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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAR 02 2010

Bureau of Land Management
Farmington Field Office

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number SF-078097 Unit Reporting Number
1b. Type of Well GAS	6. If Indian, All. or Tribe
2. Operator ConocoPhillips Company	7. Unit Agreement Name RCVD MAY 5 '10 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 Heaton Com LS 8 9. Well Number 100S
4. Location of Well Unit H(ENE), 1951' FNL & 988' FEL Latitude: 36.8719614° N (NAD83) Longitude: 108.0259781° W	10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) H-1 Sec. 30, T31N, R11W API # 30-045-35117
14. Distance in Miles from Nearest Town 5 miles / Aztec	12. County San Juan 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 988'	
16. Acres in Lease 2,475.610	17. Acres Assigned to Well 320.00 E/2 - FC
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 972' from Heaton Com B 2 (DK)	
19. Proposed Depth 2623'	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 5920' GL	22. Approx. Date Work will Start DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <u>Crystal Tafoya</u> Crystal Tafoya (Regulatory Technician)	<u>3/1/2010</u> Date

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY [Signature] TITLE ARM DATE 5/4/2010

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 2

Bond Numbers ES-0048 and ES-0085

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

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

MAY 13 2010

NMOCD

DISTRICT I
1825 N. French Dr., Hobbs, N.M. 88240

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

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

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, N.M. 87505

RECEIVED

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

Form C-102

Revised October 12, 2005

Bureau of Land Management
Farmington Field Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-5517	² Pool Code 71629	³ Pool Name BASIN FRUITLAND COAL
⁴ Property Code 37213	⁵ Property Name HEATON COM LS 8	⁶ Well Number 100S
⁷ OGRID No. 217817	⁸ Operator Name CONOCOPHILLIPS COMPANY	⁹ Elevation 5920

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
H	30	31 N	11 W		1951	NORTH	988	EAST	SAN JUAN

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

¹² Dedicated Acres 320.00 (E/2)	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

¹⁶ LOT 1 2648.79' N 0°58'30" E LOT 2 2627.01' LOT 3 2640.79' LOT 4 2648.62' N 0°07'30" W N 89°21'24" W	S 89°26'51" E USA SF-078097 NAD 83 LAT: 36.8719614° N LONG: 108.0259781° W NAD 27 LAT: 36°52.31750' N LONG: 108°01.52121' W SECTION 30 T.F. THURSTON ET UX ADA L. FRITZ ET VIR	5303.34' 1951' 2643.42' N 0°02'51" W 988'	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 <u>Tracey N. Monroe</u> Date <u>6/18/09</u> Printed Name <u>Tracey N. Monroe</u>
	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 <u>04/29/09</u> Signature and Seal of Professional Surveyor <u>Marshall W. Linden</u> 17078 Certificate Number		

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

HEATON COM LS 8 100S

DEVELOPMENT

Lease:		AFE #: WAN.CDR.9083		AFE \$: 887,775.34	
Field Name: SAN JUAN		Rig: H&P Rig 283		State: NM	County: SAN JUAN
Geologist:		Phone:		Geophysicist:	
Geoscientist:		Phone:		Prod. Engineer:	
Res. Engineer:		Phone:		Proj. Field Lead:	
				Phone:	

Primary Objective (Zones):	
Zone	Zone Name
JCV	BASIN FRUITLAND COAL (GAS)

Location: Surface:		Datum Code: NAD 27		Straight Hole	
Latitude: 36.871958	Longitude: -108.025353	X:	Y:	Section: 30	Range: 011W
Footage X: 988 FEL	Footage Y: 1951 FNL	Elevation: 5920	(FT)	Township: 031N	
Tolerance:					

Location Type: Year Round	Start Date (Est.): 1/1/2010	Completion Date:	Date In Operation:
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Formation Data:	Assume KB = 5931	Units = FT
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Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	120	5811	☐			8-3/4 hole. 7" 20 ppf, J-55 STC csg. Cement with 50 cuft. Circulate cement to surface.
OJO ALAMO	851	5080	☐			
KIRTLAND	959	4972	☐			
FRUITLAND	1879	4052	☐			Gas
FRUITLAND COAL	2047	3884	☐			
PICTURED CLIFFS	2423	3508	☐	89		Gas; TD - 200' below T/PCCF
Total Depth	2623	3308	☐			6-1/4" hole. 4-1/2" 10.5 ppf, J-55, STC casing. Cement with 352 cuft. Circulate cement to surface.

Reference Wells:		
Reference Type	Well Name	Comments
Production	Heaton LS 8	31N 11W 30 SE NW NE
Production	Heaton 7M	31N 11W 29 NE SW NW

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	

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

Comments:

CONOCOPHILLIPS COMPANY

HEATON COM LS 8 100S

1951' FNL & 988' FEL

LATITUDE: 36.8719614° N

LONGITUDE: 108.0259781° W

NAD 83

SECTION 30, T-31-N, R-11-W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO

FROM THE INTERSECTION OF N.M. HIGHWAY 516 &
NORTH LIGHT PLANT ROAD IN AZTEC, NEW MEXICO.

TRAVEL NORTHERLY 3.7 MILES ON NORTH LIGHT PLANT ROAD.

TURN RIGHT ONTO NCM 3093.

TRAVEL NORTHEASTERLY 0.4 MILE, CROSSING A CATTLE GUARD,
TO A TEE INTERSECTION.

TURN RIGHT & TRAVEL SOUTHEASTERLY 0.3 MILE, PASSING THROUGH A
WASH, TO A TEE INTERSECTION.

TURN LEFT & TRAVEL NORTHERLY APPROXIMATELY 300 FEET.

TURN RIGHT & TRAVEL EASTERLY 0.2 MILE TO BEGINNING OF PROPOSED
HEATON COM LS 8 100S ACCESS ROUTE.