

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☐ Gas Well ☒ Other: CBM ☒ Single Zone ☐ Multiple Zone

2. Name of Operator  
CONOCOPHILLIPS COMPANY

Contact: PATSY CLUGSTON  
E-Mail: pclugs@ppco.com

3a. Address  
5525 HWY. 64  
FARMINGTON, NM 87401

3b. Phone No. (include area code)  
Ph: 505.599.3454  
Fx: 505-599-3442

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)

At surface NWNW 1135FNL 1020FEL 36.94474 N Lat, 107.68511 W Lon  
At proposed prod. zone

5. Lease Serial No.  
NMSF079353

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.  
SAN JUAN 32-8 UNIT 250A

9. API Well No.

3004531745

10. Field and Pool, or Exploratory  
BASIN FRUITLAND COAL

11. Sec., T., R., M., or Blk. and Survey or Area

0 Sec 33 T32N R8W Mer NMP  
SME: BLM

12. County or Parish  
SAN JUAN

13. State  
NM

15. Distance from proposed location to nearest property or  
lease line, ft. (Also to nearest drig. unit line, if any)

16. No. of Acres in Lease  
2161.15

17. Spacing Unit dedicated to this well

320.00 W/2

18. Distance from proposed location to nearest well, drilling,  
completed, applied for, on this lease, ft.

19. Proposed Depth  
3722 MD  
3722 TVD

20. BLM/BIA Bond No. on file

ES0085

21. Elevations (Show whether DF, KB, RT, GL, etc.)  
6761 GL

22. Approximate date work will start  
09/01/2003

23. Estimated duration  
30 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall 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 shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature  
(Electronic Submission)

Name (Printed/Typed)  
PATSY CLUGSTON

Date  
06/23/2003

Title  
AUTHORIZED REPRESENTATIVE

Approved by (Signature)  
David J. Mankiewicz

Name (Printed/Typed)

Date  
JUL 29 2003

Title

Office

Application approval does not warrant or certify 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 jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #23552 verified by the BLM Well Information System  
For CONOCOPHILLIPS COMPANY, sent to the Farmington

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

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS".

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

NMOCD

District I  
PO Box 1980, Hobbs, NM 88241-1980  
  
District II  
PO Drawer 00, Artesia, NM 80211-0719  
  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
  
District IV  
PO Box 2088, Santa Fe, NM 87504-2000

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-045-31745</b>		*Pool Code <b>71629</b>	*Pool Name <b>BASIN FRUITLAND COAL</b>
*Property Code <b>31330</b>	*Property Name <b>SAN JUAN 32-8 UNIT</b>		*Well Number <b>250A</b>
*GRID No. <b>217817</b>	*Operator Name <b>CONOCOPHILLIPS COMPANY</b>		*Elevation <b>6761'</b>

10 Surface Location

U. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>0</b>	<b>33</b>	<b>32N</b>	<b>8W</b>		<b>1135</b>	<b>NORTH</b>	<b>1020</b>	<b>WEST</b>	<b>SAN JUAN</b>

11 Bottom Hole Location If Different From Surface

U. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
*Dedicated Acres <b>320.0 Acres - (W/2)</b>					*Joint or Infill	*Consolidation Code	*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

	<p>16</p> <p>5245.02'</p> <p>1135'</p> <p>1020'</p> <p>LAT: 36°55.6842' N LONG: 107°41.1068' W DATUM: NAD27</p> <p>33</p> <p>SF-079353 2161.15 acres</p> <p>2632.08'</p> <p>2614.26'</p> <p>5261.52'</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Vicki Westby</i> Signature Vicki R. Westby Printed Name Sr. Analyst Title <i>June 3, 2003</i> Date</p> <p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey: MARCH 25, 2003</p> <p>Signature and Seal of Professional Surveyor</p> <p> <i>JASON C. EDWARDS</i> Certificate Number 15269</p>
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## CONOCOPHILLIPS COMPANY

WELL NAME: San Juan 32-8 Unit #250A

### DRILLING PROGNOSIS

1. Location of Proposed Well: Unit D, 1135' FNL & 1020' FWL  
Section 33, T32N, R8W
2. Unprepared Ground Elevation: @ 6761'
3. The geological name of the surface formation is San Jose.
4. Type of drilling tools will be rotary.
5. Proposed drilling depth is 3722'.
6. The estimated tops of important geologic markers are as follows:

<u>Nacimiento - 883'</u>	<u>Base of Coal - 3662'</u>
<u>Ojo Alamo - 2383'</u>	<u>Intermediate casing - 3374'</u>
<u>Kirtland - 2433'</u>	<u>Picture Cliffs - 3664'</u>
<u>Fruitland - 3233'</u>	<u>T. D. - 3722'</u>
<u>Top of Coal - 3408'</u>	

TD includes ~~200'~~<sup>10'</sup> of sump/rathole and ConocoPhillips will comply with the BLM/OCD's Conditions of Approval for the proposed sump/rathole in this non-producing Pictured Cliffs Formation.

7. The estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

Water:	<u>Ojo Alamo - 2383' - 2433'</u>
Oil:	<u>none</u>
Gas:	<u>Fruitland Coal - 3233' - 3662'</u>
Gas & Water:	<u>Fruitland Coal - 3233' - 3662'</u>

8. The proposed casing program is as follows:

Surface String: 9-5/8", 32.3#, H-40 @ 200' \*

Intermediate String: 7", 20#, J/K-55 @ 3374'

Production Liner: 5-1/2", 15.5# J/K-55 @ 3354' - 3722' (see details below)

\* The surface casing will be set at a minimum of 200', but could be set deeper if required to maintain hole stability.

9. Cement Program: Circulate Cement  
Surface String: 123.2 sx Class G cement with 2% bwoc CaCl<sub>2</sub> (S001), 0.25#/sx  
Cello-Flake (D029) 1.16 cuft/sx yield = 142.9 cf

9. Cement program: (continued from Page 1)

Intermediate String:

*TOC must overlap w Surface CSG 100' min*

Lead Cement: 427 sx Class G w/3% D079 (Extender) 0.25#/sx D029 (Cellephone flakes, + 0.2% D046 Flocele (All purpose antifoam agent) mixed at 11.7 ppg and yield of 2.61 cuft/sx = 1114.98 cf.

Tail: 96 sx - 50/50/G/POZ cement w/2% D020 (Bentonite Extender), 2% S001 (CaCl<sub>2</sub>), 5#/sx D024 (Gilsonite), 1/4#/sx D029 (Celephane flakes) & 2% D046 (all purpose antifoam agent) @ a weight of 13.5 ppg and yield of 1.27 cuft/sx = 122.29 cf.

Note: ConocoPhillips Company continually works to improve the cement slurries on our wells. Our Cementing Service Companies are currently trying to improve what we are using now and before we would use a new cement program it would have to have stronger properties than we are currently using.

Centralizer Program:

Surface: Total four (4) - 10' above shoe and top of 2<sup>nd</sup>, 3<sup>rd</sup>, & 4<sup>th</sup> jts.

Intermediate: Total seven (7) - 10' above shoe and top of 1<sup>st</sup>, 2<sup>nd</sup>, 4<sup>th</sup>, 6<sup>th</sup>, 8<sup>th</sup>, & 1<sup>st</sup> jt. into shoe.

Turbulators: Total three (3) - one at 1<sup>st</sup> jt below Ojo Alamo and next 2 jts up.

Liner:

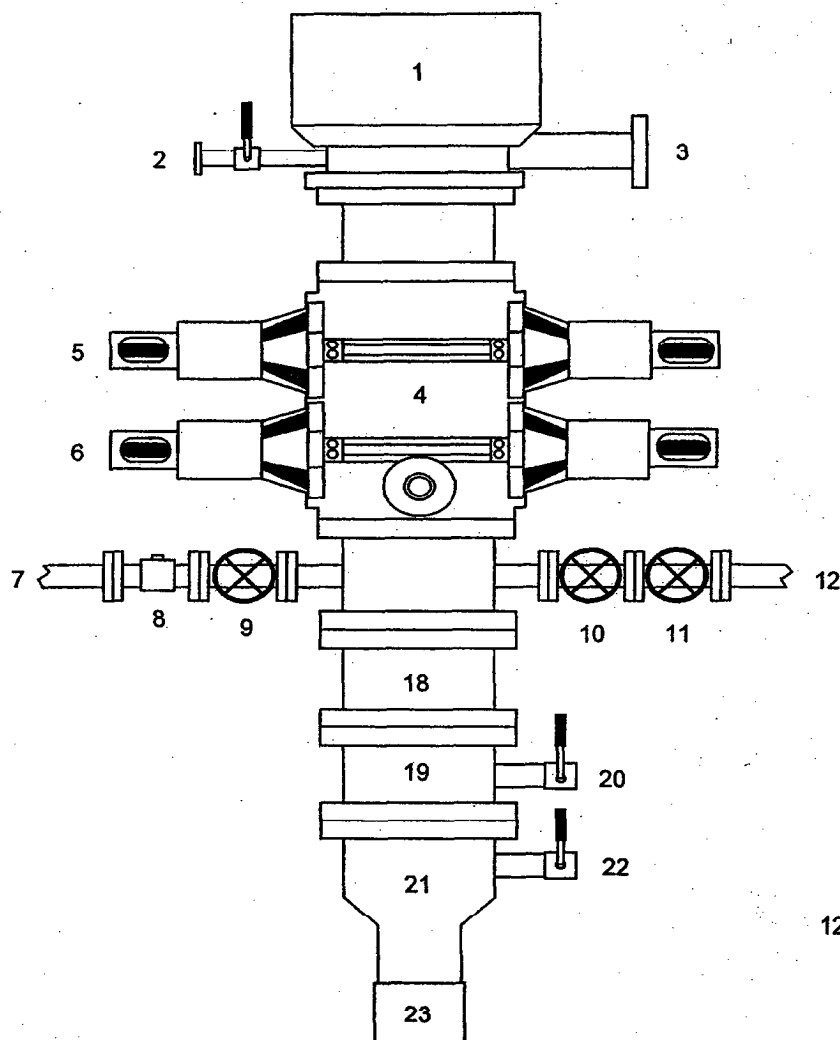
- If the coal is cleated a 5 1/2" 15.5# liner will be run in the open hole without being cemented.
- If the coal is NOT cleated, a 4-1/2" 11.6# liner will be run & cemented. The well will then be completed by fracture stimulation. The top of the liner will be set approx. 200' into the 7" casing and be set @ TD and be cement in place as follows:

Lead Cement: Approx. 150% excess - Standard with 3% Econolite + 10 lbs/sx Gilsonite + 0.5 lbs/sx Flocele + mixed at 11.4 ppg with a yield of 2.91 ft<sup>3</sup>/sx

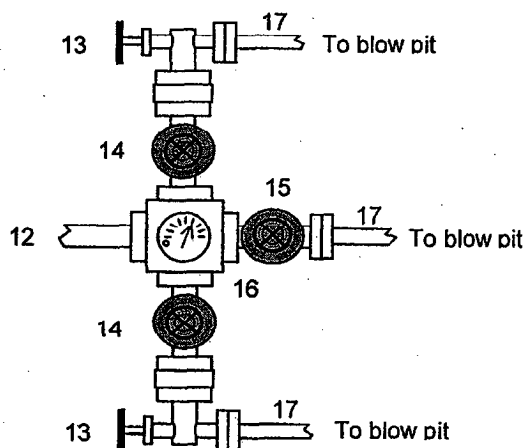
Tail: 50/50 Poz Standard with 0.25 lbs/sx Flocele + 5 lbs/sx Gilsonite + 2% Bentonite and 2% CaCl<sub>2</sub> mixed at 13.5 ppg with a 1.33 ft<sup>3</sup>/sx yield.

10. The minimum specifications for pressure control equipment which are to be used, a schematic diagram thereof showing sizes, pressure ratings (or) API series and the testing procedure and testing frequency are enclosed within the APD packet.

## BLOWOUT PREVENTER HOOKUP



1. Rotating Head
2. Fill-up Line & valve
3. Flowline
4. Blowout Preventer (3000 psi)
5. Pipe Rams
6. Blind Rams
7. Kill Line
8. Kill Line Check Valve
9. Kill Line Valve
10. Inner Choke Line Valve (3")
11. Outer Choke Line Valve (3")
12. Choke Line (3")
13. Variable Choke
14. Choke Line Valve (2")
15. Panic Line Valve (3")
16. Choke Manifold Pressure Gauge
17. Choke Line (2")
18. Spacer Spool
19. Casing Spool "B" Section
20. Casing Spool "B" Section 2" Valve
21. Casing Head "A" Section
22. Casing Head "A" Section 2" Valve
23. 9 5/8" Casing Collar



Drilling contractors used in the San Juan Basin supply 3000 psi equipment, but cannot provide annular preventors because of sub-structure limitations. Maximum anticipated surface pressures for this well will not exceed the working pressure of the proposed BOP system. The above diagram of the BOP system details 2000 psi equipment according to Onshore Order No. 2 even though the equipment will test to 3000 psi. The 2000 psi system allows deletion of the annular preventor and fulfills your requirements.

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

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

*The BOPs will be pressure tested according to Onshore Order #2III, A1 and 30% Safety factor.*

**San Juan 32-8 unit #250A  
NMSF079353; 1135' FNL & 1020' FWL  
Section 33, T32N, R8W; San Juan County, NM**

**Cathodic Protection**

ConocoPhillips proposes to drill a cathodic protection deep well groundbed for the subject well. 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 existing well pad and a Farmington based company will be doing the drilling for ConocoPhillips.