

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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MAR 02 2010

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK Bureau of Land Management
Farmington Field Office

1a. Type of Work DRILL	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	5. Lease Number SF-078997 Unit Reporting Number NMNM-78419A-MV
1b. Type of Well GAS		6. If Indian, All. or Tribe NMNM-78419B-DK
2. Operator ConocoPhillips Company		7. Unit Agreement Name OIL CONS. DIV. DIST. 3 San Juan 30-5 Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700		8. Farm or Lease Name 9. Well Number 39M
4. Location of Well Surf: Unit G (SWNE), 1785' FNL & 1700' FEL Bottomhole: Unit F (SENW), 1500' FNL & 2540' FWL Surf: Latitude: 36.82949° N (NAD83) Longitude: 107.39551° W Bottomhole: Latitude: 36.83026° N (NAD83) Longitude: 107.39911° W		10. Field, Pool, Wildcat Blanco MV / Basin DK 11. Sec., Twn, Rge, Mer. (NMPM) G Sec. 7, T30N, R5W API # 30-039- 30941
14. Distance in Miles from Nearest Town 20 miles / Gobernador	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1500'	17. Acres Assigned to Well 320.00 W/2 - MV & 320.00 N/2 - DK	
16. Acres in Lease 2,560.00		
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 100' from San Juan 30-5 Unit 39 (MV/DK)	20. Rotary or Cable Tools Rotary	
19. Proposed Depth 7828'	22. Approx. Date Work will Start	
21. Elevations (DF, FT, GR, Etc.) 6339' GL		
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Crystal Tafoya</u> Crystal Tafoya (Regulatory Technician)	3/1/2010 Date	

PERMIT NO.

APPROVAL DATE

APPROVED BY [Signature]

TITLE AFM

DATE 3/18/2010

Archaeological Report attached

Threatened and Endangered Species Report attached

Hold C104

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

for Directional Survey

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

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

MAR 19 2010

NMOCDF
P.A.

NOTIFY AZTEC OCD 24 HRS
PRIOR TO CASING & CEMENT

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 - 4 Copies
Fee Lease - 3 Copies

RECEIVED

MAR 02 2010

☐ AMENDED REPORT

Bureau of Land Management
Farmington Field Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-30941	*Pool Code 72319 / 71599	*Pool Name BLANCO MESAVERDE / BASIN DAKOTA
*Property Code 31327	*Property Name SAN JUAN 30-5 UNIT	*Well Number 39M
*GRID No. 217817	*Operator Name CONOCOPHILLIPS COMPANY	*Elevation 6339'

¹⁰ Surface Location

UL or lot no G	Section 7	Township 30N	Range 5W	Lot Idn	Feet from the 1785	North/South line NORTH	Feet from the 1700	East/West line EAST	County RIO ARriba
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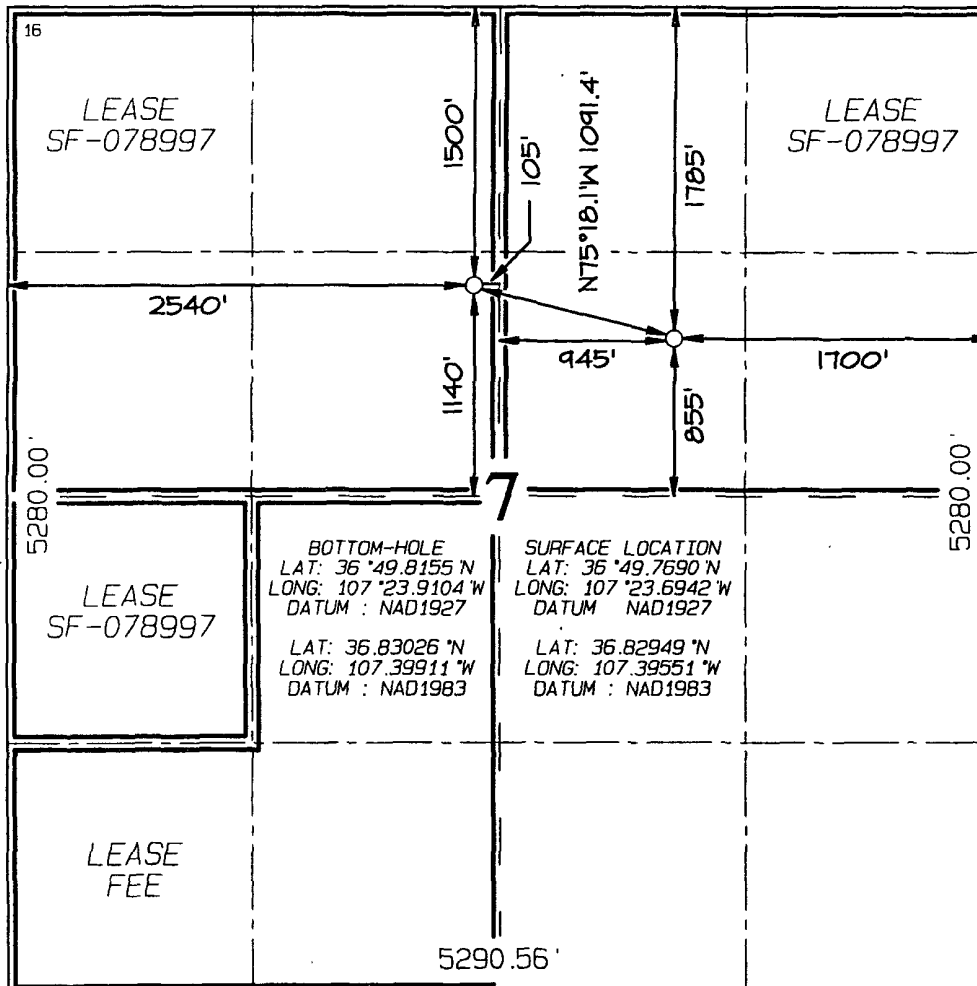
¹¹ Bottom Hole Location If Different From Surface

UL or lot no F	Section 7	Township 30N	Range 5W	Lot Idn	Feet from the 1500	North/South line NORTH	Feet from the 2540	East/West line WEST	County RIO ARriba
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¹² Dedicated Acres 320.0 Acres - W/2 (MV) 320.0 Acres - N/2 (DK)	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

5289.24'



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.

Crystal Tafoya 6/10/09
Signature Date

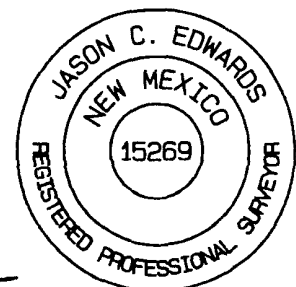
Crystal Tafoya 6-10-09
Printed Name

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

Date of Survey: MARCH 28, 2009

Signature and Seal of Professional Surveyor



Jason C. Edwards
Certificate Number 15269

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 30-5 UNIT 39M

DEVELOPMENT

Lease:		AFE #: WAN.CNV.6204		AFE \$: 1,634,918.55	
Field Name: 30-5		Rig: H&P Rig 282		State: NM	County: RIO ARRIBA
Geologist:		Phone:		Geophysicist:	
Geoscientist: Head, Chip F (Charles)		Phone: +1-505-326-9772		Prod. Engineer:	
Res. Engineer: Prabowo, Wahyu		Phone: +1-505-326-9797		Proj. Field Lead: Fransen, Eric E.	
				Phone: +1-432-368-1215	
Primary Objective (Zones):					
Zone	Zone Name				
R20076	DAKOTA(R20076)				
R20002	MESAVARDE(R20002)				
Location: Surface					
Datum Code: NAD 27		Directional			
Latitude: 36.829484	Longitude: -107.394907	X:	Y:	Section: 07	Range: 005W
Footage X: 1700 FEL	Footage Y: 1785 FNL	Elevation: 6339	(FT)	Township: 030N	
Tolerance:					
Location: Bottom Hole					
Datum Code: NAD 27		Directional			
Latitude: 36.830254	Longitude: -107.398507	X: 0.00	Y: 0.00	Section: 07	Range: 005W
Footage X: 2540 FWL	Footage Y: 1500 FNL	Elevation:	(FT)	Township: 030N	
Tolerance:					
Location Type: Restricted		Start Date (Est.): 1/1/2012		Completion Date:	
				Date In Operation:	
Formation Data: Assume KB = 6354 Units = FT					
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT
Surface Casing	215	6139	☐		
12-1/4 hole. 200 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 121 cuft. Circulate cement to surface.					
NACIMIENTO	1176	5178	☐		
OJO ALAMO	2374	3980	☐		
KIRTLAND	2507	3847	☐		
FRUITLAND	2684	3670	☐		Possible Gas
PICTURED CLIFFS	3281	3073	☐		
LEWIS	3379	2975	☐		
Intermediate Casing	3479	2875	☐		
8 3/4" Hole. 7", 23 ppf, J-55, LTC Casing. Cement with 832 cuft. Circulate cement to surface.					
HUERFANITO BENTONITE	4026	2328	☐		
CHACRA	4409	1945	☐		Est. Top Perf - 4277 (1944)
UPPER CLIFF HOUSE	4953	1401	☐		Gas
MASSIVE CLIFF HOUSE	5243	1111	☐	460	Gas
MENEFEE	5268	1086	☐		
POINT LOOKOUT	5522	832	☐		
MANCOS	5932	422	☐		
UPPER GALLUP	6785	-431	☐		
GREENHORN	7536	-1182	☐		
GRANEROS	7577	-1223	☐		
TWO WELLS	7688	-1334	☐	3147	Gas
UPPER CUBERO	7703	-1349	☐		
LOWER CUBERO	7746	-1392	☐		Est. Btm Perf - 7680 (-1459) based on offset wells
ENCINAL	7828	-1474	☐		TD - T/ENCN

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 30-5 UNIT 39M

DEVELOPMENT

Total Depth	7828	-1474	☐	6-1/4" hole, 4-1/2" 11.6 ppf, L-80, LTC casing. Cement w/ 592 cuft. Circulate cement a minimum of 100' inside the previous casing string.
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Reference Wells:		
Reference Type	Well Name	Comments
Production	SJ 30-5 Unit 205	30N 5W 7 NW NE SW
Production	SJ 30-5 Unit 78	30N 5W 7 SE NW SW
Production	SJ 30-5 Unit 35	30N 5W 7 NE 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.	
Run Platform Express over minimum footages at int.	

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 30-5 #39M
Company:	ConocoPhillips SJB	TVD Reference:	RKB @ 6354.0ft (Original Well Elev)
Project:	San Juan Basin - New Mexico Wells	MD Reference:	RKB @ 6354.0ft (Original Well Elev)
Site:	San Juan 30 Wells	North Reference:	True
Well:	SJ 30-5 #39M	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
2,681.0	2,507.0	Kirtland		0.00	
5,739.8	5,522.0	Point Lookout		0.00	
3,507.5	3,290.0	Pictured Cliffs		0.00	
7,794.8	7,577.0	Graneros		0.00	
7,905.8	7,688.0	Two Wells		0.00	
4,243.8	4,026.0	Huerfano Bentonite		0.00	
5,460.8	5,243.0	Mass Cliffhouse		0.00	
7,963.8	7,746.0	Lower Cubero		0.00	
6,149.8	5,932.0	Mancos		0.00	
1,207.4	1,176.0	Nacimiento		0.00	
7,753.8	7,536.0	Greenhorn		0.00	
5,170.8	4,953.0	Upper Cliffhouse		0.00	
4,626.8	4,409.0	Chacra		0.00	
7,002.8	6,785.0	Upper Gallup		0.00	
2,533.8	2,374.0	Ojo Alamo		0.00	
5,485.8	5,268.0	Menefee		0.00	
7,920.8	7,703.0	Upper Cubero		0.00	
8,045.8	7,828.0	Encinal		0.00	
2,876.9	2,684.0	Fruitland		0.00	
3,596.8	3,379.0	Lewis		0.00	

REFERENCE INFORMATION

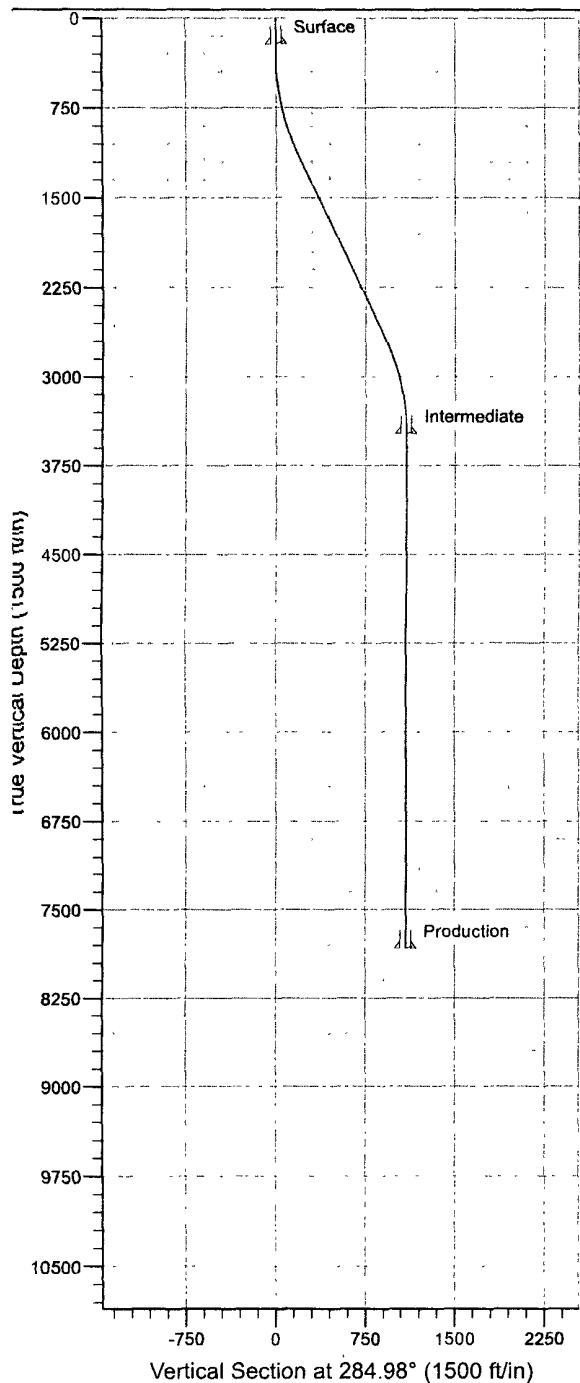
RKB @ 6354.0ft (Original Well Elev)
Ground Elevation 6339.0
Reference Lat: 36° 49' 46.140 N
Reference Long: 107° 23' 41.652 W

Project: San Juan Basin - New Mexico Wells
Site: San Juan 30 Wells
Well: SJ 30-5 #39M
Wellbore: Wellbore #1
Design: Plan #1

ConocoPhillips

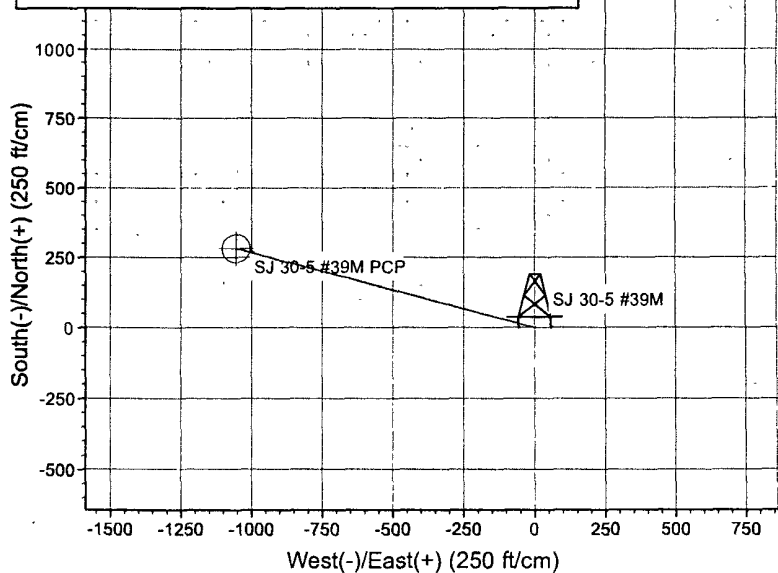
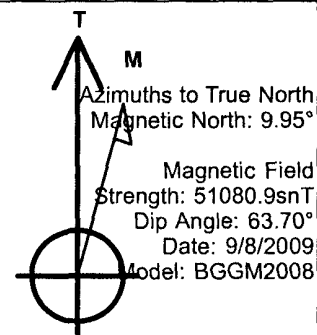
SECTION DETAILS

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	1167.2	25.41	284.98	1139.7	47.8	-178.5	3.00	284.98	184.8	
4	2849.7	25.41	284.98	2659.3	234.4	-876.1	0.00	0.00	906.9	
5	3696.8	0.00	0.00	3479.0	282.2	-1054.7	3.00	180.00	1091.7	SJ 30-5 #39M ICP
6	8045.8	0.00	0.00	7828.0	282.2	-1054.7	0.00	0.00	1091.7	SJ 30-5 #39M PCP



FORMATION TOP DETAILS

TVDPath	MDPath	Formation
1124.0	1207.4	Nacimiento
2322.0	2533.8	Ojo Alamo
2455.0	2681.0	Kirtland
2632.0	2876.9	Fruitland
3238.0	3507.5	Pictured Cliffs
3327.0	3596.8	Lewis
3974.0	4243.8	Huerfano Bentonite
4357.0	4626.8	Chacra
4901.0	5170.8	Upper Cliffhouse
5191.0	5460.8	Mass. Cliffhouse
5216.0	5485.8	Menefee
5470.0	5739.8	Point Lookout
5880.0	6149.8	Mancos
6733.0	7002.8	Upper Gallup
7484.0	7753.8	Greenhorn
7525.0	7794.8	Graneros
7636.0	7905.8	Two Wells
7651.0	7920.8	Upper Cubero
7694.0	7963.8	Lower Cubero
7776.0	8045.8	Encinal



Directions from the Intersection of US Hwy 64 & US Hwy 550 in Bloomfield, NM
to ConocoPhillips Company San Juan 30-5 Unit #39M

1785' FNL & 1700' FEL, Section 7, T30N, R5W, NMPM, Rio Arriba County, NM

Latitude : 36.82949°N Longitude : 107.39551°W Datum : NAD1983

From the intersection of US Hwy 64 & US Hwy 550 in Bloomfield, NM, travel Easterly on US Hwy 64 for 38.0 miles to State Hwy 527 (Simms Hwy);

Go left (North-westerly) on State Hwy 527 (Simms Hwy) for 7.9 miles to Rosa Road @ La Jara Station;

Go right (Northerly) on Rosa Road for 6.5 miles to fork in road;

Go left which is straight (North-easterly) remaining on Rosa Road for 1.6 miles to 4-way intersection;

Go right (Easterly) @ 4-way intersection for 1.4 miles to 4-way intersection;

Go right (South-easterly) for 1.0 miles to fork in road;

Go right (South-westerly) for 0.15 miles to staked location which overlaps an existing wellpad.