DIST. 3 APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 1a. Type of Work 5. Lease Number DRILL SF-079047 **Unit Reporting Number** FFB 0 5 2008 NMNM-119354-DK NMNM-119355MV 1b. Type of Well 6. If Indian, All. or Tribe Bureau of Land Management GAS Farmington Field Office 2. 7. Unit Agreement Name Operator ConocoPhillips San Juan 32-8 Unit 3. Address & Phone No. of Operator 8. Farm or Lease Name PO Box 4289, Farmington, NM 87499 9. Well Number (505) 326-9700 #18N **Location of Well** 10. Field, Pool, Wildcat Basin DK/Blanco MV Unit L, 1527' FSL & 989' FWL 11. Sec., Twn, Rge, Mer. (NMPM) Latitude 36° 90857'N Sec. 11, T31N, R8W Longitude 1070 65053'W API# 30-045-34588 14. Distance in Miles from Nearest Town 12. County 13. State 25 miles/Blanco, NM San Juan MM 15. Distance from Proposed Location to Nearest Property or Lease Line 16. Acres in Lease 17. Acres Assigned to Well 880.0 acres MV/DK 320 - (W/2)18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 19. **Proposed Depth** 20. Rotary or Cable Tools 8160' Rotary 21. Elevations (DF, FT, GR, Etc.) 22. Approx. Date Work will Start 66424 BLM'S APPROVAL OR ACCEPTANCE OF THIS **Proposed Casing and Cementing Program** 23. ACTION DOES NOT RELIEVE THE LESSEE AND See Operations Plan attached OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS 24. Authorized by: Clugston, Regulatory Specialist PERMIT NO. APPROYAL DATE **APPROVED BY Archaeological Report attached**

Threatened and Endangered Species Report attached

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

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.

Bond Numbers ES-0048 and ES-0085

Example Master Plan Type 3

ı

Form C-16 Revised October 12, 200

DISTRICT II 1301 W. Grand Avenue, Artesia, N.M. 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410 OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, NM 87505

Submit to Appropriate District Office State Lease - 4 Copi Fee Lease - 3 Copi

FEB 0 5 2008

DISTRICT IV 1220 3. St. Francis Dr., Santa Fe, NM 87505

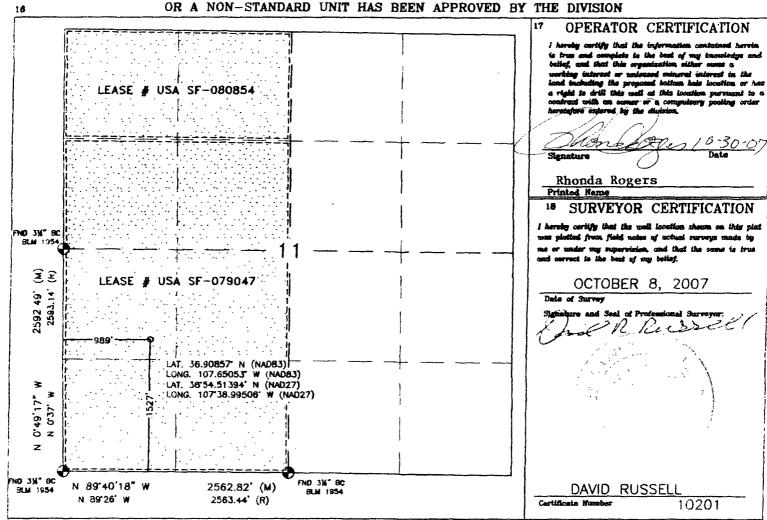
Bureau of Land Management AMENDED REPOR

WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Name 30-045-34588 BASIN DAKOTA/BLANCO MESAVERDE 72319/71599 Well Number Property Code Property Name SAN JUAN 32-8 UNIT 18 N 31330 CGRID No. *Operator Name Elevation 217817 CONOCO PHILLIPS, COMPANY 6642'

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 31N 8W 1527 SOUTH 989 SAN JUAN WEST 11 Bottom Hole Location If Different From Surface

UL or lot no. Section Township Lot Idn Frest from the North/South line Range Feet from the East/West line County T. Dedicated Acres loint or infill 14 Consolidation Code 15 Order No. 320.00 Acres - (W/2)

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED



| Submit 3 Copies To Appropriate District | State of New Mexico | | | |
|---|---|--|-----------------------------|--|
| Office District I | Energy, Minerals and Natural Resources | | Form C-103 May 27, 2004 | |
| 1625 N. French Dr., Hobbs, NM 88240 | Energy, winierals and Natural Resources | WELL API NO. | | |
| District II 1301 W. Grand Ave., Artesia, NM 88210 | OIL CONSERVATION DIVISION | 5. Indicate Type of Lease | 0-045 · 34588 | |
| <u>District III</u> | 1220 South St. Francis Dr. | STATE | FEE | |
| 1000 Rio Brazos Rd., Aztec, NM 87410 District IV | Santa Fe, NM 87505 | 6. State Oil & Gas Lease No. | | |
| 1220 S. St. Francis Dr., Santa Fe, NM 8750 | 5 | USA SF-079047 | | |
| · · | ES AND REPORTS ON WELLS TO DRILL OR TO DEEPEN OR PLUG BACK TO A | 7. Lease Name or Unit Agreement Name | | |
| DIFFERENT RESERVOIR. USE "APPLICATIO | | San Juan 32-8 Unit | | |
| PROPOSALS) 1. Type of Well: | | 8. Well Number | | |
| Oil Well Gas Well X | Other | #18N | | |
| 2. Name of Operator | C 2011 | 9. OGRID Number | | |
| 3. Address of Operator | ConocoPhillips | 10. Pool name or Wildcat | | |
| 3401 E. 30TH STR | EET, FARMINGTON, NM 87402 | Basin DK/Blanco N | 4V | |
| 4. Well Location Unit Letter L :1 | 527' feet from the South line and | 989' feet from the | West line | |
| Section 11 | Township 31N Rng 8V | NMPM Cou | inty San Juan | |
| | Elevation (Show whether DR, RKB, RT, GR, etc.) 6642' | | | |
| Pit or Below-grade Tank Application | or Closure | | | |
| Pit type New Drill Depth to Groundw | | >1000' Distance from nearest surface water | 200-1000 | |
| Pit Liner Thickness: 12 | mil Below-Grade Tank: Volume 440 | | Synthetic | |
| NOTICE OF IN PERFORM REMEDIAL WORK TEMPORARILY ABANDON PULL OR ALTER CASING | PLUG AND ABANDON REMEDI. CHANGE PLANS COMME | SUBSEQUENT REPORT (AL WORK NCE DRILLING OPNS. ICEMENT JOB | OF: ALTERING CASING P AND A | |
| OTHER: New | Drill X OTHER: | | , | |
| | ed operations. (Clearly state all pertinent details, and | d give pertinent dates, including estimated date | | |
| of starting any proposed work) | SEE RULE 1103. For Multiple Completions: At | | | |
| or recompletion. | | | | |
| | | | | |
| | | | | |
| | | | | |
| New Drill, Lined: | | | | |
| C Dk:Ilino | A | Decel D Forth Missenson Color | 1 | |
| | t a new drilling pit and an associated vent/flare pit. lined pit as detailed in Burlington's Revised Drillin | | | |
| 11, 2004 on file at the NMOCD office | ce. A portion of the vent/flare pit will be designed to | o manage fluids and that portion will be lined a | s per the risk ranking | |
| criteria. Burlington Resources antic NMOCD office. | cipates closing these pits according to the Drilling / | Workover Pit Closure Procedure dated August 2 | 2, 2004 on file at the | |
| NINGED Office. | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | ove is true and complete to the best of my knowledge according to NMOCD guidelines, a general permit | | П | |
| 6. The Cally has been will be constituted of close | a according to throop guidennes, a general permit | (2) or an (accaence) accertainte OCD-approved pian | <u> </u> | |
| SIGNATURE DESVA | Darak | Regulatory Technician | DATE <u>1-9-08</u> | |
| Type or print name Sasha | Spangler E-mail address: spang | rs@conocophillips.com Tily Oil & Gas Inspector, | 505-326-9568 | |
| For State Use Only | Dept | | | |
| Anna aven av | V1 | District #3 | FEB 1 4 2008 | |

APPPROVED BY
Conditions of Approval (if any):

FEB 1 4 2008



CATHODIC PROTECTION PLAN FOR NEW WELLS

| WELL NAME 35 32 5 FIRST | LEGALS_L-11-31-2 | COUNTY STATE |
|--|--|--|
| PURPOSEO C.P. SYSYTEM: | A CHARLES | Planette Tout At A |
| The second of th | 紀だいけん 民語 生み 縁 こちら 夜間 ごうさ | "大块铁"一个人的声音。 医红线 经外间 医皮肤性 |
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| DATE STATE OF THE PROPERTY OF | | CENTRAL LC |
| OMMENTS JOSE DE DE DE COMPANIENTS | was a star at an a self of the time of | |
| EAREST POWER SOURCE | Lie D3008 S Tes 1 | DISTANCE: 450 |
| ECHNICIAN: USA I A STATE OF THE | DATE: | |
| | | STATE OF THE STATE |



PROJECT PROPOSAL - New Drill / Sidetrack

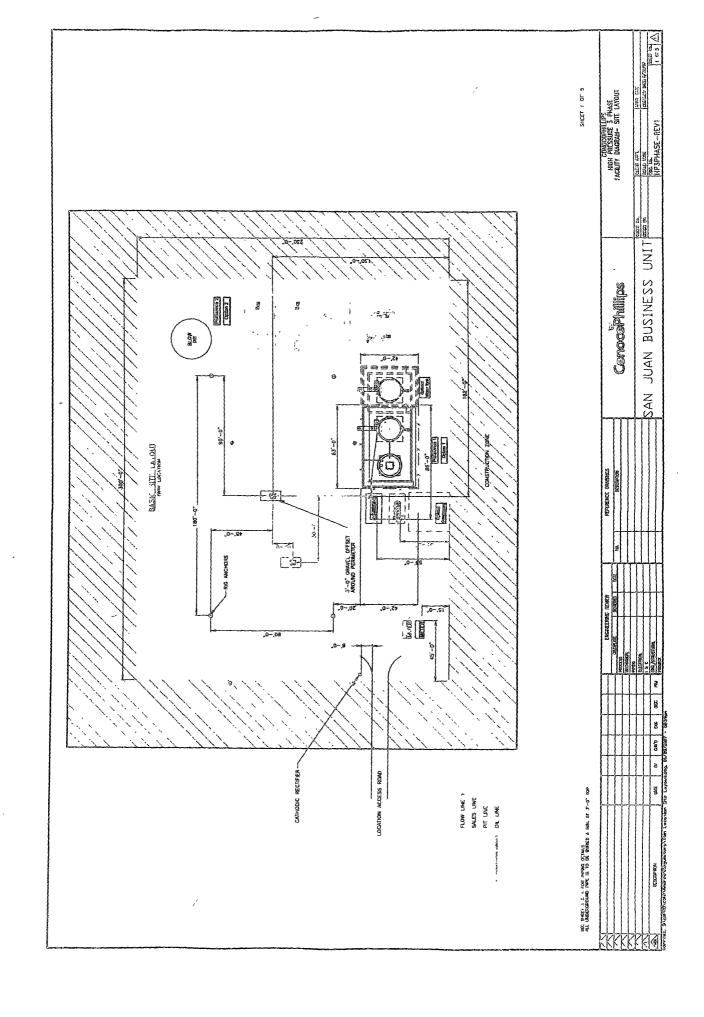
San Juan Business Unit

SAN JUAN 32-8 UNIT 18N

DEVELOPMENT

| Lease: | | | | | AFE #: W | AN.CDR | .7394 | | AFE \$: | |
|------------------------------|----------------------|----------------------|-----------------------------------|-----------------------|-----------------|---------------------------------------|--------------------------------------|--|--|--|
| Field Name: hBR_SAN JUAN | | Rig: A | Aztec Rig 301 | | | State: NM | County: SAN JUAN | API #: | | |
| Geologist: | | Phone | : | Ge | | Geophysicist: | | Phone: | | |
| Geoscientist: Rıley, Brook P | | Phone | e: +1 505-324-6108 P | | Prod. | Engineer: | Phone: | | | |
| Res. Engineer: Mo | cKee, C | ory J | | Phone | : 505-326-98 | 26 | Proj. | Field Lead: | | Phone: |
| Primary Objecti | ve (Zo | nes): | | | | | | | | |
| Zone | Zone f | lame | | | | | | | | |
| RON | BLANC | O MES | AVERDE (PR | ORATE | D GAS) | _ | | | | |
| FRR | BASIN | DAKOT | A (PRORATE | D GAS |) | J | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| 97.95 | Z in the contract of | der transferonsigers | - 22 that their south of the same | r - Statement - Wints | | 7.00 | - Land State Control Control Control | 40 TVA. AND THE PARTY (12 TO 12 TO 1 | | |
| Location: Similar | | | Datum Coo | de: NA | (D.27: | | | | | Statistic Hale |
| Latitude: 36.9085 | 66 | Longitu | ide: -107.64 | 9918 | X: | | Y: | | Section: 11 | Range: 008W |
| Footage X: 989 F | WL | Footag | e Y: 1527 FS | SL | Elevation: 66 | 542 | (FT) | Township: 031 | N | |
| Tolerance: | | | | | | | a | | | |
| Location Type: Re | estricted | i | | Start [| oate (Est.): 1/ | 1/2008 | Coi | mpletion Date: | Date In | Operation: |
| Formation Data: | Assum | ne KB = | 6654 l | Jnits = | FT | | | | | |
| Formation Call & | | | Depth | SS | Depletion | BHP | ВНТ | | Remarks | |
| Casing Points | | | (TVD in Ft) | (Ft) | (Yes/No) | (PSIG) |) 5 | | | |
| Surface Casing | | | 200 | 6454 | | | | | Girculate cement to surf | STC casing. Cement with ace. |
| OJO ALAMO | | | 2194 | 4460 | | | | | | |
| KIRTLAND | | | 2301 | 4353 | | | | | | |
| FRUITLAND | | | 3029 | 3625 | | | | Possible Gas | | |
| PICTURED CLIFFS | | | 3527 | 3127 | | | | | | |
| LEWIS | | | 3749 | 2905 | | | | | | |
| Intermediate Casing | g | | 3849 | 2805 | | | | 8-3/4" hole. 7 cubic ft. Circu | ", 20 ppf, J-55, STC cas late cement to surface. | sing. Cement with 867 |
| HUERFANITO BENT | TONITE | | 4304 | 2350 | | | | | | |
| CHACRA | | | 4694 | 1960 | | | | | | |
| MASSIVE CLIFF HO | USE | | 5449 | 1205 | | 800 | | Gas | | |
| MENEFEE | | | 5539 | 1115 | | | | | | |
| MASSIVE POINT LO | OKOUT | - | 5851 | 803 | | | | | | |
| MANCOS | | | 6201 | 453 | | | | | | |
| UPPER GALLUP | | | 7159 | -505 | | | | | | |
| GREENHORN | | | 7884 | -1230 | | | | | | |
| GRANEROS | | | 7927 | -1273 | | | | | | |
| TWO WELLS | | | 8024 | -1370 | | 2600 | | Gas | | |
| PAGUATE | | | 8044 | -1390 | | | | | | |
| UPPER CUBERO | | | 8057 | -1403 | | | | | | |
| LOWER CUBERO | | | 8084 | -1430 | | | | | | |
| ENCINAL | | | 8148 | -1494 | | | | | | |
| Total Depth | | | 8160 | -1506 | | | | Cement with 5 | -1/2", 10.6/11.6 ppf, J- 87 cubic ft. Circulate crious casing string. | 55, STC/LTC casing. ement a minimum of 100' |
| Reference Wells | 3: | | | | | | | | | |
| Reference Type | 20 200 | ame | | | Comments | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | | | | The state of the s |

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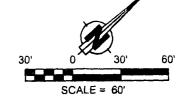
LATITUDE: 36.90857°N LONGITUDE: 107.65053°W DATUM: NAD 83

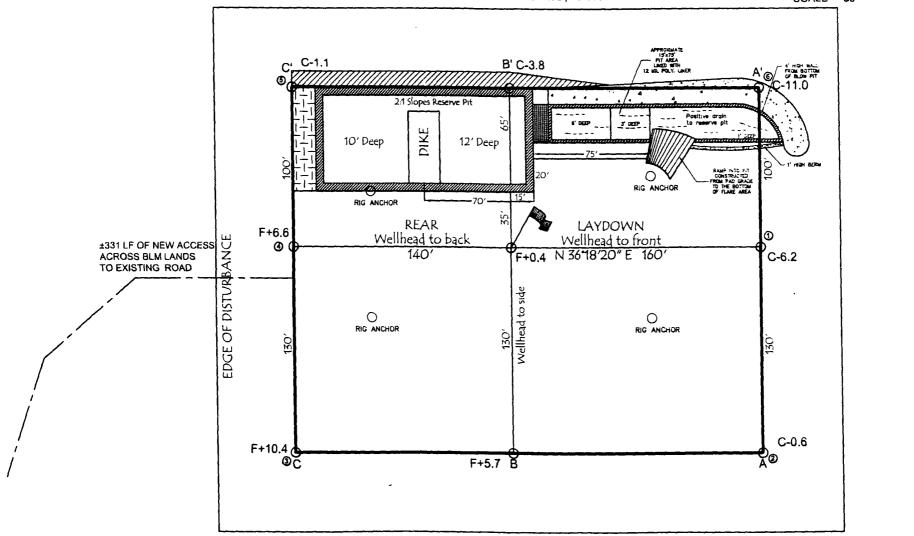
SLOPES TO BE CONSTRUCTED TO MATCH THE ORIGINAL CONTOURS AS CLOSE AS POSSIBLE.

CONOCO PHILLIPS, COMPANY

SAN JUAN 32-8 UNIT #18 N 1527' FSL & 989' FWL LOCATED IN THE NW/4 SW/4 OF SECTION 11, T31N, R8W, N.M.P.M..

SAN JUAN COUNTY, NEW MEXICO GROUND ELEVATION: 6642', NAVD 88 FINISHED PAD ELEVATION: 6642.2', NAVD 88





330' x 400' = 3.03 ACRES OF DISTURBANCE

SCALE: 1" = 60' JOB No.: COPC115 DATE: 10/18/07 NOTE:

RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).

RUSSELL SURVEYING, INC. 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, IN CONSTRUCTION ZONE AND/OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR

TO CONSTRUCTION.



Russell Surveying 1409 W. Aztec Bivd. #2 Aztec, New Mexico 87410 (505) 334-8637

LATITUDE: 36.90857°N LONGITUDE: 107.65053°W DATUM: NAD 83

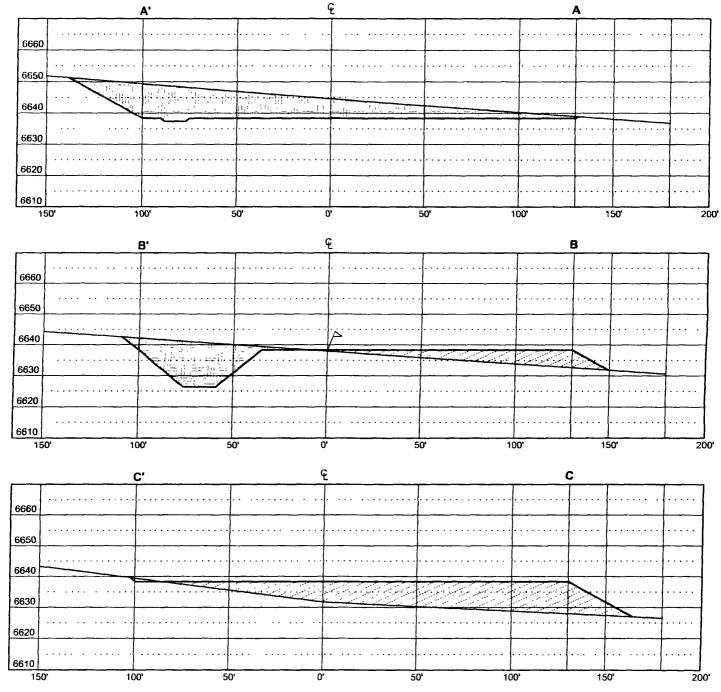
CONOCO PHILLIPS, COMPANY

SAN JUAN 32-8 UNIT #18 N 1527' FSL & 989' FWL

LOCATED IN THE NW/4 SW/4 OF SECTION 11, T31N, R8W, N.M.P.M.,

SAN JUAN COUNTY, NEW MEXICO

GROUND ELEVATION: 6642', NAVD 88 FINISHED PAD ELEVATION: 6642.2', NAVD 88



THIS DIAGRAM IS AN ESTIMATE OF DIRT BALANCE AND IS NOT INTENDED TO BE AN EXACT MEASURE OF VOLUME

VERT. SCALE: 1" = 30' HORZ. SCALE: 1" = 50' JOB No.: COPC115 DATE: 10/18/07





Russell Surveying 1409 W. Aztec Blvd. #2 Aztec, New Mexico 87410 (505) 334-8637