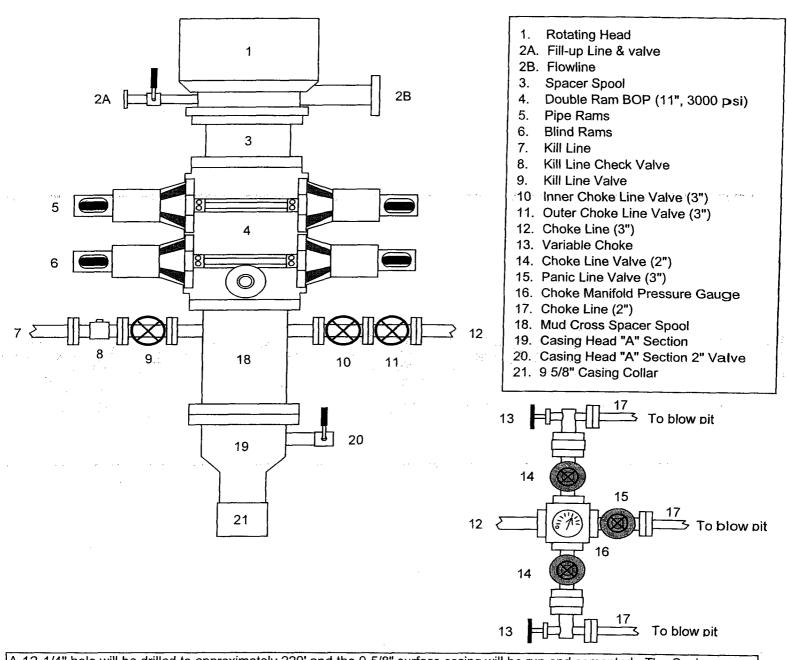
None planned.

Turbulators:

Total Three (3) – on intermediate casing at 1st it. below the Ojo Alamo and next 2 its up.

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to Intermediate Casing Point & Setting 7" Intermediate Casing

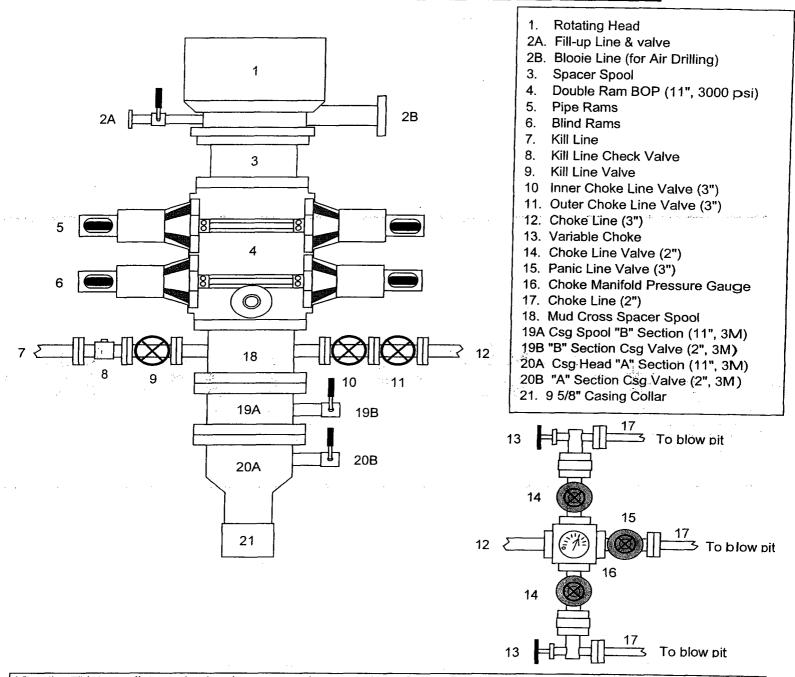


A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 2-3 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 2-3 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). An 8-3/4" hole will be drilled to intermediate casing point and 7" 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 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 2-3 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 2-3 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

San Juan 29-6 Unit #103M NMNM012698– Unit D, 1100' FNL & 200' FWL Section 11, T29N, R6W; Rio Arriba County, NM

Cathodic Protection

ConocoPhillips proposes to drill a cathodic protection deep well groundbed for the subject well. 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 existing well pad and a Farmington based company will be doing the drilling for ConocoPhillips.

See attached drawing on proposed placement of groundbed & underground AC & DC cables and rectifier.