State of New Mexico

Form C-101 Permit 120796

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

	r Name and Address HILLIPS COMPANY	2. OGRID Number	
3401	217817 3. API Number		
Farming	ton, NM 87402	30-039-30997	
4. Property Code 5. Property Name		6. Well No.	
31328	SAN JUAN 31 6 UNIT		

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	32	31N	06W	E	2495	N	935	W	RIO ARRIBA

8. Pool Information

ROSA:PICTURED CLIFFS (G) 961	ROSA; PICTURED CLIFFS (G)	96175
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Additional Well Information

	100		ridditional Well Into	IIIIIIIII		
9. Work Type New Well	10. Well Type 11. Cable/Rotary GAS		12. Lesse Type State	13. Ground Level Elevation 6277		
14. Multiple N	20000000	oosed Depth 3424	16. Formation 17. Contractor Pictured Cliffs Formation		18. Spud Date	
Depth to Ground	water		Distance from nearest fresh v	vater well	Distance to nearest surface water	
it: Liner: Synthetic Closed Loop Syste	m \Box	mils thick	Clay Pit Volume:	bbls Drilling Method: Fresh Water Brine	Diesel/Oil-based Gas/Air	

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	8.75	7	20	120	50	0
Prod	6.25	4.5	11.6	3424	477	0

Casing/Cement Program: Additional Comments

This is a Type 2 as indicated in the BR/COPC Master Drilling Plan. Cement volumes are indicated in cubic feet instead of sack of cement. The C144 will be submitted after the APD is approved. Well dedication NW/4- 160 acres for PC spacing/density W/2- 320 acres for Federal Unit Agreement

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	Schafer

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 , or an (attached) alternative OCD-approved plan .				
Printed Name: Electronically filed by Patsy Clugston	Title: District Supervisor			
Title: Senior Regulatory Specialist	Approved Date: 10/22/2010 Expiration Date: 10/22/2012			
Email Address: patsy.1.clugston@conocophillips.com				
Date: 10/1/2010 Phone: 505-326-9518	Conditions of Approval Attached			

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

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	[:	3. Pool Name
30-039-30997	96175	ROSA;PIC	TURED CLIFFS (G)
4. Property Code	5. Property	Name	6. Well No.
31328	SAN JUAN 31 6 UNIT		056
7. OGRID No.	8. Operator	Name	9. Elevation
217817	CONOCOPHILLIE	S COMPANY	6277

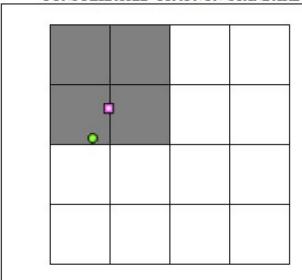
10. Surface Location

- 1										
	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
,	E	32	31N	06W	101000	2495	N	935	W	RIO ARRIBA

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
E	32	31N	06W	E	1820	N	1285	W	RIO ARRIBA
	12. Dedicated Acres 13. Joint or Infil1 160.00		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

Form C-102

Permit 120796

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: Patsy Clugston Title: Senior Regulatory Specialist

Date: 10/1/2010

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: 11/21/2010 Certificate Number: 15269

Permit Conditions of Approval

Operator: CONOCOPHILLIPS COMPANY , 217817 Well: SAN JUAN 31 6 UNIT #056

API: 30-039-30997

OCD Reviewer	Condition					
SHAYDEN	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string					
SHAYDEN	Will require a directional survey with the C-104					
SHAYDEN	A complete C-144 must be submitted to, and approved by, the NM OCD for: a pit, closed loop system, below grade tank, or proposed alternative method, pursuant to NMOCD part 16.15.17, prior to the use or construction of the above applications.					