

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	RECEIVED DEC 15 2009 Bureau of Land Management Farmington Field Office	5. Lease Number SF-078500-A Unit Reporting Number NMNM78413C-DK NMNM78413A-MV
1b. Type of Well GAS		6. If Indian, All. or Tribe
2. Operator ConocoPhillips Company	7. Unit Agreement Name RCVD DEC 29 '09 San Juan 28-7 Unit OIL CONS. DIV. DIST. 3	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name	9. Well Number 243P
4. Location of Well Surf: Unit N (SESW), 915' FSL & 1887' FWL Bottomhole: Unit O (SWSE), 915' FSL & 2400' FEL Surf: Latitude: 36.613313° N (NAD83) Longitude: 107.616930° W Bottomhole: Latitude: 36.613312° N (NAD83) Longitude: 107.613978° W	10. Field, Pool, Wildcat Blanco MV / Basin DK	11. Sec., Twn, Rge, Mer. (NMPM) N Sec. 31, T28N, R7W API # 30-039-30887
14. Distance in Miles from Nearest Town 25 miles / Bloomfield	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 915'	17. Acres Assigned to Well 339.73 NSP (DK) / 315.00 E/2 (MV)	
16. Acres in Lease 925.360	H ₂ S POTENTIAL EXIST	
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 72' from San Juan 28-7 Unit 105 (MV)	20. Rotary or Cable Tools Rotary	
19. Proposed Depth 7107'	22. Approx. Date Work will Start 12/15/2009	
21. Elevations (DF, FT, GR, Etc.) 6130' GL	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 Tafaya</u> Crystal Tafaya (Regulatory Technician)	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

Bond Numbers NMB-000015 and NMB-000089

Hold C104

for Directional Survey and "As Drilled" plat

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

JAN 04 2010

NMOC

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

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

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

Submit to Appropriate District Office

State Lease - 7 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039- 30887		² Pool Code 71599 / 72319		³ Pool Name BASIN DAKOTA / BLANCO MESAVERDE	
⁴ Property Code 31739		⁵ Property Name SAN JUAN 28-7 UNIT			⁶ Well Number 243P
⁷ OGRID No. 217817		⁸ Operator Name CONOCOPHILLIPS COMPANY			⁹ Elevation 6130

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
N	31	28-N	7-W		915	SOUTH	1887	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
O	31	28-N	7-W		915	SOUTH	2400	EAST	RIO ARRIBA

¹² Dedicated Acres DK-339.73 NSP MV-315.00 E/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. R-2948 unit 10
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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

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 of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Crystal Tafoya</i> 5/7/09 Signature Crystal Tafoya Printed Name Regulatory Technician Title and E-mail Address May 7th, 2009 Date
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: 4/28/09 Signature and Seal of Professional Surveyor: 		Certificate Number: NM 11393

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28-7 UNIT 243P

DEVELOPMENT

Lease:		AFE #: WAN.CDR.8509				AFE \$: 1,018,616.50	
Field Name: SAN JUAN		Rig: XXX 2010 Holding		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)						
Location: Surface Datum Code: NAD 27 Directional							
Latitude: 36.613305	Longitude: -107.616321	X:	Y:	Section: 31		Range: 007W	
Footage X: 1887 FWL	Footage Y: 915 FSL	Elevation: 6130	(FT)	Township: 028N			
Tolerance:							
Location: Bottom Hole Datum Code: NAD 27 Directional							
Latitude: 36.613304	Longitude: -107.613369	X:	Y:	Section: 31		Range: 007W	
Footage X: 2400 FEL	Footage Y: 915 FSL	Elevation:	(FT)	Township: 028N			
Tolerance:							
Location Type: Year Round		Start Date (Est.): 1/1/2011		Completion Date:		Date In Operation:	
Formation Data: Assume KB = 6146 Units = FT							
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks	
Surface Casing	200	5946	☐			12-1/4 hole. 200' 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 121 cuft. Circulate cement to surface.	
NACIMIENTO	272	5874	☐				
OJO ALAMO	1719	4427	☐				
KIRTLAND	1856	4290	☐				
FRUITLAND	2190	3956	☐			Possible Gas	
PICTURED CLIFFS	2603	3543	☐				
LEWIS	2726	3420	☐				
Intermediate Casing	3100	3046	☐			8 3/4" Hole. 7", 23 ppf, J-55, LTC Casing. Cement with 734 cuft. Circulate cement to surface.	
HUERFANITO BENTONITE	3165	2981	☐				
CHACRA	3566	2580	☐				
UPPER CLIFF HOUSE	4254	1892	☐			Gas; Est. Top Perf - 4254 (1890)	
MASSIVE CLIFF HOUSE	4262	1884	☐	416		Gas	
MENELEE	4378	1768	☐				
POINT LOOKOUT	4826	1320	☐				
MANCOS	5230	916	☐				
UPPER GALLUP	6018	128	☐				
GREENHORN	6757	-611	☐				
GRANEROS	6818	-672	☐				
TWO WELLS	6865	-719	☐	2806		Gas	
PAGUATE	6965	-819	☐				
UPPER CUBERO	6984	-838	☐				
LOWER CUBERO	7008	-862	☐			Est. Btm Perf - 7085 (-941) based on offset wells	

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28-7 UNIT 243P

DEVELOPMENT

ENCINAL	7067	-921	☐	TD - 40' below T/ENCN Caution should be used on btm perf as we are in a high water production area.
Total Depth	7107	-961	☐	6-1/4" hole, 4-1/2" 11.6 ppf, J-55/L-80, LTC casing. Cement w/ 546 cuft. Circulate cement a minimum of 100' inside the previous casing string.

Reference Wells:		
Reference Type	Well Name	Comments
Production	SJ 28-7 105	28N 7W 31 NW SE SW
Production	SJ 28-7 243	28N 7W 31 NW SE SW
Production	SJ 28-7 178	28N 7W 31 NW SE SE
Production	SJ 28-7 150	28N 7W 31 NW SE SW

Logging Program:

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

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

Cased Hole GR / CBL

Mudlog from 100' above top of GRHN to TD - mudlogger 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 #243P
Company:	ConocoPhillips SJB	TVD Reference:	HP KB @ 6146.0ft (Original Well Elev)
Project:	San Juan Basin - New Mexico Wells	MD Reference:	HP KB @ 6146.0ft (Original Well Elev)
Site:	San Juan 28 Wells	North Reference:	True
Well:	SJ 28-7 #243P	Survey Calculation Method:	Minimum Curvature
Wellbore:	Principal Wellbore		
Design:	Plan #1		

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
6,915.4	6,757.0	Greenhorn		0.00		
2,313.1	2,190.0	Fruitland		0.00		
2,882.0	2,726.0	Lewis		0.00		
4,536.4	4,378.0	Menefee		0.00		
3,724.4	3,566.0	Chacra		0.00		
6,176.4	6,018.0	Gallup		0.00		
3,323.4	3,165.0	Huerfano Bentonite		0.00		
5,388.4	5,230.0	Mancos		0.00		
7,123.4	6,965.0	Paguate		0.00		
4,984.4	4,826.0	Point Lookout		0.00		
7,166.4	7,008.0	Lower Cubero		0.00		
7,023.4	6,865.0	Two Wells		0.00		
6,976.4	6,818.0	Graneros		0.00		
2,755.7	2,603.0	Pictured Cliffs		0.00		
4,412.4	4,254.0	Upper Cliffhouse		0.00		
1,799.0	1,719.0	Ojo		0.00		
4,420.4	4,262.0	Mass Cliffhouse		0.00		
7,142.4	6,984.0	Upper Cubero		0.00		
272.0	272.0	Nacimiento		0.00		
1,948.6	1,856.0	Kirtland		0.00		

REFERENCE INFORMATION

HP KB @ 6146.0ft (Original Well Elev)
Ground Elevation .6130.0
Reference Lat: 36° 36' 47.901 N
Reference Long: 107° 36' 58.757 W

Project: San Juan Basin - New Mexico Wells

Site: San Juan 28 Wells

Well: SJ 28-7 #243P

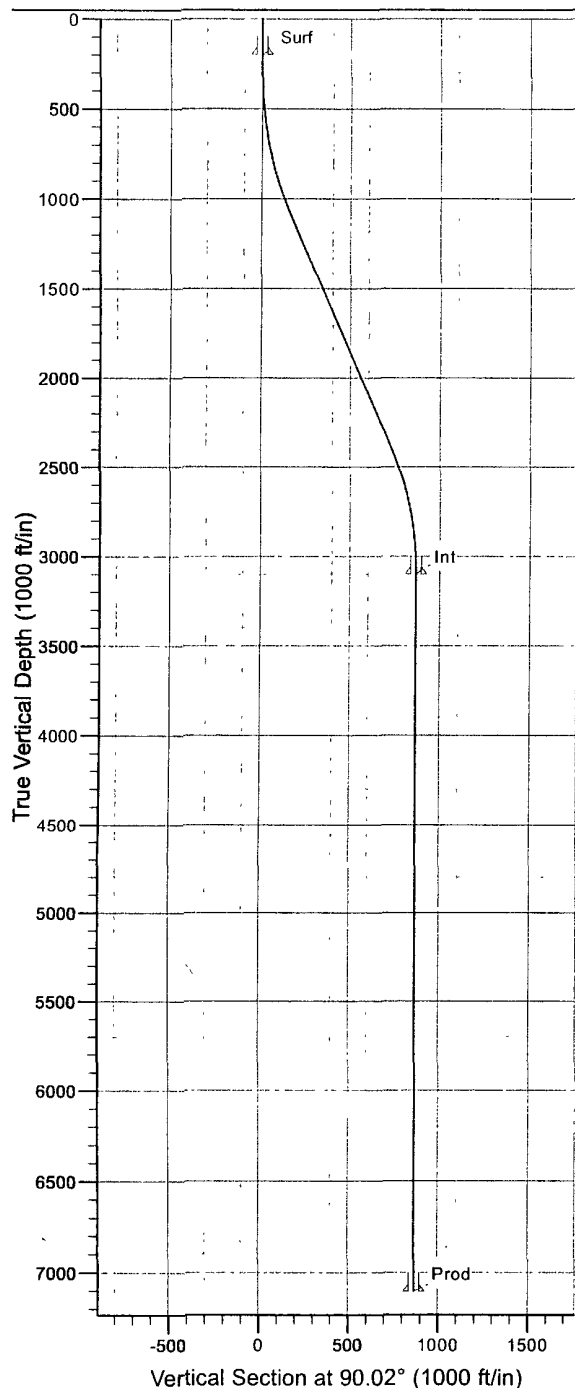
Wellbore: Principal Wellbore

Design: Plan #1

ConocoPhillips

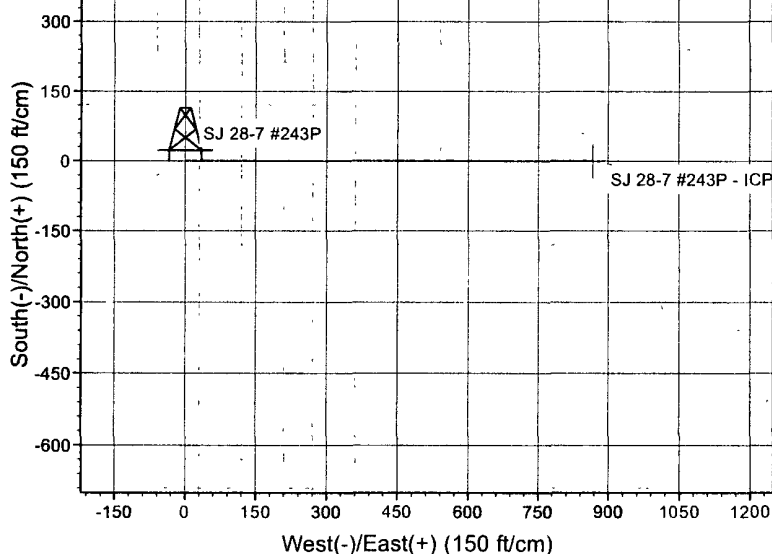
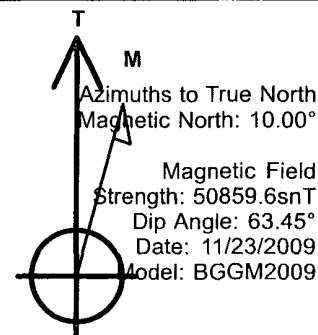
SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	320.0	0.00	0.00	320.0	0.0	0.0	0.00	0.00	0.0	
3	1107.2	23.62	90.02	1085.1	-0.1	160.0	3.00	90.02	160.0	
4	2471.2	23.62	90.02	2334.9	-0.3	706.4	0.00	0.00	706.4	
5	3258.4	0.00	0.00	3100.0	-0.4	866.4	3.00	180.00	866.4	SJ 28-7 #243P - ICP
6	7265.4	0.00	0.00	7107.0	-0.4	866.4	0.00	0.00	866.4	SJ 28-7 #234P - PCP



FORMATION TOP DETAILS

TVDPath	MDPath	Formation
272.0	272.0	Nacimiento
1719.0	1799.0	Ojo
1856.0	1948.6	Kirtland
2190.0	2313.1	Fruitland
2603.0	2755.7	Pictured Cliffs
2726.0	2882.0	Lewis
3165.0	3323.4	Huerfano Bentonite
3566.0	3724.4	Chacra
4254.0	4412.4	Upper Cliffhouse
4262.0	4420.4	Mass. Cliffhouse
4378.0	4536.4	Menefee
4826.0	4984.4	Point Lookout
5230.0	5388.4	Mancos
6018.0	6176.4	Gallup
6757.0	6915.4	Greenhorn
6818.0	6976.4	Graneros
6865.0	7023.4	Two Wells
6965.0	7123.4	Paguate
6984.0	7142.4	Upper Cubero
7008.0	7166.4	Lower Cubero



CONOCOPHILLIPS COMPANY

**SAN JUAN 28-7 UNIT #243P
915' FSL, 1887' FWL
SECTION 31, T-28-N, R-7-W, N.M.P.M.
RIO ARRIBA COUNTY, NEW MEXICO
NAD 83 LAT.: 36.613313°N LONG.: 107.616930°W
ELEV.: 6130 NAVD88
NO NEW ACCESS ROAD**

FROM BLOOMFIELD, N.M. AT INTERSECTION OF HWY 550 AND HWY 64:

- GO 10.6 MI. EAST ON HWY. 64 THROUGH BLANCO, N.M. AND ACROSS THE SAN JUAN RIVER TO THE INTERSECTION OF HWY. 64 & C.R. 4450 (LARGO CANYON). TURN RIGHT & HEAD SOUTHEAST ON C.R. 4450 ALONG THE NORTH SIDE OF LARGO WASH.
- GO 9.5 MI. SOUTHEAST ON C.R. 4450 & TURN RIGHT, TO "9 MILE BRIDGE" WASH CROSSING.
- GO 4.3 MI. SOUTHEAST FROM "9 MILE BRIDGE" ON C.R. 4450, ALONG THE SOUTH SIDE OF CARRIZO WASH. TURN RIGHT, INTO "STOVE CANYON" HEADING TOWARD GOULD PASS.
- GO 0.8 MI. ALONG THE WEST SIDE OF STOVE CANYON. TURN RIGHT AND GO 0.1 MI. TO EXISTING SJ 28-7 #105, THE SJ 28-7 #243P IS TWINNED HERE.