

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

APR 28 2009

1a. Type of Work DRILL	5. Lease Number NM-03560 Unit Reporting Number	Bureau of Land Management Farmington Field Office
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator ConocoPhillips Company	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 RCVD SEP 17 '09 OIL CONS. DIV. DIST. 3	
4. Location of Well Surface: Unit F (SENW), 2428' FNL & 2062' FWL Bottomhole: Unit E (SWNW), 1735' FNL & 935' FWL Surface: Latitude: 36.54448° N (NAD 83) Longitude: 107.60050° W Bottomhole: Latitude: 36.54638° N (NAD 83) Longitude: 107.60433° W	10. Field, Pool, Wildcat Basin DK/Blanco MV/Otero CH 11. Sec., Twn, Rge, Mer. (NMPM) F Sec. 29, T27N, R7W API # 30-039-30759	
14. Distance in Miles from Nearest Town 39 miles/Blanco	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 935'		
16. Acres in Lease 1,281.440	 H ₂ S POTENTIAL EXIST	17. Acres Assigned to Well MV-320.00 (W/2), DK-320.00 (N/2), CH - 160.00 (NW/4)
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 52' from San Juan 28-7 Unit 98M (MV/DK)		
19. Proposed Depth 7422'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6594' GR	22. Approx. Date Work will Start BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Crystal Tafoya</u> Crystal Tafoya (Regulatory Technician)	Date: <u>4/29/2009</u>	

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

Bond Numbers ES-0048 and ES-0085

SEP 18 2009

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

NMOCD

Drilling operations authorized are subject to compliance with attached "General Requirements".

Hold C104
for Directional Survey
and "As Drilled" plat

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Artec, N.M. 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87606

State of New Mexico
Energy, Minerals & Natural Resources Department

RECEIVED

Form C-102
Revised October 12, 2005

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

APR 29 2009

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

Bureau of Land Management
Farmington Field Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-30759	Pool Code 72319/71599/82329	Pool Name BLANCO MESAVERDE / BASIN DAKOTA/ OTERO CHACRA
Property Code 31328 31739	Property Name SAN JUAN 28-7 UNIT	Well Number 98 N
OGRID No. 217817	Operator Name CONOCOPHILLIPS COMPANY	Elevation 6594'

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
F	29	27N	7W		2428'	NORTH	2062'	WEST	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
E	29	27N	7W		1735'	NORTH	935'	WEST	RIO ARRIBA

12 Dedicated Acres
DK-320.00 ACRES (N/2)
MV-320.00 ACRES (W/2)
CH-160.00 ACRES (NW/4)

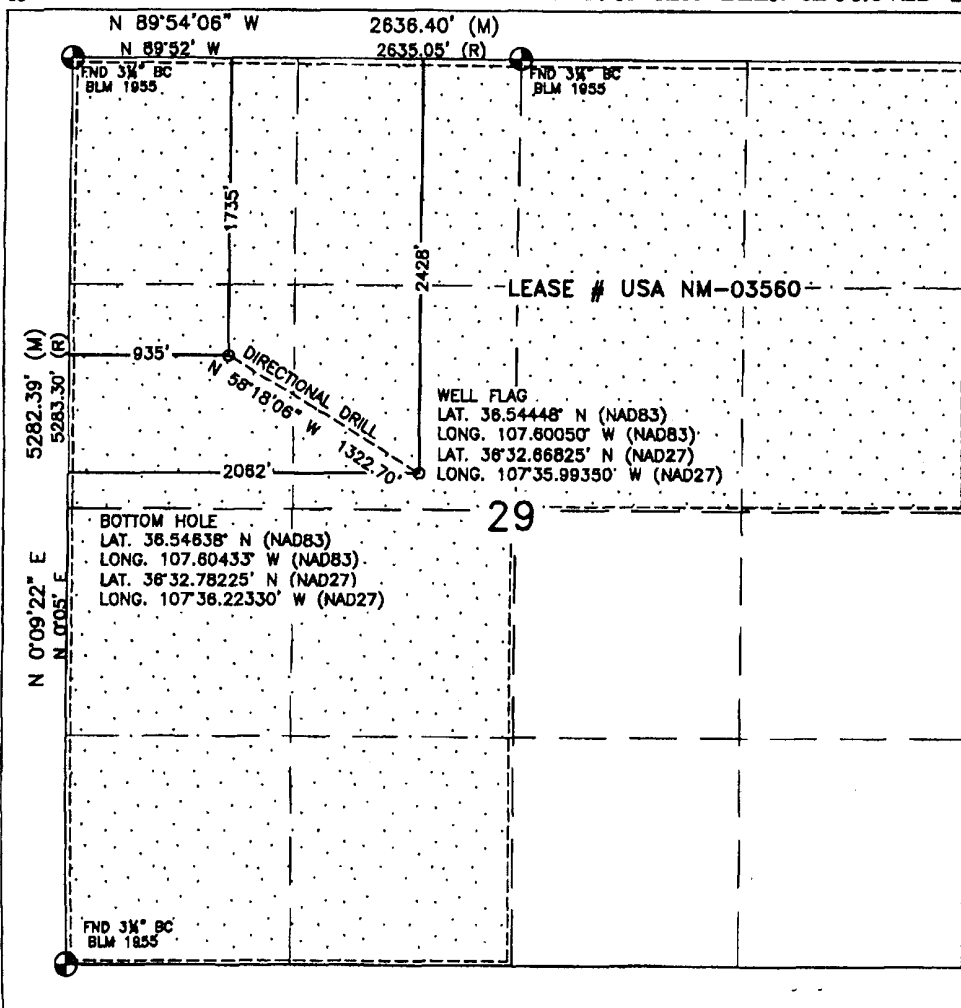
13 Joint or Infill

14 Consolidation Code

15 Order No.

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



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 or a compulsory pooling order heretofore entered by the division.

Crystal Tqafoya 1/22/09
Signature Date

Crystal Tqafoya 1-22-09
Printed Name

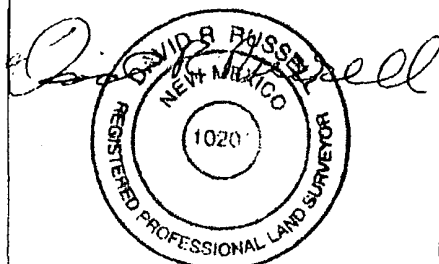
18 SURVEYOR CERTIFICATION

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.

JANUARY 12, 2009

Date of Survey

Signature and Seal of Professional Surveyor:



DAVID RUSSELL

Certificate Number

10201

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28-7 UNIT 98N

DEVELOPMENT

Lease:		AFE #: WAN.CDR.8485				AFE \$: 1,720,099.61	
Field Name: hBR_SAN JUAN		Rig: Aztec Rig 730		State: NM	County: RIO ARRIBA		API #:
Geologist:		Phone:		Geophysicist:		Phone:	
Geoscientist:		Phone:		Prod. Engineer:		Phone:	
Res. Engineer:		Phone:		Proj. Field Lead:		Phone:	
Primary Objective (Zones):							
Zone	Zone Name						
FRR	BASIN DAKOTA (PRORATED GAS)						
RON	BLANCO MESAVERDE (PRORATED GAS)						
RCO004	CHACRA(RCO004)						
Location: Surface Datum Code: NAD 27							
Latitude: 36.544471	Longitude: -107.599892	X:	Y:	Section: 29		Range: 007W	
Footage X: 2062 FWL	Footage Y: 2428 FNL	Elevation: 6594	(FT)	Township: 027N			
Tolerance:							
Location: Bottom Hole Datum Code: NAD 27							
Latitude: 36.546371	Longitude: -107.603722	X:	Y:	Section: 29		Range: 007W	
Footage X: 935 FWL	Footage Y: 1735 FNL	Elevation:	(FT)	Township: 027N			
Tolerance:							
Location Type: Restricted		Start Date (Est.): 1/1/2010		Completion Date:		Date In Operation:	
Formation Data: Assume KB = 6609 Units = FT							
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks	
Surface Casing	202	6407	☐			12-1/4 hole. 200' 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 170 cuft. Circulate cement to surface.	
OJO ALAMO	2080	4529	☐				
KIRTLAND	2222	4387	☐				
FRUITLAND	2491	4118	☐			Possible Gas	
PICTURED CLIFFS	2891	3718	☐	316			
LEWIS	3015	3594	☐				
HUERFANITO BENTONITE	3359	3250	☐				
Intermediate Casing	3700	2909	☐			8 3/4" Hole. 7", 23 ppf, J-55, LTC Casing. Cement with 899 cuft. Circulate cement to surface.	
CHACRA	3799	2810	☐				
UPPER CLIFF HOUSE	3980	2629	☐			Gas	
MASSIVE CLIFF HOUSE	4561	2048	☐	66		Gas	
MENEFEE	4595	2014	☐				
POINT LOOKOUT	5163	1446	☐				
MANCOS	5501	1108	☐				
UPPER GALLUP	6323	286	☐				
GREENHORN	7119	-510	☐				
GRANEROS	7177	-568	☐				
TWO WELLS	7234	-625	☐	3016		Gas	
UPPER CUBERO	7329	-720	☐				
LOWER CUBERO	7355	-746	☐				
ENCINAL	7421	-812	☐				

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28-7 UNIT 98N

DEVELOPMENT

Total Depth	7422	-813	☐	6-1/4" hole, 4-1/2", 11.6 ppf, J-55 & L-80, LTC casing. Cement w/ 508 cuft. Circulate cement a minimum of 100' inside the previous casing string.
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Reference Wells:		
Reference Type	Well Name	Comments
Production	SAN JUAN 28-7 UNIT 100N	
Production	SAN JUAN 28-7 98M	

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

TD Logs:	☐ Triple Combo	☐ Dipmeter	☐ RFT	☐ Sonic	☐ VSP	☐ TDT	☒ Other
mud log from ~100' above grhn to td. Perf 18' above td. Mud logger will call td.							

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

ConocoPhillips or its affiliates

Planning Report

Database:	EDM Central Planning	Local Co-ordinate Reference:	Well SJ 28-7 #98N
Company:	ConocoPhillips SJBU	TVD Reference:	RKB @ 6609.0ft (Original Well Elev)
Project:	San Juan Basin - New Mexico Wells	MD Reference:	RKB @ 6609.0ft (Original Well Elev)
Site:	San Juan 28 Wells	North Reference:	True
Well:	SJ 28-7 #98N	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
7,400.0	0.00	0.00	7,104.4	691.7	-1,125.1	1,320.8	0.00	0.00	0.00
7,414.6	0.00	0.00	7,119.0	691.7	-1,125.1	1,320.8	0.00	0.00	0.00
Greenhorn									
7,472.6	0.00	0.00	7,177.0	691.7	-1,125.1	1,320.8	0.00	0.00	0.00
Graneros									
7,500.0	0.00	0.00	7,204.4	691.7	-1,125.1	1,320.8	0.00	0.00	0.00
7,529.6	0.00	0.00	7,234.0	691.7	-1,125.1	1,320.8	0.00	0.00	0.00
Two Wells									
7,600.0	0.00	0.00	7,304.4	691.7	-1,125.1	1,320.8	0.00	0.00	0.00
7,624.6	0.00	0.00	7,329.0	691.7	-1,125.1	1,320.8	0.00	0.00	0.00
Upper Cubero									
7,650.6	0.00	0.00	7,355.0	691.7	-1,125.1	1,320.8	0.00	0.00	0.00
Lower Cubero									
7,700.0	0.00	0.00	7,404.4	691.7	-1,125.1	1,320.8	0.00	0.00	0.00
7,716.6	0.00	0.00	7,421.0	691.7	-1,125.1	1,320.8	0.00	0.00	0.00
Encinal									
7,717.6	0.00	0.00	7,422.0	691.7	-1,125.1	1,320.8	0.00	0.00	0.00
Production - SJ 28-7 #98N PCP									

Targets

Target Name	hit/miss target	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
SJ 28-7 #98N PCP	- plan hits target - Circle (radius 50.0)	0.00	0.00	7,422.0	691.7	-1,125.1	2,018,208.17	567,446.35	36° 32' 46.935 N	107° 36' 13.398 W
SJ 28-7 #98N ICP	- plan hits target - Point	0.00	0.00	3,700.0	691.7	-1,125.1	2,018,208.17	567,446.35	36° 32' 46.935 N	107° 36' 13.398 W
SJ 28-7 #98N WH	- plan misses by 100.0ft at 100.0ft MD (100.0 TVD, 0.0 N, 0.0 E) - Point	0.00	0.00	0.0	0.0	0.0	2,017,519.22	568,573.05	36° 32' 40.095 N	107° 35' 59.610 W

Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (")	Hole Diameter (")
215.0	215.0	Surface	9-5/8	12-1/4
3,995.6	3,700.0	Intermediate	7	8-3/4
7,717.6	7,422.0	Production	4-1/2	6-1/4

ConocoPhillips or its affiliates

Planning Report

Database:	EDM Central Planning	Local Co-ordinate Reference:	Well SJ 28-7 #98N
Company:	ConocoPhillips SJBU	TVD Reference:	RKB @ 6609.0ft (Original Well Elev)
Project:	San Juan Basin - New Mexico Wells	MD Reference:	RKB @ 6609.0ft (Original Well Elev)
Site:	San Juan 28 Wells	North Reference:	True
Well:	SJ 28-7 #98N	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction	
2,238.9	2,080.0	Ojo		0.00		
2,400.5	2,222.0	Kirtland		0.00		
2,706.7	2,491.0	Fruitland		0.00		
3,160.2	2,891.0	Pictured Cliffs		0.00		
3,295.0	3,015.0	Lewis		0.00		
3,652.7	3,359.0	Huerfano Bentonite		0.00		
4,094.6	3,799.0	Chacra		0.00		
4,275.6	3,980.0	Upper Cliffhouse		0.00		
4,856.6	4,561.0	Mass. Cliffhouse		0.00		
4,890.6	4,595.0	Menefee		0.00		
5,458.6	5,163.0	Point Lookout		0.00		
5,796.6	5,501.0	Mancos		0.00		
6,618.6	6,323.0	Upper Gallup		0.00		
7,414.6	7,119.0	Greenhorn		0.00		
7,472.6	7,177.0	Graneros		0.00		
7,529.6	7,234.0	Two Wells		0.00		
7,624.6	7,329.0	Upper Cubero		0.00		
7,650.6	7,355.0	Lower Cubero		0.00		
7,716.6	7,421.0	Encinal		0.00		

CONOCOPHILLIPS COMPANY

SAN JUAN 28-7 UNIT #98 N
2428' FNL & 2062' FWL
LOCATED IN THE SE/4 NW/4 OF SECTION 29,
T27N, R7W, N.M.P.M.,
RIO ARriba COUNTY, NEW MEXICO

DIRECTIONS

- 1) FROM HWY 64 & CR 4450, GO SOUTHEASTERLY ON CR 4450 FOR 25 MILES TO OLD LARGO CANYON SCHOOL HOUSE.
- 2) FROM "T" INTERSECTION, GO NORTH UP ICE CANYON FOR 3.3 MILES.
- 3) TURN LEFT & GO 2.85 MILES TO "Y" INTERSECTION.
- 4) TURN LEFT (GO AROUND CHEVRON COMP. SITE) & GO 3.3 MILES.
- 5) TURN LEFT & GO 2.4 MILES.
- 6) TURN RIGHT, & GO 0.1 MILES.
- 7) TURN LEFT & GO 0.3 MILES TO EXISTING WELL PAD WHERE WELL IS TWINNED.

WELL FLAG LOCATED AT LAT. 36.54448° N, LONG. 107.60050° W (NAD 83).

