Ia. Type of

Fonn 3160 -3

(February 2005)

2005 SEP 7 AM 10 27

FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007

UNITED STATES	KECFIAFD
MENTOFTHE INTERIOR 70	FARMINGTON

DEPARTMENT OF THE II BUREAU OF LAND MAN	NTERIOR 70 FARMIN	IGTON H	5. Lease Serial No. SF-07901	2
APPLICATION FOR PERMIT TO I	ORILL OR REENTER		6. If Indian, Allotee or Trib	e Name
Ia. Type of work: DRILL REENIE	ER.		7. If Unit or CA Agreement, NMN 7	8421A
lb. Type of Well: Oil Well Gas Well Other	Single Zone Mu	ltiple Zone	8. Lease Name and Well No SAN JUAN 31-6 U	
2. Name of Operator ConocoPhillips Company			9. API Well No. 30-039-	
3a. Address 4001 Penbrook, Odessa, TX 79762	3b. Phone No. (include area code) 432-368-1230		10. Field and Pool, or Explora BLANCO MESAVER DAKOTA	DĚ / BASIN
Location of Well (Report location clearly and in accordance with any SWNW 2100 FNL - 660 F At surface SWNW 2100 FNL - 660 F			I 1. Sec., T. R. M. or Blk. and SECTION 4, T30N, R6W	• •
14. Distance in miles and direction from nearest town or post office*			12. County or Parish RIO ARRIBA	13. State NM
15, Distance from proposed* location to nearest propery or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease 639.84 ACRES	17. Spacing	Unit dedicated to this well MV - W/2 - 319.84 AC DK - W/2 - 319.84 AC	
18. Distance from proposed location*	19. Proposed Depth	20.BLM/B	(A.Bond No. on file	20,20,50,50

to nearest well, drilling, completed, applied for, on this lease, ft. 8018' TVD 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22 Approximate date work will start* 23. Estimated duration 6452'

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3 A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service office).

4. Bond to cover the operations unless covered by an exist Item 20 above).

5. Operator certification

6. Such other site specific information and/or plans as may be required by

	25. Signature	Name (Printed/Typed)	Date
Title # 0 . 0 . /	Heggy far	Peggy James	9/06/2005

Name (Printed/Typed) Title Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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 representations as to any matter within its juris iction.

*(Instructions on page 2)

ConocoPhillips Company proposes to drill a vertical wellbore to the Blanco Mesaverde / Basin Dakota formations. This well will be drilled and equipped in accordance with the attachments submitted herewith. This application is for APD / ROW.

This well will be downhole commingled pursuant to the terms and conditions outlined in Order R-11363.

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

DRILLING OPERATIONS AUTHOR SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

NMOCD



District I PO Box 1980, Hobbs, NM 88241-1980

District II PO Drawer DO, Artesia, NM 88211–0719

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2540

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease – 4 Copies The Lease – 3 Copies

OIL CONSERVATION DIVISION PO Box (1968) 7 17 10 27 Santa Fe, NM 87504-2088

AMENDED REPORT RECEIVED

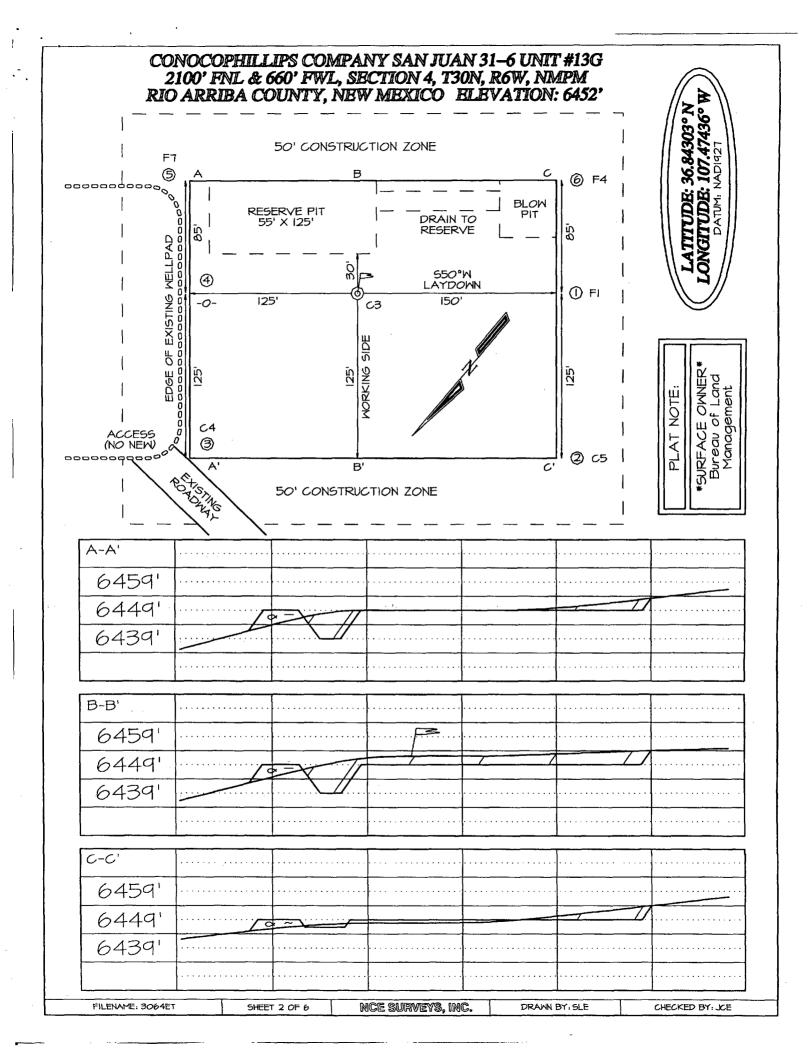
PO BOX	< 2088	, Santa Fe,	NM 8/504	1-5088			070 FARM	HMG	FOH NA			
				WELL	LOCAT	ION AND A	CREAGE DED			AT		
		API Number			Code		DI 11100 ME		ool Name	AOTH	DALKOTA	
		39-291	43	72319	/ 71599		BLANCO MES	SAVE	KUE / B	ASIN I		
1 P		y Code				Property					•We	11 Number
	313					SAN JUAN 3						13G
	OGRID 2178				Cr	*Operator						levation 6452'
	21/0)1/					IPS COMPANY					
		···				¹⁰ Surface						
UL. or	lot no.	Section 4	Township	Range	Lot Idn	Feet from the	North/South line	1	t from the		est line	County RIO
	E	14	30N			2100	NORTH		660	ME	ST	ARRIBA
U Cr	lot no.	Section	11 Township	Bottom	Hole L	ocation I	f Different North/South line		om Surf		est line	County
OC 01	JOC 110.	Section	TOWNSTIED	Raige	200 101	reet from the	North/South Tine	7.50	et trouit tre	Cast/ME	st line	Ligity
12 Dedic	ated Acr	ES 240.0		11/0	1	¹³ Joint or Infill	³⁴ Consolidation Code	²⁵ Order	- No.			
		212.0	4 Acres 4 Acres		1 .1							
NO	ALLO					IC COMPLETE	ON LINET ALL	TÁITE		AVE DE	EN CON	ICOL TRATCR
NU	ALLU	JWADLE W					ON UNTIL ALL EEN APPROVED				EN CUN	BULIDATED
16	1			52	280.00'				¹⁷ OPER	ATOR	CERTI	FICATION
 			<u> </u>						l containe	d herein :	that the in is true and	d complete
ŏ	}	LOT	i L	_OT	-	LOT	i LOT	.32	to the b	est of my	knowledge	and belief
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66	0)7 ° 28.461 M: NAD27	/ W	ļ			132	18 SURVE	EYOR	CERTI	FICATION
			1		ll .		1		I hereby (ertify th	at the wel	ll location
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			I				i					26, 2005
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PESSTON.

Certificate Number

5285.28

Submit 3 Copies To Appropriate District Office	State of New Me	exico	Fonn C-103			
<u>District I</u>	Energy, Minerals and Natu	aral Resources	May 27, 2004			
1625 N. French Dr., Hobbs, NM 88240 District 11		20 /	APINO. 039-29643			
1301 W. Grand Ave., Artesia, NM 882 1 0	OILCONSERVATION	5. Indicate	ate Type of Lease			
<u>District III</u> I 000 Rio Brazos Rd., Aztec, NM 8741 0	1220 South St. Fra	ncis Dr.	TATE FEE			
District IV	Santa Fe, NM 87	7505 6. State	Oil & Gas Lease No.			
1220 S. St. Francis Dr., Santa I e, NM 87505						
SUNDRYNO	SUNDRYNOTICES AND REPORTS ON WELLS					
	SALSTODRILLOR TO DEEPENOR PLU CATION FOR PERMIT (FORM C-101) FO		SAN JUAN 31-6 UNIT			
PROPOSALS)	Coo Wall 🔽 o :	8 Well	Virmbor			
1. Type of Well: Oil Well	Gas Well Other		DNumber 217017			
2. Name of Operator Cono	coPhillips Company	9.008	217817			
3. Address of Operator		I 0. Pool	name or Wildcat			
4001	Penbrook, Odessa, TX 79762	BLAN	CO MESAVERDE/BASIN DAKOTA			
4. Well Location		<u> </u>				
Unit Letter E	2100 feet from the NORT		_feet from theWESTline			
Section 4		inge 6W NMPM	RIO ARRIBA County			
	I 1. Elevation (Show whether Di					
Pit or Below -grade Tank Application 🛛		>1000'				
Pit type DRILL Depth to Groundw	ater 100' Distance from nearest fresh w		nce from nearest surface water 500'			
Liner Thickness: mil	Below-Grade Tank: Volume	bb1s; Construction M	aterial			
12. Check A	Appropriate Box to Indicate Na	ature of Notice. Report or	· Other Data			
NOTICE OF IN			NT REPORT OF:			
PERFORM REMEDIAL WORK TEMPORARILY ABANDON	PLUG AND ABANDON CHANGE PLANS	REMEDIAL WORK COMMENCE DRILLING OPI	ALTERING CASING NS. PANDA			
PULLORALTER CASING	MULTIPLE COMPL	CASING/CEMENT JOB				
_	_					
OTHER:	lated an austicase (Classic state all a	OTHER:				
of starting any proposed we	oleted operations. (Clearly state all pork). SEE RULE I 1 03. For Multiple	erunent details, and give penti Completions: Attach wellbo	nent dates, including estimated date re diagram of proposed completion			
or recompletion.		, companie, in the contract of	or proposed extrapledox			
-						
The pit will be constructed:	and closed in accordance with Rule 5	50 and as per COPC June 200:	5 General Pit Plan on file			
	attached diagram that details the loc					
The drill pit will be lined. T	he drill pit will be closed after the w	ell has been completed				
•						
	•					
I hereby certify that the information al	ove is true and complete to the best	of my knowledge and belief. I	further certify that any pit or below-			
grade tank has been/will be constructed or c	osed according to NMOCD guidelines 🔀	🕻 a general permit 🗌 or an (attache	ed) alternative OCD-approved plan			
SIGNATURE Peggy James	TITLE Sr. A	Associate	DATE 9/6/2005			
1 eggy James	51, 1	20000	7/0/2003			
Type or print name	E-mail add	tress:	Telephone No.			
For State Use Only			NOV 0 0 2005			
APPROVED BY:	A THE PARTY	OR & GAS INSPECTOR, DIST.	NOV 2 8 2005			
Conditions of Approval (if any):	11,1,45					





PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 31-6 13G

Lease:					AFE #:						AFE \$:
Field Name: hPHI	LLIPS 31-6	6	Rig:				State:	NM	County: RIO	ARRIBA	API #:
Geoscientist: Glas	er, Terry	J	Phone	: (832)486-2	2332	Prod.	Engineer:	Mood	dy, Craig E.	F	Phone: 486-2334
Res. Engineer: To	mberlin, T	imothy A	Phone	: (832) 486-	2328	Proj. I	Field Lead:	Frans	sen, Eric E.	F	Phone:
Primary Objective	ve (Zone	s):								1	通道 建铁
Zone	Zone Na	ime									
R20002	MESAVE	RDE(R20002)									
R20076	DAKOTA	(R20076)									
Location: Surface											
		saitudau 107.47		V. 0.00		Y: 0.	00		Cartians		DCW
Latitude: 36.84		ngitude: -107.47		X: 0.00	453			2011	Section: 4	<u>.</u>	Range: 6W
Footage X: 660 FV	VL FOO	otage Y: 2100 FN	ł L.	Elevation: 6	+52	(FT)	Township:	JUN	···		
Tolerance:			Charle F							D. T. O	
Location Type:				oate (Est.):		Con	npletion Da	ite:		Date In O	peration:
	Assume K	(B = 6468 l	Jnits =								
Formation Call & Casing Points		Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	ВНТ				Remarks	· ·
Surface Casing		216	6252				12-1/4 ho to surface	ole. 9 !	5/8" 32.3 ppf,	, H-40, ST	C casing. Circulate cement
NCMT		1393	5075								
MALO		2448	4020				Possible w	vater fl	ows.		
KRLD		2568	3900								İ
FRLD		2998	3470				Possible g	jas.			ā.
PCCF		3393	3075								
LEWS		3593	2875								
Intermediate Casing	1	3693	2775				8 3/4" Hol surface.	le. 7",	20 ppf, J-55,	, STC Casir	ng. Circulate cement to
CHRA		4538	1930								
CLFH		5363	1105				Gas; possi	ibly we	et		
MENF		5393	1075				Gas.				
PTLK		5643	825				Gas.				
GLLP		6993	-525				Gas. Poss	sibly w	et.		
GRHN		7668	-1200					ble, hig	hly fractured		
CBBO		7858	-1390	_			Gas				,
Total Depth		8018	-1550	Ø			a minimun	ກ of 10	I/2", 11.6 ppf 00' inside the TDT with GR	previous c	C casing. Circulate cement asing string. No open hole
Reference Wells:		e	alies a	Comments			1199	e le c			All the second
	v 47WIII	_			,						ı

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PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 31-6 13G

Logging Prog	ram:	The second			ALC: N	
Intermediate Lo	ogs: 🔲 Log only	if show GR/ILD	☐ Triple Com	nbo		
TD Logs:	Triple Co	ombo 🔲 Dipmeter	☐ RFT ☐ Sc	onic VSP TDT		
Additional Infor	mation:					
L						
Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks	

Comments: Zones - Drilling Mud Program:

Surface: spud mud

Intermediate: fresh water mud with bentonite and polymer as needed

Below Intermediate: air/mist/nitrogen drilling media with foamer, polymer, & corrosion inhibitor as needed

Centralizer Program:

Surface: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 3rd, & 4th joints
Intermediate: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 4th, 6th, 8th, & 10th oints

Turbolizers placed one per joint from the top of the Ojo Alamo to the top of the Kirtland Shale Below Intermediate: no centralizers used in air holes. In mud holes centralizers are spaced out appropriately

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San Juan 31-6 # 13G Halliburton Cementing Program

SURFACE CASING:

Drill Bit Diameter Casing Outside Diameter Casing Weight Casing Grade Shoe Depth Cement Yield Cement Density Excess Cement	12.25 " 9.625 " 9.625 ppf H-40 235 ' 1.21 cuft/sk 15.6 lb/gal	Casing Inside Diam. 9.001"
•		

SHOE

235 ', 9.625 ", 32.3 ppf, H-40 STC

INTERMEDIATE CASING:

Drill Bit Diameter	8.75	
Casing Outside Diameter	7 "	Casing Inside Diam. 6.456
Casing Weight	20 ppf	
Casing Grade	J-55	
Shoe Depth	3693 '	
Lead Cement Yield	2.88 cuft/s	sk
Lead Cement Density	11.5 lb/ga	1
Lead Cement Excess	150 %	
Lead Cement Required	369 sx	
Tail Cement Length	738.6	
Tail Cement Yield	1.33 cuft/s	sk
Tail Cement Density	13.5 lb/ga	1
Tail Cement Excess	150 %	
Tail Cement Required	216 sx	

SHOE

3693 ', 7 ", 20 ppf, J-55 STC

PRODUCTION CASING:

Drill Bit Diameter Casing Outside Diameter Casing Weight Casing Grade Top of Cement Shoe Depth Cement Yield	6.25 " 4.5 " Casing Inside Diam. 4.000 " 11.6 ppf N-80 3493 ' 200' inside intermediate casing 8018 ' 1.45 cuft/sk
•	28.5
Cement Density	13.1 lb/gal
Cement Excess	50 %
Cement Required	475 sx

SAN JUAN 31-6 #13G

HALLIBURTON OPTION

TALLIBORTON OF TION							
	9-5/8 Surface Casing						
	Standard Cement						
Cement Recipe	+ 3% Calcium Chlor	ide					
	+ 0.25 lb/sx Flocele						
Cement Volume	SX						
Cement Yield	1.21	cuft/sx					
Cl	172.9	cuft					
Slurry Volume	30.8	bbls					
Cement Density	15.6	ppg					
Water Required	5.29	gal/sx					

	7" Intermediate Casin	g	
	Lead Slurry		
Cement Recipe	Standard Cement		
	+ 3% Econolite (extender)		
	+ 10 lb/sx Pheno Se	al	
Cement Required	369	sx	
Cement Yield	2.88	cuft/sx	
Slurry Volume	1063.5	cuft	
	189.4	bbls	
Cement Density	11.5	ppg	
Water Required	16.85	gal/sx	

	7" Intermediate Casin	g	
	Tail Slurry		
Cement Slurry	50 / 50 POZ:Standard Cement		
	+ 2% Bentonite		
	+ 6 lb/sx Pheno Sea		
Cement Required	216	SX	
Cement Yield	1.33	cuft/sx	
Slurry Volume	287.2	cuft	
	51.2	bbls	
Cement Density	13.5	ppg	
Water Required	5.52	gal/sx	

4	-1/2" Production Casi	ng		
Cement Recipe	50 / 50 POZ:Standard Cement			
	+ 3% Bentonite			
	+ 3.5 lb/sx PhenoSeal			
	+ 0.2% CFR-3 Friction Reducer			
	+ 0.1% HR-5 Retarder			
	+ 0.8% Halad-9 Fluid Loss Additive			
Cement Quantity	475	sx		
Cement Yield	1.45	cuft/sx		
Coment Valuma	689.3	cuft		
Cement Volume	122.8			
Cement Density	13.1	ppg		
Water Required 6.55 gal/sx				

SCHLUMBERGER OPTION

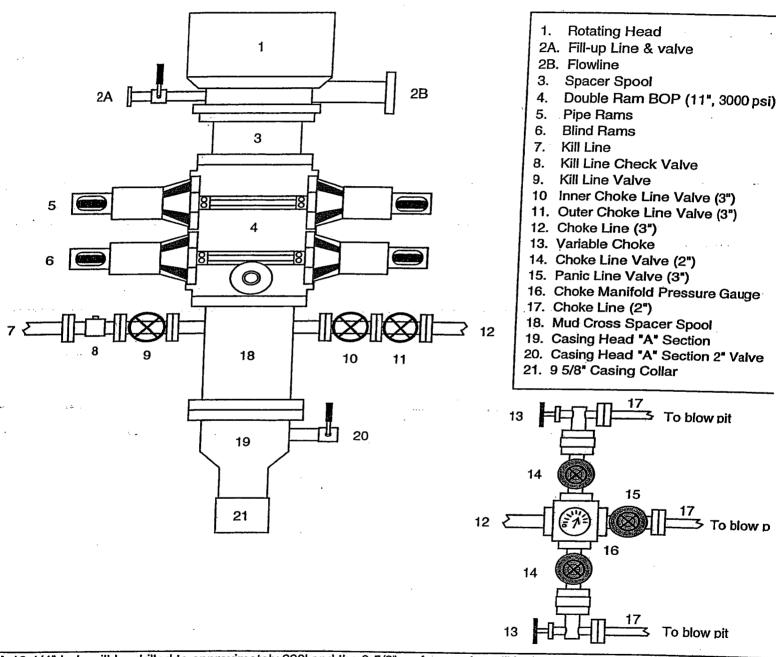
	9-5/8 Surface Casing]		
	Class G Cement	Class G Cement		
Cement Recipe	+ 3% S001 Calcium Chloride			
	+ 0.25 lb/sx D029 Cellophane Flakes			
Cement Volume	148	sx		
Cement Yield	1.17	cuft/sx		
Cement Volume	172.9	cuft		
Cement Density	15.8	ppg		
Water Required	4.973	gal/sx		

	7" Intermediate Casin	g		
	Lead Slurry			
Cement Recipe	Class G Cement			
	+ 0.25 lb/sx D029 Cellophane Flakes			
	+ 3% D079 Extender			
	+ 0.20% D046 Antifoam			
	+ 10 lb/sx Pheno Seal			
Cement Required	391	sx		
Cement Yield	2.72	cuft/sx		
Slurry Volume	1063.5	cuft		
	189.4	bbls		
Cement Density	11.7	ppg		
Water Required 15.74 gal/sx				

7" Intermediate Casing				
Tail Slurry				
Cement Slurry	50 / 50 POZ: Class G Cement			
	+ 0.25 lb/sx D029 Cellophane Flakes			
	+ 2% D020 Bentonite			
	+ 1.5 lb/sx D024 Gilsonite Extender			
	+ 2% S001 Calcium Chloride			
	+ 0.10% D046 Antifoam			
	+ 6 lb/sx Pheno Seal			
Cement Required	219	sx		
Cement Yield	1.31	cuft/sx		
Churm / Volumo	287.2	cuft		
Slurry Volume	51.2	bbls		
Cement Density	13.5 ppg			
Water Required	5.317 gal/sx			

4-1/2" Production Casing				
Cement Recipe	50 / 50 POZ:Class G Cement			
	+ 0.25 lb/sx D029 Cellophane Flakes			
	+ 3% D020 Bentonite			
	+ 1.0 lb/sx D024 Gilsonite Extender			
	+ 0.25% D167 Fluid	Loss		
	+ 0.15% D065 Dispe	ersant		
	+ 0.1% D800 Retarder			
!	+ 0.1% D046 Antifoamer			
	+ 3.5 lb/sx PhenoSeal			
Cement Quantity	479	sx		
Cement Yield	1.44	cuft/sx		
Cement Volume	689.3	cuft		
	122.8			
Cement Density	13	ppg		
Water Required	6.47	gal/sx		

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM For Drilling to Intermediate Casing Point & Setting 7" Intermediate Casing



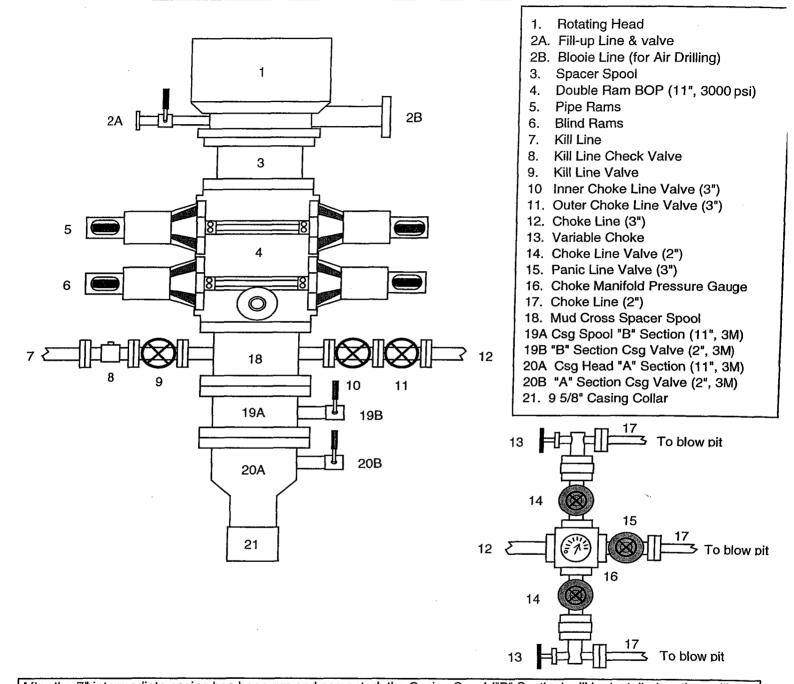
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 10 minutes and to 1000 psi (high pressure test) for 10 minutes. Then the test plug will be removed, and the 9-5/8" casing will be pressure tested against closed blind rams to 200 psi to 300 psi for 10 minutes and to 1000 psi for 30 minutes (this value is one 44% of the minimum internal yield pressure of the 9-5/8" casing). (Note: per regulatory requirements we will wait on cement at least 8 hrs after placement before testing the 9-5/8" surface casing). Then an 8-3/4" hole will be drilled to intermediate casing point and 7" intermediate casing will be run and cemented.

In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

Upper Kelly cock Valve with handle

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to TD and Setting 4.5 inch Casing



After the 7" intermediate casing has been run and cemented, the Casing Spool ("B" Section) will be installed on the wellhead ("A" Section) and the BOP will be installed on the Casing Spool. A test plug will be set in the wellhead and the pipe rams, blind rams, and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 10 minutes and to 3000 psi (high pressure test) for 10 minutes. Then the test plug will be removed and the 7" casing will be pressure tested against closed blind rams to 200 psi to 300 psi for 10 minutes and to 1800 psi for 30 minutes - this test pressure is 48% of the minimum internal yield strength of 3740 psi for the 7", 20#, J-55, STC casing. Then we will air drill the 6-1/4" hole to TD and run and cement the 4-1/2" casing.

In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

- Upper Kelly cock Valve with handle
- 2. Stab-in TIW valve for all drillstrings in use

Property:	SAN JUAN 31-6 UNIT		Well #: _		:	13G		
Surface Loca	ation:							
Unit: E	_Section	on: <u>4</u> To	wnship:	30N	_Range:	6W		
County: RI	O ARRI	BA		State	: New Me	exico		
Footogo	2100	from the	NORTH	l in a	660	fuom the	WEST	line

CATHODIC PROTECTION

ConocoPhillips (COP) proposes to drill a cathodic protection deep well groundbed for the subject well. COP will drill a hole vertically at the surface large enough to accommodate 20 feet of 8 inch diameter PVC pipe for surface casing to assist in further drilling and loading. Casing may be cemented in place for stability if needed. COP will drill a 6-7/8" hole to an anticipated minimum depth of 300' (maximum depth of 500'). Cement plugs will not be used unless more than one water zone is encountered. Prior drilling history for the area indicates only one zone to that depth. If more than one water zone is encountered, notification will be made and details of cement and casing will be provided.

All drilling activity will remain on the existing well pad and a Farmington based company will be doing the drilling for ConocoPhillips.