

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RCVD DEC 21 '06
OIL CONS. DIV.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

DIST. 3

1a. Type of Work DRILL	5. Lease Number SF-079029 Unit Reporting Number	
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator ConocoPhillips	7. Unit Agreement Name San Juan 32-8 Unit	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name San Juan 32-8 Unit 9. Well Number #22A	
4. Location of Well Unit P (SESE), 659' FSL & 936' FEL, Latitude 36° 55.2285952'N Longitude 107° 40.4513494'W	10. Field, Pool, Wildcat Blanco MV 11. Sec., Twn, Rge, Mer. (NMPM) p Sec. 4, T31N, R8W API # 30-045-34098	
14. Distance in Miles from Nearest Town 36.2 Miles from Bloomfield	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 659'	17. Acres Assigned to Well MV - 320.47 acres E/2	
16. Acres in Lease		
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease		
19. Proposed Depth 6215'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6640' GL	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Kandis Roland</u> Regulatory Technician	Date <u>12/6/08</u>	

PERMIT NO.

APPROVAL DATE

APPROVED BY [Signature]

TITLE AFM

DATE 12/19/08

Archaeological Report attached

Threatened and Endangered Species Report attached

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

Title 18 U.S.C. Section 1001, makes 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 presentations as to any matter within its jurisdiction.

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

NMOCDB

12/22/06

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

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Fee Lease - 3 Copies
State Lease - 7 Copies
Submit to Appropriate District Office
Revised June 10, 2003
Form C-102

2005 DEC 6 PM 3 35

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

RCVD DEC 21 06
OIL CONS. DIV.

1 API Number 30-045- 34098	2 Well Code 72319	3 Pool Name BLANCO MESAVERDE
4 Property Code 31330	5 Property Name SAN JUAN 32-8	6 Well Number 22A
7 OGRID No. 217817	8 Operator Name CONOCOPHILLIPS COMPANY	9 Elevation 6639.7

10 SURFACE LOCATION

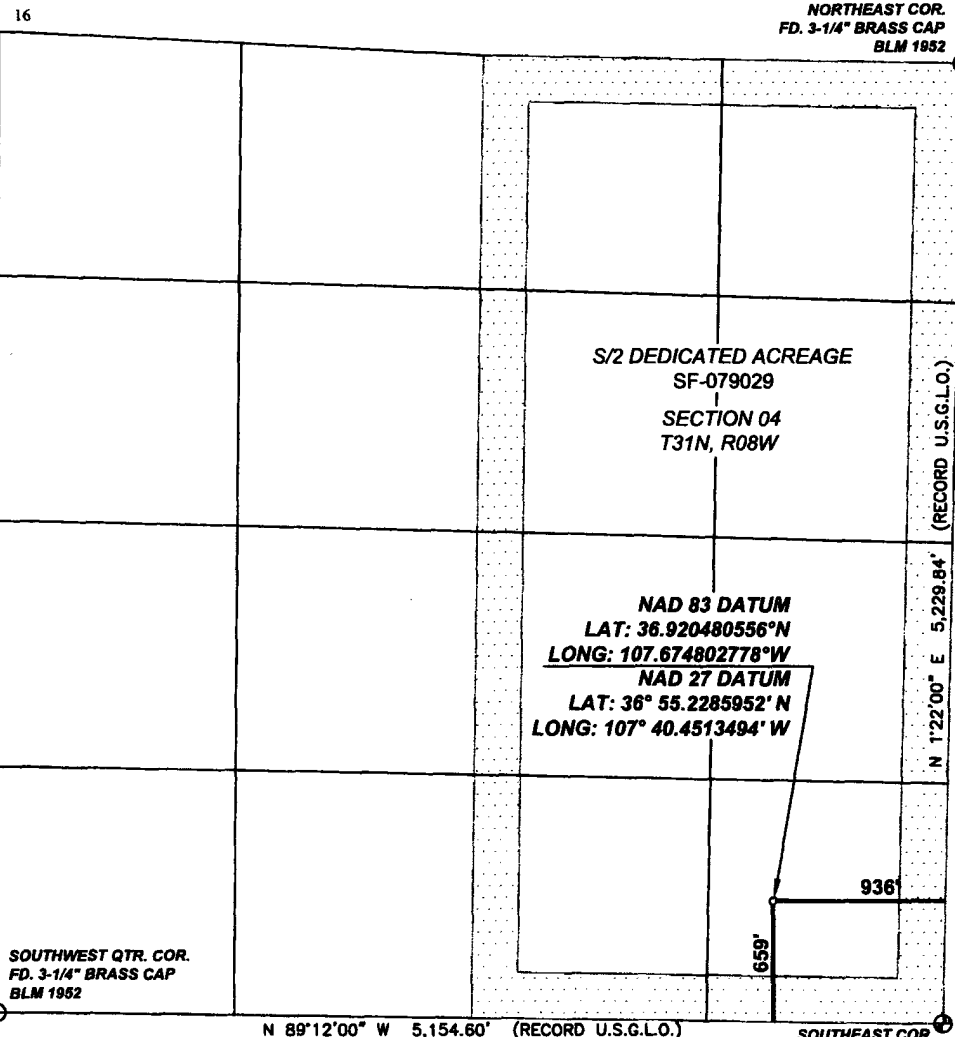
UL or lot no. P	Section 04	Township 31-N	Range 08-W	Lot Idn	Feet from the 659'	North/South line SOUTH	Feet from the 936'	East/West line EAST	County SAN JUAN
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11 Bottom Hole Location If Different From Surface

UL or lot no. P	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 320.47 N2	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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



17 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 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.

Signature Amanda Sanchez
Printed Name Amanda Sanchez
Title and E-mail Address Regulatory Analyst
Date September 15 2006

18 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.

Date of Survey: 06/29/06
Signature and Seal of Professional Surveyor:

Certificate Number: NM 11393

Office

Energy, Minerals and Natural Resources

May 27, 2004

District I

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

WELL API NO.

30-045-34098

5. Indicate Type of Lease

STATE ☐FEE ☐

6. State Oil & Gas Lease No.

SF-079029

7. Lease Name or Unit Agreement Name

San Juan 32-8 Unit

8. Well Number

22A

9. OGRID Number

217817

10. Pool name or Wildcat

Blanco Mesaverde

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.)

1. Type of Well:

Oil Well ☐Gas Well ☒

Other

2. Name of Operator

ConocoPhillips Company

3. Address of Operator

3401 E. 30TH STREET, FARMINGTON, NM 87402

4. Well Location

Unit Letter P : 659' feet from the South line and 936' feet from the East line
Section 4 Township 31N Rng 8W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

6639.7' GL

Pit or Below-grade Tank Application

☐ or Closure ☐Pit type New Drill Depth to Groundwater >100' Distance from nearest fresh water well>1000' Distance from nearest surface water

Pit Liner Thickness:

N/A

mil

Below-Grade Tank:

Volume

bbls;

Construction Material

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.

New Drill, Unlined:

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 unlined 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 unlined 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 Kandis Roland TITLE Regulatory Technician DATE 12/5/2006Type or print name
For State Use Only

Kandis Roland

E-mail address:

kburns@br-inc.com

Telephone No.

505-326-9518

APPROVED BY

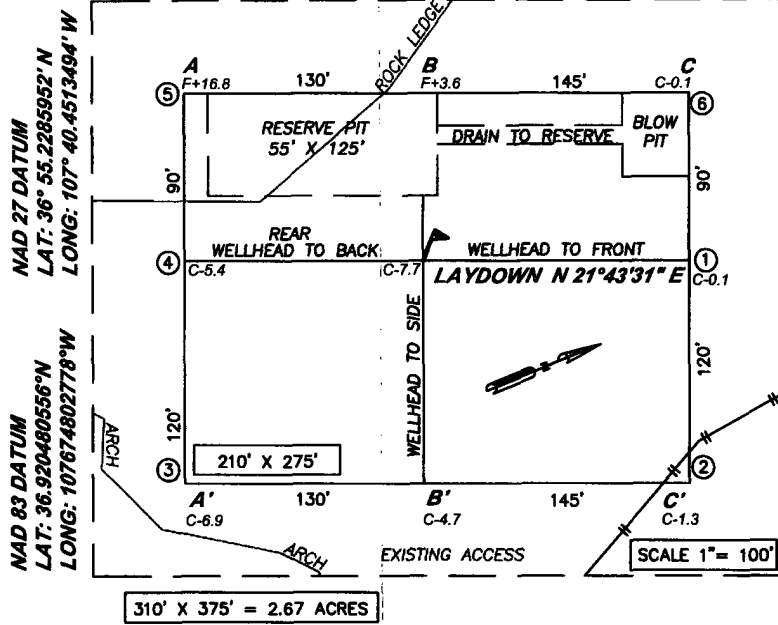
TITLE

DATE

DEPUTY OIL & GAS INSPECTOR, DIST. #

DEC 22 2006

Conditions of Approval (if any):

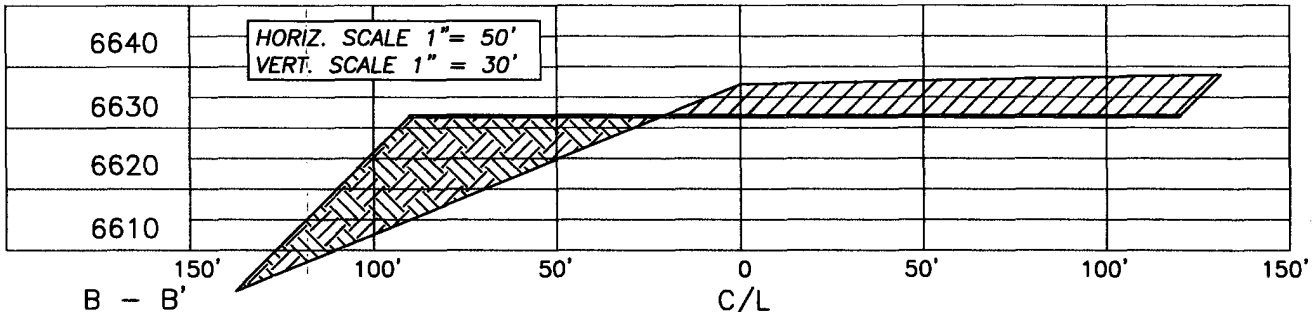


CONOCOPHILLIPS COMPANY

SAN JUAN 32-8 #22A
659' FSL, 936' FEL
SECTION 04, T31N, R08W, N.M.P.M.,
SAN JUAN COUNTY, NEW MEXICO
ELEV.: 6,639.7' NAVD88
NO NEW ACCESS

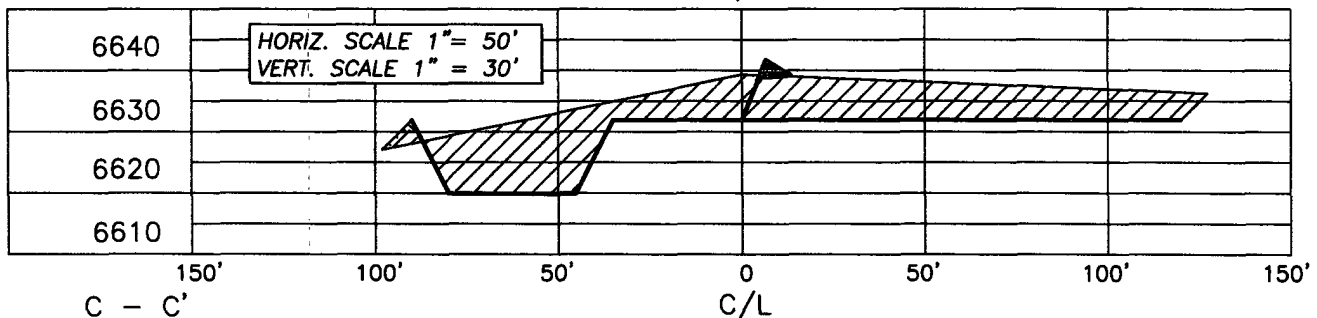
A - A'

C/L



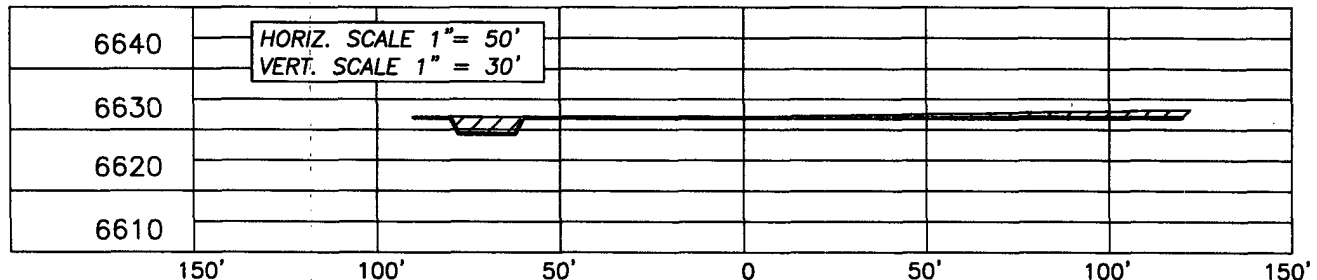
B - B'

C/L



C - C'

C/L



NOTE: CCI IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.

CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD PRIOR TO CONSTRUCTION.

REVISIONS

NO.	DESCRIPTION	REVISED BY	DATE

CCI

1300 W. BROADWAY
BLOOMFIELD, NM, 87413
PHONE: (505) 832-7777

CHENAULT CONSULTING INC.

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 32-8 22A

Lease:		AFE #: WAN.CNV.7121		AFE \$:	
Field Name: 32-8		Rig:	State: NM	County: SAN JUAN	API #:
Geoscientist: Brain, Ted H.		Phone: 832-486-2592	Prod. Engineer: Piotrowicz, Greg M.		Phone: +1 832-486-3486
Res. Engineer: Prabowo, Wahyu		Phone: 832-486-2275	Proj. Field Lead: Fransen, Eric E.		Phone:
Primary Objective (Zones):					
Zone	Zone Name				
R20002	MESAVERDE(R20002)				

Location: Surface		Datum Code: NAD 27				Straight Hole	
Latitude: 36.920477	Longitude: -107.674189	X:	Y:	Section: 4	Range: 8W		
Footage X: 936 FEL	Footage Y: 659 FSL	Elevation: 6640	(FT)	Township: 31N			
Tolerance:							
Location Type: Summer Only		Start Date (Est.):		Completion Date:		Date In Operation:	
Formation Data: Assume KB = 6656		Units = FT					
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks	
SURFACE CSG	120	6536	<input type="checkbox"/>			12-1/4 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.	
NCMT	896	5760	<input type="checkbox"/>				
OJAM	2692	3964	<input type="checkbox"/>			Possible water flows.	
KRLD	2821	3835	<input type="checkbox"/>				
FRLD	3194	3462	<input type="checkbox"/>			Possible gas.	
Intermediate Casing	3294	3362	<input type="checkbox"/>			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface.	
PCCF	3531	3125	<input type="checkbox"/>				
LEWS	3649	3007	<input type="checkbox"/>				
CHRA	4712	1944	<input type="checkbox"/>				
UCLFH	5157	1499	<input type="checkbox"/>				
CLFH	5448	1208	<input type="checkbox"/>			Gas; possibly wet	
MENF	5545	1111	<input type="checkbox"/>			Gas.	
PTLK	5865	791	<input type="checkbox"/>			Gas.	
Total Depth	6215	441	<input type="checkbox"/>				

Reference Wells:		
Reference Type	Well Name	Comments
Intermediate	SJ 32-8 20	4-32N-8W-SW, KB = 6461
Intermediate	SJ 32-8 19	3-31N-8W-SW, KB = 6709

HOLE: 12.25 "
 CSG OD: 9.625 "
 CSG ID: 9.001 "
 WGT: 32.3 ppg
 GRADE: H-40
 EXCESS: 125 %
 DEPTH: 120'

SURFACE:
 Option 1
 79 sx
 16.4 bbls
 91.9 cuft
 1.17 ft³/sx
 15.8 ppg
 4.973 gal/sx
 Class G Cement
 + 3% S001 Calcium Chloride
 + 0.25 lb/sx D029 Cellophane Flakes

Option 2
 76 sx
 16.4 bbls
 91.9 cuft
 1.21 ft³/sx
 15.6 ppg
 5.29 gal/sx
 Standard Cement
 + 3% Calcium Chloride
 + 0.25 lb/sx Floccle

Option 3
 37 sx
 10.6 bbls
 59.3 cuft
 1.61 ft³/sx
 14.5 ppg
 7.41 gal/sx
 Type I-II Ready Mix
 + 20% Fly Ash

Comp. Strength
 6 hrs 250 psi
 8 hrs 500 psi

Comp. Strength
 8 hrs 475 psi
 24 hrs 1375 psi

INTERMEDIATE LEAD:

Option 1
 216 sx
 104.8 bbls
 588.3 cuft
 2.72 ft³/sx
 11.7 ppg
 15.74 gal/sx
 Class G Cement
 + 3% D079 Extender
 + 0.20% D046 Antifoam
 + 10 lb/sx Phenoseal

Option 2
 226 sx
 104.8 bbls
 588.3 cuft
 2.60 ft³/sx
 11.5 ppg
 14.62 gal/sx
 Type III Ashgrove Cement
 + 30 lb/sx San Juan Poz
 + 3% Bentonite
 + 5.0 lb/sx Phenoseal

Option 3
 224 sx
 104.8 bbls
 588.3 cuft
 2.63 ft³/sx
 11.7 ppg
 15.92 gal/sx
 Class G Cement
 + 3% D079 Extender
 + 0.20% D046 Antifoam
 + 1.0 lb/bbl CemNet

Comp. Strength
 9 hrs 300 psi
 48 hrs 525 psi

Comp. Strength
 1:47 hrs 50 psi
 12 hrs 350 psi
 24 hrs 450 psi

Comp. Strength
 3 hrs 100 psi
 24 hrs 443 psi

INTERMEDIATE TAIL:

Option 1
 121 sx
 28.2 bbls
 158.2 cuft
 1.31 ft³/sx
 13.5 ppg
 5.317 gal/sx
 50/50 Poz: Class G Cement
 + 0.25 lb/sx D029 Cellophane Flakes
 + 3% S001 Calcium Chloride
 + 2% D020 Bentonite
 + 1.5 lb/sx D024 Gilsomite Extender
 + 0.1% D046 Antifoam
 + 6 lb/sx Phenoseal

Option 2
 119 sx
 28.2 bbls
 158.2 cuft
 1.33 ft³/sx
 13.5 ppg
 5.52 gal/sx
 50/50 Poz: Standard Cement
 + 2% Bentonite
 + 6.0 lb/sx Phenoseal

Option 3
 124 sx
 28.2 bbls
 158.2 cuft
 1.28 ft³/sx
 13.5 ppg
 5.255 gal/sx
 50/50 Poz: Class G Cement
 + 2% D020 Bentonite
 + 5.0 lb/sx D024 Gilsomite Extender
 + 2% S001 Calcium Chloride
 + 0.1% D046 Antifoam
 + 0.15% D065 Dispersant
 + 1.0 lb/bbl CemNet

Comp. Strength
 3:53 500 psi
 8:22 1000 psi
 24 hrs 3170 psi
 48 hrs 5399 psi

Comp. Strength
 2:05 50 psi
 4:06 500 psi
 12 hrs 1250 psi
 24 hrs 1619 psi

Comp. Strength
 24 hrs 1850 psi
 48 hrs 3411 psi

PRODUCTION:

Option 1
 287 sx
 73.6 bbls
 413.2 cuft
 1.44 ft³/sx
 13.0 ppg
 6.47 gal/sx
 50/50 Poz: Class G Cement
 + 0.25 lb/sx D029 Cellophane Flakes
 + 3% D020 Bentonite
 + 1.0 lb/sx D024 Gilsomite Extender
 + 0.25% D167 Fluid Loss
 + 0.25% D065 Dispersant
 + 0.1% D800 Retarder
 + 0.1% D046 Antifoam
 + 3.5 lb/sx Phenoseal

Option 2
 285 sx
 73.6 bbls
 413.2 cuft
 1.45 ft³/sx
 13.1 ppg
 6.55 gal/sx
 50/50 Poz: Standard Cement
 + 3% Bentonite
 + 0.2% CFR-3 Friction Reducer
 + 0.1% HR-5 Retarder
 + 0.8% Halad-9 Fluid Loss Additive
 + 3.5 lb/sx Phenoseal

Comp. Strength
 7 hrs 500 psi
 24 hrs 2100 psi

Comp. Strength
 9:32 50 psi
 12 hrs 500 psi
 13:29 1026 psi
 24 hrs 2300 psi

M. C. P.

San Juan 32-8 #22A

HOLE: 12.25 "
CSG OD: 9.625 "
CSG ID: 9.001 "
WGT: 32.3 ppf
GRADE: H-40
EXCESS: 125 %
DEPTH: 120'

SURFACE:

INTERMEDIATE LEAD:

Option 4

204 sx
104.8 bbls
588.3 cuft
2.88 ft³/sx
11.5 ppg
16.85 gal/sx
Standard Cement
+ 3% Econolite (Extender)
+ 10 lb/sx Phenoseal

Comp. Strength
1:47 50 psi
12 hrs 350 psi
24 hrs 450 psi

HOLE: 8.75 "
CSG OD: 7 "
CSG ID: 6.456 "
WGT: 20 ppf
GRADE: J-55
EXCESS: 50 %
TAIL: 658.8'

DEPTH: 3284'

INTERMEDIATE TAIL:

HOLE: 6.25 "
CSG OD: 4.5 "
CSG ID: 4 "
WGT: 11.6 ppf
GRADE: N-80
EXCESS: 30 %
DEPTH: 6215'

PRODUCTION:

Option 5

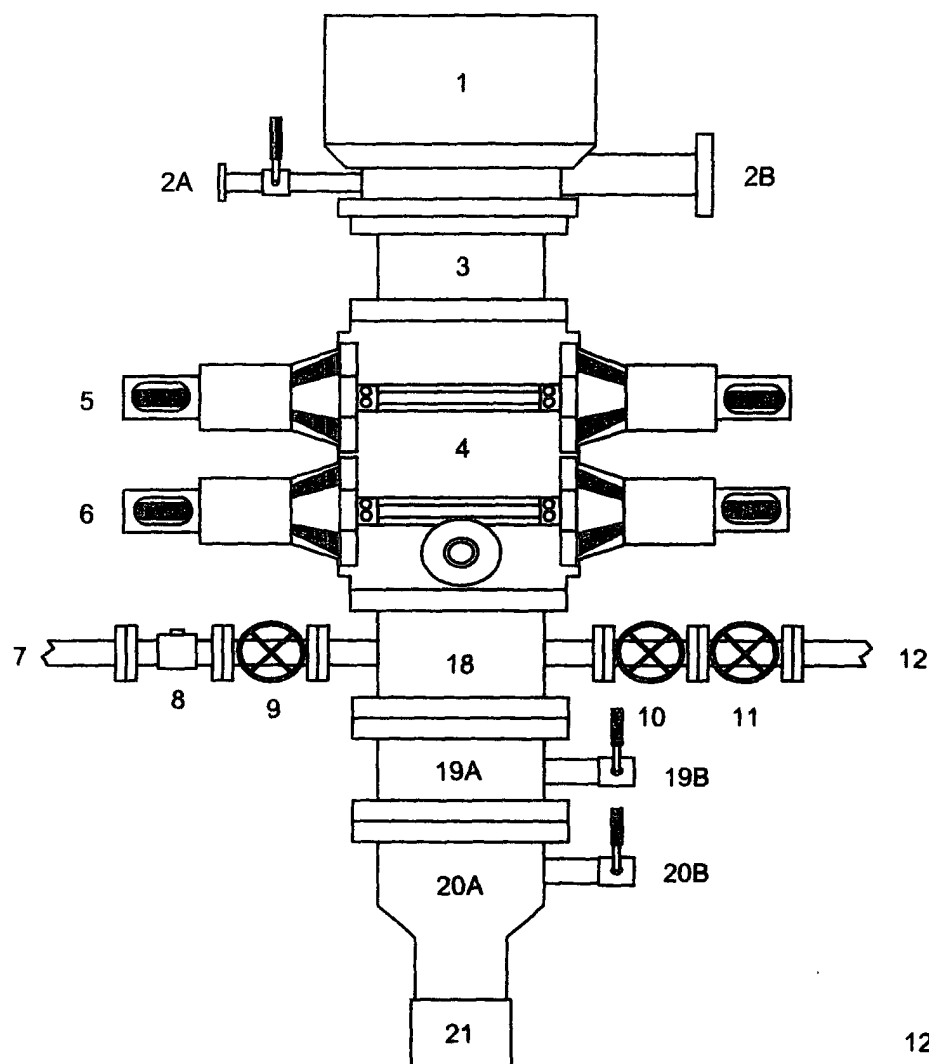
280 sx
104.8 bbls
588.3 cuft
2.10 ft³/sx
11.7 ppg
11.724 gal/sx
75% Type XI / 25% Class G Cement
+ 0.25 lb/sx D029 Cellophane Flakes
+ 3% D079 Extender
+ 0.20% D046 Antifoam

Comp. Strength
10:56 500 psi
42 hrs 1012 psi

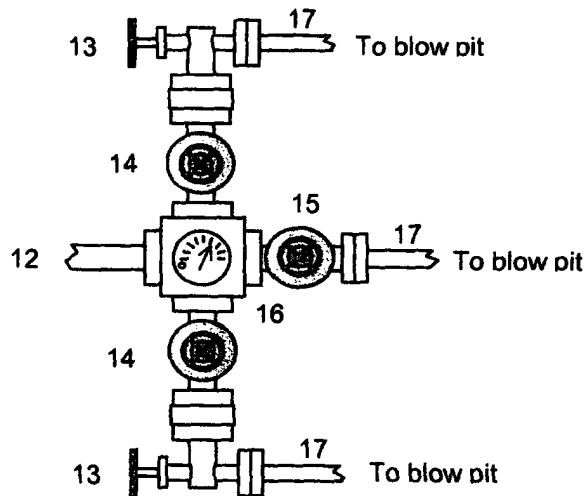
If the 9 5/8" surface casing is preset drilled (NOTE) will cement w/75 sx Type I-II cement w/20% Flyash mixed @ 1.61 cf/sx. Will bring cement to surface. Wait on cement for 24 hours for pre-set hole before pressure testing or drilling out. If H&P rig is used to drill the well will use 13 1/2" surface hole then will adjust cement to insure cement reaches surface.

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to TD and Setting 4.5 inch Casing



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Blooie Line (for Air Drilling)
3. Spacer Spool
4. Double Ram BOP (11", 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. Mud Cross Spacer Spool
- 19A Csg Spool "B" Section (11", 3M)
- 19B "B" Section Csg Valve (2", 3M)
- 20A Csg Head "A" Section (11", 3M)
- 20B "A" Section Csg Valve (2", 3M)
21. 9 5/8" Casing Collar



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.

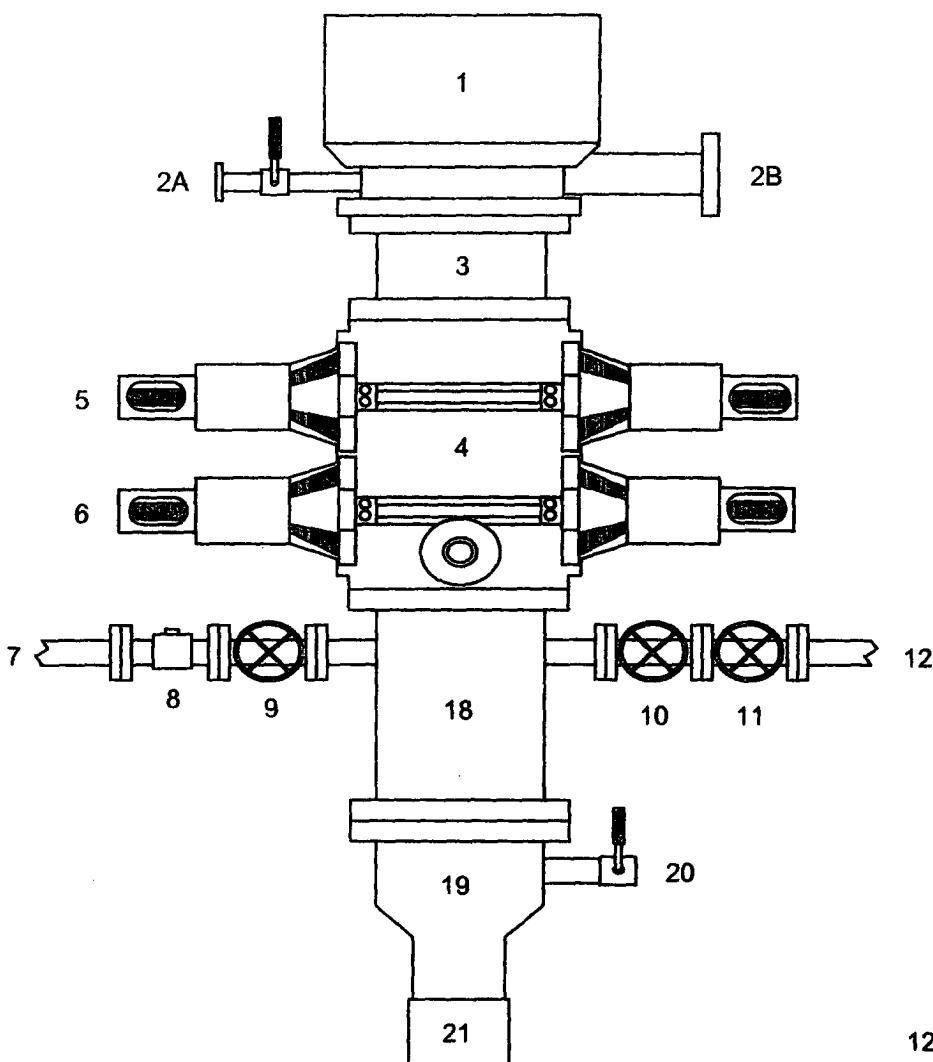
In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

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

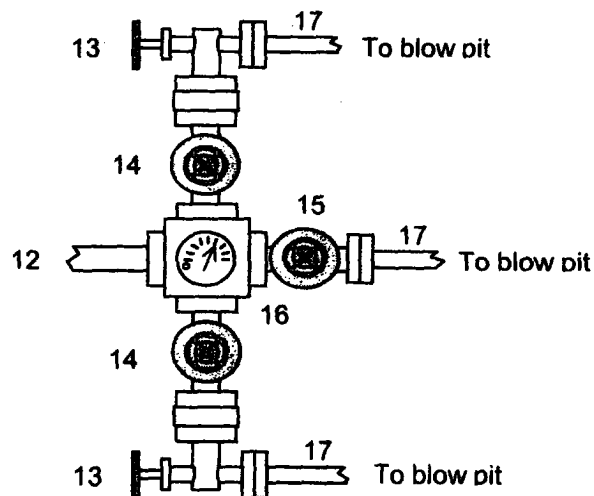
Revision Date: September 1, 2004

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to Intermediate Casing Point & Setting 7" Intermediate Casing



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Flowline
3. Spacer Spool
4. Double Ram BOP (11", 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. Mud Cross Spacer Spool
19. Casing Head "A" Section
20. Casing Head "A" Section 2" Valve
21. 9 5/8" Casing Collar



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
- Stab-in TIW valve for all drillstrings in use