

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	2007 MAY 23 PM 2 14 RECEIVED 070 FARMINGTON NM	5. Lease Number SF-079289-A Unit Reporting Number NMNM-78413A-DK NMNM-78413A-MV
1b. Type of Well GAS		6. If Indian, All. or Tribe
2. Operator ConocoPhillips		7. Unit Agreement Name San Juan 28-7 Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700		8. Farm or Lease Name 9. Well Number #247F
4. Location of Well Surface: Unit P (SESE), 970' FSL & 845' FEL, BH: Unit L (NESE), 1745' FLS & 200' FWL NW5W Surface: Latitude 36° 40.2687 N Longitude 107° 33.2509 W BH: Latitude 36° 40.3959 N Longitude 107° 33.0364 W		10. Field, Pool, Wildcat Blanco MV/Basin DK 11. Sec., Twn, Rge, Mer. (NMPM) P Surface: Sec. 10, T28N, R7W BH: Sec. 11, T28N, R7W API # 30-039-30269
14. Distance in Miles from Nearest Town 18 miles/Blanco		12. County Rio Arriba 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 845'		
16. Acres in Lease	292.8 MV-292.8 MV-292.8/DK 333-76 Acres MV-292.8/DK-292.8 Lot 1-3, 5252; 333.76 DK DK 304.35	
18. Distance from Proposed Location to Nearest Well, Drlg. Compl. or Applied for on this Lease		sec 10 - Lot 1, SESE;
19. Proposed Depth TMD 8067'/TVD 7824		20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6581' GL		22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached		RCVD JUN 25 '07 OIL CONS. DIV. DIST. 3
24. Authorized by: <u>Kandis Roland</u> Kandis Roland (Regulatory Technician)		5/23/07 Date

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

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.

Example Master Plan Type 3

NOTIFY AZTEC OCD 24 HRS.

PRIOR TO CASING & CEMENT

NMOCD

HOLD C104 FOR

directional survey

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

Form C-102
Revised October 12, 2005
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

2007 MAY 23 PM 2 14

RECEIVED AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAN

*API Number 30-039-30269		*Pool Code 72319 / 71599		*Pool Name BLANCO MESAVERDE / BASIN DAKOTA	
*Property Code 31739		*Property Name SAN JUAN 28-7 UNIT		*Well Number 247F	
*OGRID No. 217817		*Operator Name CONOCOPHILLIPS COMPANY		*Elevation 6581'	

10 Surface Location

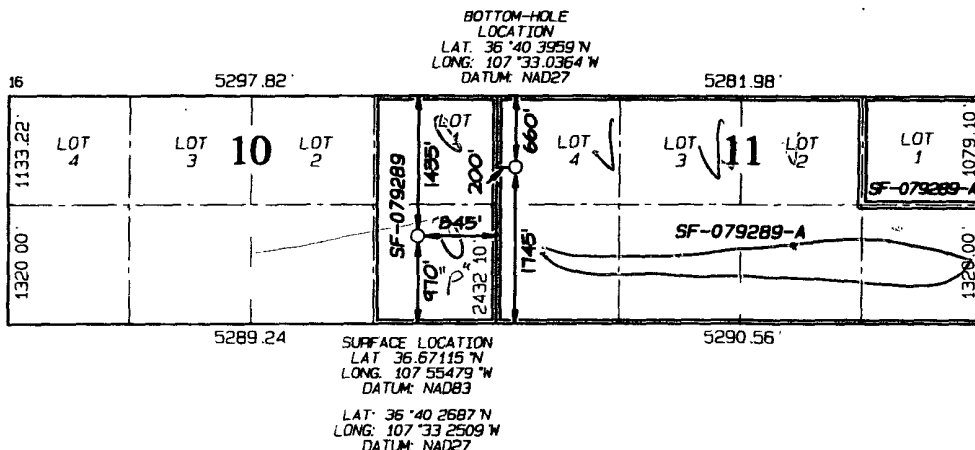
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	10	28N	7W		970	SOUTH	845	EAST	RIO ARriba

11 Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	11	28N	7W		1745	SOUTH	200	WEST	RIO ARriba

12 Dedicated Acres All 11 - 292.80 Acres - (MV) 333.75 Acres - (DK)					13 Joint or Infill		14 Consolidation Code		15 Order No. R-2948-DK	
---------------------------------------------------------------------------	--	--	--	--	--------------------	--	-----------------------	--	---------------------------	--

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

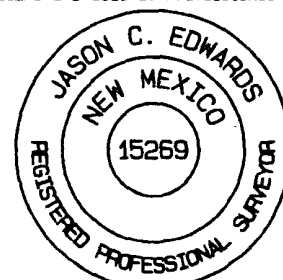
Signature Date
Juanita Farrell 12/18/06
Printed Name

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

Survey Date: NOVEMBER 10, 2006

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

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

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

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

WELL API NO.

30-039- 30269

5. Indicate Type of Lease

STATE ☐FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

San Juan 28-7 Unit

8. Well Number

#247F

9. OGRID Number

217817

10. Pool name or Wildcat

Basin DK/Blanco MV

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

3. Address of Operator

3401 E. 30TH STREET, FARMINGTON, NM 87402

4. Well Location

Unit Letter P

:

970'

feet from the

South

line and

845'

feet from the

East

line

Section 10

Township 28N

Rng 7W

NMPM

County

Rio Arriba

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

6581'

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

>1000

Pit Liner Thickness:

12

mil

Below-Grade Tank:

Volume

bbls;

Construction Material

Synthetic

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐TEMPORARILY ABANDON ☐PULL OR ALTER CASING ☐PLUG AND ABANDON ☐CHANGE PLANS ☐MULTIPLE COMPL ☐

OTHER:

New Drill ☒

SUBSEQUENT REPORT OF:

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

TITLE

Regulatory Technician

DATE

5-17-07

Type or print name

Rhonda Rogers

E-mail address:

rogerr@conocophillips.com

Telephone No.

505-599-4018

For State Use Only

APPROVED BY

TITLE

Deputy Oil & Gas Inspector,
District #3

DATE

JUN 29 2007

Conditions of Approval (if any):

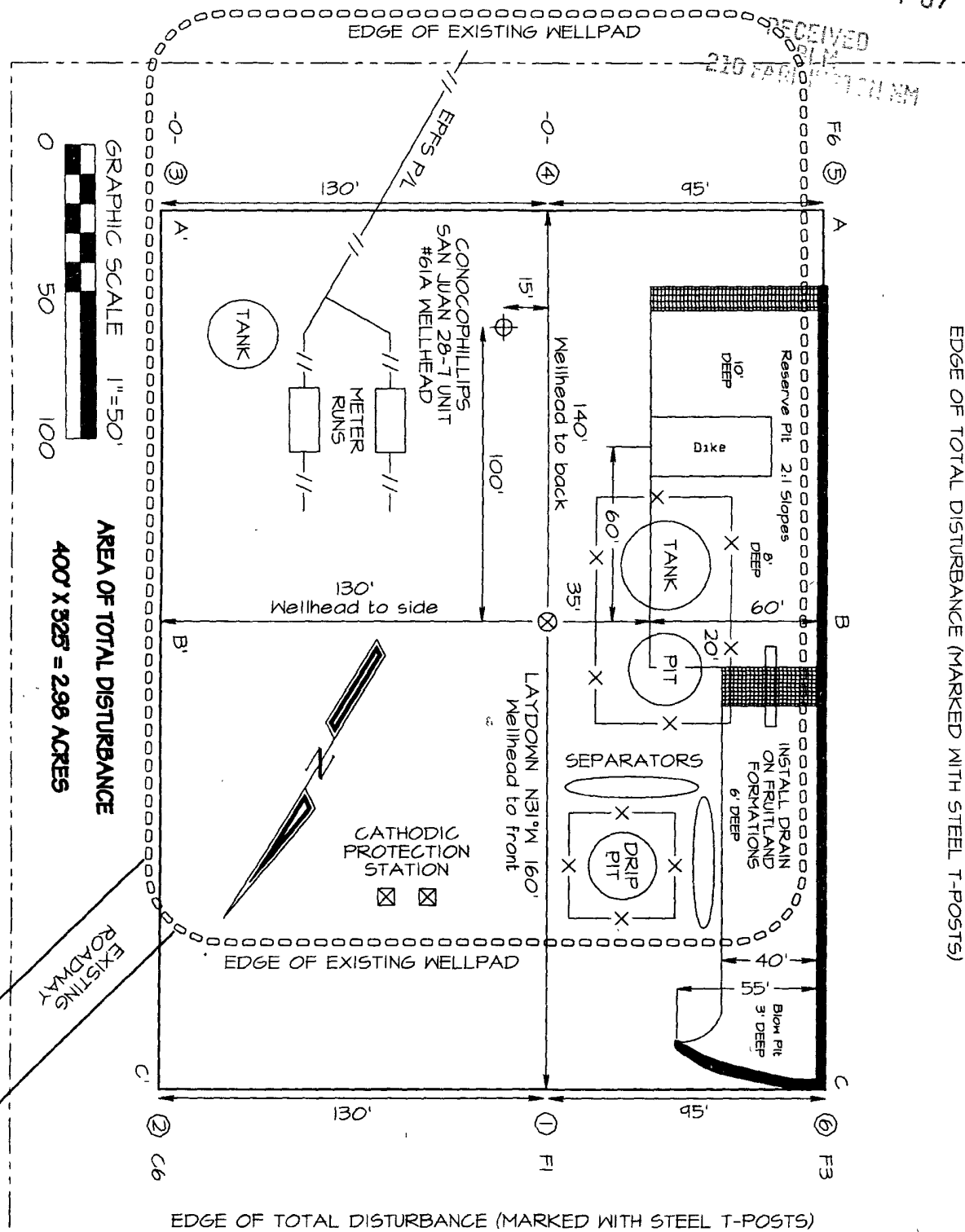
~ SURFACE OWNER ~
Bureau of Land Management

LATITUDE: 36°40.2687N
LONGITUDE: 107°33.2509W
DATUM: NAD1927

AM 4:07

CONOCOPHILLIPS COMPANY SAN JUAN 28-7 UNIT #247F
970' FSL & 845' FEL, SECTION 10, T28N, R7W, NMPM
RIO ARriba COUNTY, NEW MEXICO ELEVATION: 6581'

EDGE OF TOTAL DISTURBANCE (MARKED WITH STEEL T-POSTS)



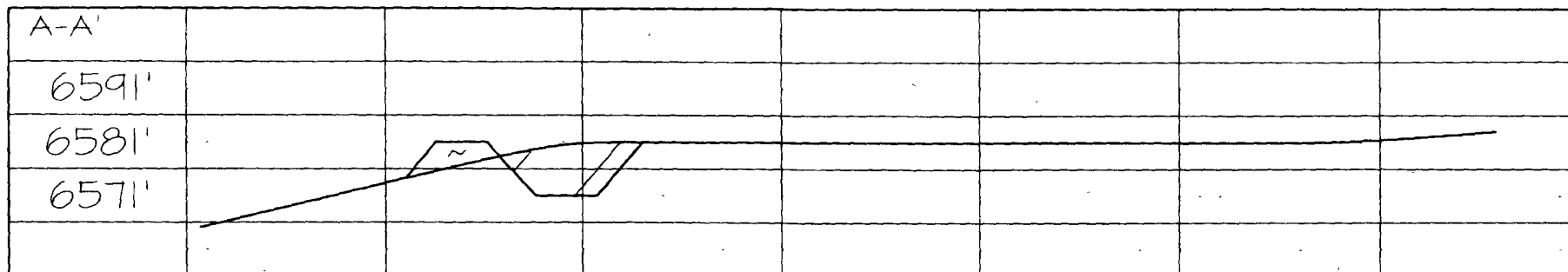
NCE SURVEYS IS NOT LIABLE FOR LOCATION OF UNDERGROUND UTILITIES OR PIPELINES.
CONTRACTOR SHOULD CONTACT ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED UNDERGROUND UTILITIES OR PIPELINES ON WELLPAD AND/OR ACCESS ROAD AT LEAST TWO WORKING DAYS PRIOR TO CONSTRUCTION.

CONOCOPHILLIPS COMPANY SAN JUAN 28-7 UNIT #247F
 970' FSL & 845' FEL, SECTION 10, T28N, R7W, NMPM
 RIO ARriba COUNTY, NEW MEXICO ELEVATION: 6581'

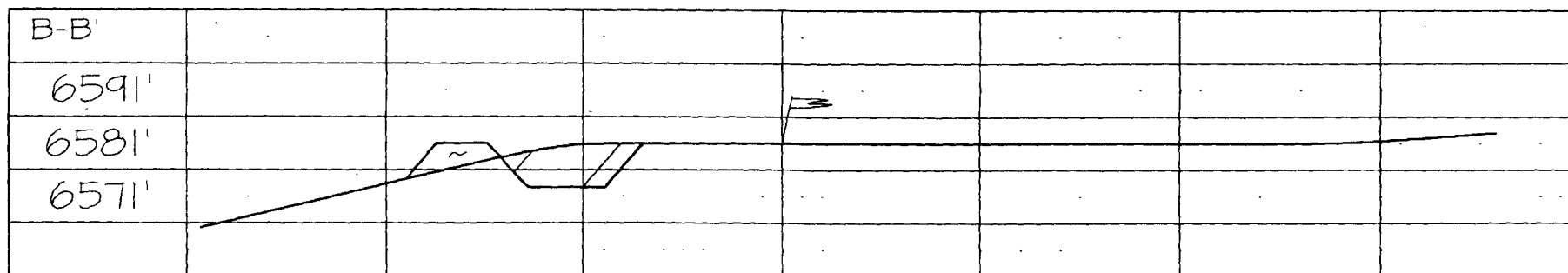
HORIZONTAL SCALE 1"=40'

C/L

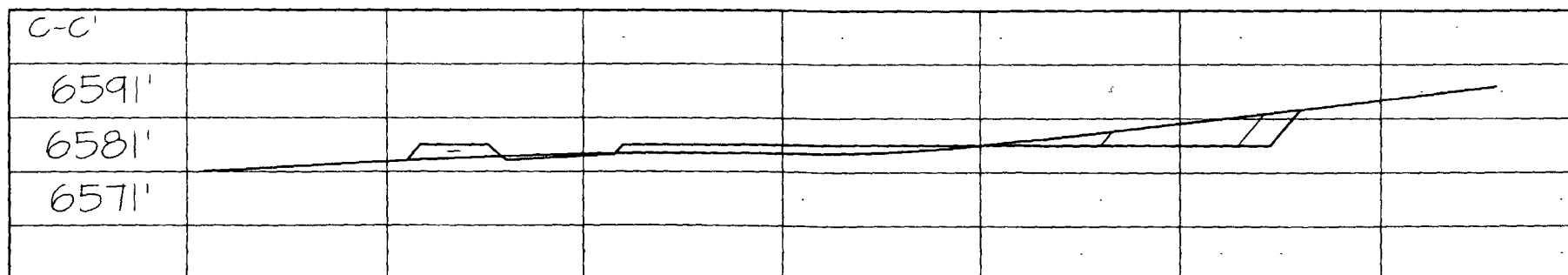
VERTICAL SCALE 1"=30'



C/L



C/L



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CONTRACTOR SHOULD CONTACT ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED UNDERGROUND UTILITIES OR PIPELINES ON WELLPAD AND/OR ACCESS ROAD AT LEAST TWO WORKING DAYS PRIOR TO CONSTRUCTION.

SJ 28-7 #247F OPERATIONS PLAN

Well Name: SJ 28-7 #247F

Objective: Mesa Verde/Dakota

Location: Rio Arriba NM

Elevation: 6581'

Surface Coordinates/Footages

T - 28 N R - 7 W Sec.: 10
970' FSL 845' FEL
Latitude: 36° 40.2687' N
Longitude: 107° 33.2509' W

Bottom Hole Coordinates/Footages

T - 28 N R - 7 W Sec.: 11
1745' FSL 200' FWL
Latitude: 36° 40.3959' N
Longitude: 107° 33.0364' W

<u>Formation</u>	<u>Top (TMD)</u>	<u>Top (TVD)</u>	<u>Contents</u>
San Jose	0	0	
Nacimiento	1324'	1299'	
Ojo Alamo	2573'	2449'	aquifer
Kirtland	2736'	2599'	
Fruitland	3192'	3019'	gas
Pictured Cliffs	3517'	3319'	
Lewis	3843'	3619'	
Chacra	4512'	4269'	
Massive Cliff House	5217'	4974'	gas
Menefee	5367'	5124'	gas
Massive Point Lookout	5742'	5499'	gas
Gallup	7022'	6779'	gas
Greenhorn	7717'	7474'	gas
Two Wells	7802'	7559'	gas
Cubero	7942'	7699'	gas
Total Depth:	8067'	7824'	gas

Logging Program: Cased Hole: CBL-GR
Open Hole: None

<u>Mud Program:</u>	<u>Interval (TMD)</u>	<u>Type</u>	<u>Weight (ppg)</u>	<u>Vis. (s/qt)</u>	<u>Fluid Loss (cc/30min)</u>
	0' - 450'	Spud	8.4-9.0	40-50	No control
	450' - 4593'	Non-dispersed	8.4-9.0	30-60	Less than 8
	4593' - 8067'	Air/Air Mist/Nitrogen	n/a	n/a	n/a

<u>Casing program:</u>	<u>Interval (TMD)</u>	<u>Hole Size</u>	<u>Casing Size</u>	<u>Weight</u>	<u>Grade</u>
	0' - 450'	12 1/4"	9 5/8"	32.3#	H-40
	450' - 4593'	8 3/4"	7"	23.0#	L-80
	4593' - 8067'	6 1/4"	4 1/2"	11.6#	L-80

<u>Tubing program:</u>	<u>Interval (TMD)</u>	<u>Hole Size</u>	<u>Casing Size</u>	<u>Weight</u>	<u>Grade</u>
	0' - 8067'	Cased	2 3/8"	4.7#	J-55

Wellhead Equipment

9 5/8" x 7" X 4 1/2" x 2 3/8" - 11" (2000 psi) wellhead assembly

Drilling: Saw tooth guide shoe on bottom. Bowspring centralizers will be run in accordance with Onshore Order #2.

Surface

Drill to surface casing point of 450' and set 9.625" casing.

Intermediate

Mud drill to kick off point of 500'. At this point the well will be directionally drilled by building 3 degrees per 100' with an azimuth of 53.44 degrees. The end of the build will be at a TVD of 1244', a TMD of 1264', a reach of 151', and an inclination of 22.93 degrees. This angle and azimuth will be held to a TVD of 3606', a TMD of 3829', and a reach of 1150'. At this point the well will be drilled with a drop of 3 degrees per 100'. The end of the drop will be at a TVD of 4350', a TMD of 4593', a reach of 1301', and an angle of 0.0 degrees. 7" casing will be set at this point.

Production

From the shoe of the intermediate string, the well will be drilled vertically with an air hammer to a TVD of 7824' (TMD of 8067'). 4.5" casing will be set at this point.

Cementing

9.625" surface casing conventionally drilled: **200%** excess cement to bring cement to surface.

Run 423 cu.ft. (330 sks) Type III cement with 3% CaCl₂ and 1/4 pps celloflake (1.28 sks/ cu.ft.). Wait on cement appropriate time until cement achieves 250 psi compressive strength at 60° F prior to nipple up of BOPE. Wait on cement for 8 hrs for conventionally set holes before pressure testing or drilling out from under surface.

7" intermediate casing: **50%** excess cement to bring cement to surface.

Lead with 912 cu.ft. (428 sks) Premium Lite w/ 3% CaCl₂, 0.25 pps Cello-Flake, 5 pps LCM-1, 0.4% FL-52 and 0.4% SMS (2.13 sks/ft3). Tail with 124 ft3 (90 sks) Type III cmt. w/ 1% CaCl₂, 0.25 pps Cello-Flake and 0.2% FL-52 (1.38 sks/ft3). If cement does not circulate to surface, a CBL or a temperature survey will be run to determine TOC.

4.5" production casing: **30%** excess cement to achieve 100' overlap with intermediate casing.

Run 475 cu.ft. (240 sks) Premium Lite HS FM + 0.25pps Cello-Flake, 0.3% CD-32, 6.25pps LCM-1, 1% FL-52 (1.98 sks/ft3.)

BOP and Tests

Surface to Total Depth – 11", 2000 psi double gate BOP stack (Reference Figure #1).

Surface to Total Depth – choke manifold (Reference Figure #2).

Prior to drilling out surface casing, test BOPE and casing to 600 psi for 30 minutes.

Pipe rams will be actuated at least once each day and blind rams will be actuated once each trip to test proper functioning. A Kelly cock valve and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

BOPE tests will be performed using an appropriately sized test plug and test pump and will be recorded using calibrated test gauges and a properly calibrated strip or chart recorder. The test will be recorded in the driller's log and will include a low pressure test requirement of 250 psig held for five minutes and a high pressure test requirement held for ten minutes as described in Onshore Order No. 2 or otherwise noted in the APD. A successful BOPE test using a test plug is considered when no pressure drop occurs over the duration of the test. Test gauges and recorders must be of the proper range and resolution commensurate with the authorized test pressure. Where the intermediate casing strings are used, only one BOPE test will be necessary contingent upon the test being conducted to the highest approved test pressure to which BOPE will be exposed. Casing pressure tests must be held for 30 minutes with no more than 10 percent pressure drop during the duration of the test.

Additional Information:

- No gas dedication.
- New casing will be utilized.
- Pipe movement (reciprocation) will be done if hole conditions permit.
- No abnormal pressure zones are expected.
- BHP is expected to be 2000 psi.

Drilling Engineer

Date

3/26/07