District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

State of New Mexico

Form C-101 Permit 21506

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| THE DESCRIPTION OF THE PROPERTY OF THE PROPERT | | | | | | | | |
|--|--|--|--|--|--|--|--|--|
| . Operator Name and Address | 2. OGRID Number | | | | | | | |
| OCOPHILLIPS COMPANY | 217817 | | | | | | | |
| | 3. API Number | | | | | | | |
| 10051011, 121 77252 | 30-045-33529 | | | | | | | |
| 5. Property Name | 6. Well No. | | | | | | | |
| SAN JUAN 32 7 UNIT | 010A | | | | | | | |
| | . Operator Name and Address OCOPHILLIPS COMPANY O BOX 2197 WL3 6106 HOUSTON, TX 77252 5. Property Name | | | | | | | |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|
| F | 32 | 32N | 07W | F | 2370 | N | 1905 | W | SAN JUAN |

8. Pool Information

| BLANCO-MESAVERDE (PRORATED GAS) | 72319 |
|---------------------------------|-------|
| BASIN DAKOTA (PRORATED GAS) | 71599 |

Additional Well Information

| | 10.7 | IMMINOIMI IIOH IIIOIII | WOIL . | 127 | |
|---|----------------------------|---|---|--|--|
| 9. Work Type New Well | 10. Well Type GAS | 11. Cable/Rotary | 12. Lease Type State | 13. Ground Level Elevation 6515 | |
| 14. Mültiple Y | 15. Proposed Depth 8130 | 16. Formation Dakota Formation | 17. Contractor | 18. Spud Date | |
| Depth to Ground 140 | water | Distance from nearest fresh water w > 1000 | rell | Distance to nearest surface water 180 | |
| t: Liner: Synthetic D Closed Loop System | | | Drilling Method: Fresh Water 🔀 Brine 🗀 1 | Diesel/Oil-based Gas/Air | |

19. Proposed Casing and Cement Program

| Туре | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 12.25 | 9.625 | 32.3 | 235 | 143 | 0 |
| Int1 | 8.75 | 7 | 20 | 3680 | 583 | 0 |
| Prod | 6.25 | 4.5 | 11.6 | 8140 | 490 | 3580 |

Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program

| Туре | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| DoubleRam | 3000 | 3000 | shafer |

| I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to | OIL CONSERVATION DIVISION Approved By: Charlie Perrin | | | | | |
|--|--|--|--|--|--|--|
| NMOCD guidelines , a general permit X, or an (attached) alternative OCD-approved plan . | | | | | | |
| Printed Name: Electronically filed by Yolanda Perez | Title: District Supervisor | | | | | |
| Title: Sr. Regulatory Analyst | Approved Date: 1/18/2006 Expiration Date: 1/18/2007 | | | | | |
| Email Address: yolanda.perez@conocophillips.com | | | | | | |
| Date: 1/14/2006 Phone: 832-486-2329 | | | | | | |

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Form C-102 Permit 21506

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1. API Number | 2. Pool Code | 3. | Pool Name | |
|------------------|--------------|---------------|------------------------------|--|
| 30-045-33529 | 72319 | BLANCO-MESAVI | NCO-MESAVERDE (PRORATED GAS) | |
| 4. Property Code | 5. Propo | erty Name | 6. Well No. | |
| 31329 | SAN JUAN | 1 32 7 UNIT | 010A | |
| 7. OGRID No. | 8. Open | ator Name | 9. Elevation | |
| 217817 | CONOCOPHIL | LIPS COMPANY | 6515 | |

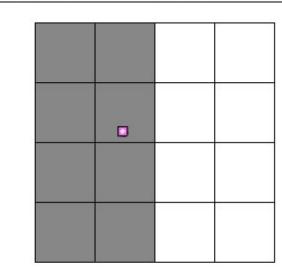
10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|
| F | 32 | 32N | 07W | | 2370 | N | 1905 | W | SAN JUAN |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | То | ownship | Range | Lot | Idn | Feet From | N/S L | ine | Feet From | E/W Line | County |
|-----------|------------|----|---------|-----------------|-----|-----|-------------------|-------|-----|-----------|---------------|--------|
| 107571575 | ated Acres | | 13. J | foint 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



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(s) 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.

E-Signed By: Yolanda Perez Title: Sr. Regulatory Analyst

Date: 1/14/2006

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.

Surveyed By: jason edwards Date of Survey: 8/24/2005 Certificate Number: 15269 District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

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State of New Mexico

Form C-102 Permit 21506

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| CELL DOCATION AND AND | CENCE DEDICERITORY | U211 |
|-----------------------|---|----------------------------|
| 2. Pool Code | 3. P | ool Name |
| 71599 | BASIN DAKOTA | A (PRORATED GAS) |
| 5. Propert | ty Name | 6. Well No. |
| SAN JUAN | 32 7 UNIT | 010A |
| 8. Operati | or Name | 9. Elevation |
| CONOCOPHILL | IPS COMPANY | 6515 |
| | 2. Pool Code 71599 5. Proper SAN JUAN 8. Operat | 17.17(1) 17.17(1) 17.17(1) |

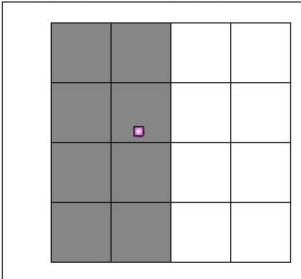
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| | F | 32 | 32N | 07W | | 2370 | N | 1905 | W | SAN JUAN |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | | Range | Lot Idn | | Feet From | N/S Line | | Feet From | E/W Line | County |
|-------------------------------|---------|----------|---------------------|-------|------------------------|--|-----------|---------------|--|-----------|----------|--------|
| 12. Dedicated Acres 320.00 | | | 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



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(s) 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.

E-Signed By: Yolanda Perez Title: Sr. Regulatory Analyst

Date: 1/14/2006

SURVEYOR CERTIFICATION

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Surveyed By: jason edwards Date of Survey: 8/24/2005 Certificate Number: 15269