

District I

Energy, Minerals and Natural Resources

May 27, 2004

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

<p>SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p>		<p>WELL API NO. 30-045-34071</p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other</p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/></p>
<p>2. Name of Operator ConocoPhillips Company</p>		<p>6. State Oil & Gas Lease No.</p>
<p>3. Address of Operator 3401 E. 30TH STREET, FARMINGTON, NM 87402</p>		<p>7. Lease Name or Unit Agreement Name San Juan 32-7 Unit</p>
<p>4. Well Location Unit Letter <u>O</u> : <u>660</u> feet from the <u>South</u> line and <u>1785</u> feet from the <u>East</u> line Section <u>8</u> Township <u>32N</u> Rng <u>7W</u> NMPM County <u>San Juan</u></p>		<p>8. Well Number #37F</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6260' GL</p>		<p>9. OGRID Number 217817</p>
<p>10. Pool name or Wildcat Basin DK / Blanco MV</p>		
<p>Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/></p>		
<p>Pit type <u>New Drill</u> Depth to Groundwater <u>50-100'</u> Distance from nearest fresh water well <u>>1000'</u> Distance from nearest surface water <u>>1000'</u></p>		
<p>Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume <u> </u> bbls; Construction Material <u> </u></p>		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
OTHER: New Drill ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

RCVD DEC14'06
OIL CONS. DIV.

DIST. 3

ConocoPhillips proposes to construct a new drilling pit, an associated vent/flare pit and a pre-set mud pit (if required). Based on ConocoPhillips' interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and pre-set mud pit will be lined pits as detailed in ConocoPhillips' General Plan dated June 2005 on file at the NMOCD office. A portion of the vent/flare pit will be designed to manage fluids and that portion will be lined as per the risk ranking criteria. ConocoPhillips anticipates closing these pits according to the November 1, 2004 Guidelines.

I hereby certify that the information above 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 closed according to NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Juanita Farrell TITLE Regulatory Specialist DATE 12/13/2006

Type or print name Juanita Farrell E-mail address: Telephone No. 505-326-9518
For State Use Only

APPROVED BY Brandon D. Hall TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE DEC 14 2006
Conditions of Approval (if any):