UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FEB 2 3 2010

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK Francisco Field Office Type of Work 1a. 5. Lease Number DRILL SF-079295 **Unit Reporting Number** NMNM-76330-MV NMNM-76338-DK 6. If Indian, All. or Tribe 1b. Type of Well GAS 2. 7. Unit Agreement Name Operator RCVD MAR 23 '10 ConocoPhillips OIL CONS. DIV. Company DIST. A 3. Address & Phone No. of Operator 8. Farm or Lease Name PO Box 4289, Farmington, NM 87499 Reames Com 9. Well Number (505) 326-9700 2N 4. Location of Well 10. Field, Pool, Wildcat Surf: Unit H(SENE), 2175' FNL & 830' FEL Blanco MV / Basin DK 11. Sec., Twn, Rge, Mer. (NMPM) Surf: Latitude: 36.472683° N Sec. 19, T26N, R6W (NAD83) Longitude: 107.503116° W API# 30-039- 3 0935 14. Distance in Miles from Nearest Town 12. County 13. State 45 miles / Bloomfield NM Rio Arriba **15.** Distance from Proposed Location to Nearest Property or Lease Line 16. Acres in Lease 17. Acres-Assigned to Well 641.610 320.00 E/2 - MV/DK Distance from Proposed Location to Nearest Well, Drlg, Compl. or Applied for on this Lease 18. 93' from Reams LS 3 (P&A) 19. **Proposed Depth** 20. Rotary or Cable Tools 7142' Rotary 21. Elevations (DF, FT, GR, Etc.) 22. Approx. Date Work will Start 6438' GL 23. **Proposed Casing and Cementing Program** See Operations Plan attached ALM S APPROVAD (DEALCREPTANCE OF THIS 24. (Regulatory Tech) CHON Dates NOT RELIEVE THE LESSEE AND **OPERATOR FROM OBTAINING ANY OTHER** AUTHORIZATION REQUIRED FOR OPERATIONS APPROVALNDĂTEERAL AND INDIAN LANDS PERMIT NO. **APPROVED BY** TITLE Archaeological Report attached Y AZTEC OCD 24 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 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 4**

DISTRICT I 1625 N. French Dr., Hobbs, N.M. 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised October 12, 2005

1301 West Grand Avenue, Artesia, N.W. 88210

OIL CONSERVATION DIVISION 1220 South St. Francis DFEB 2 3 2010 Santa Fe, NM 87505

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

1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV

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

Bureau of Land Management Farmington Field Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	*Pool Code	*Pool Name BASIN DAKOTA/BLANCO MESAVERDE			
30-039 -36935	71599/72319	SAVERDE			
Property Code	⁵ Property	* Well Number			
31737	REAMES C	2N			
OGRID No.	⁶ Operator	* Elevation			
217817	CONOCOPHILLIPS	6438'			
	10 ~ 4				

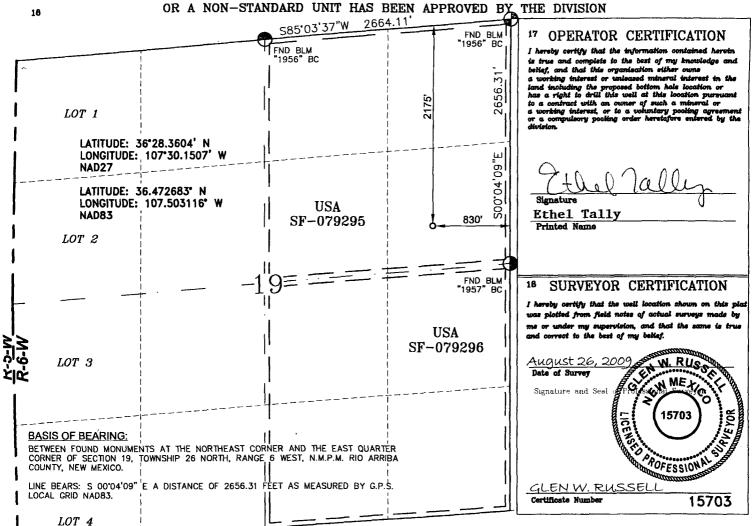
Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
н	19	26-N	6-W		2175	NORTH	830	EAST	RIO ARRIBA

¹¹ Bottom Hole Location If Different From Surface

Development of the second seco											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
18 Dedicated Acre	8	<u> </u>	15 Joint or	Infill	¹⁴ Consolidation C	ode	¹⁵ Order No.				
DK 320.00 MV 320.00		/2 334631 /233463									

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





PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

REAMES COM 2N

DEVELOPMENT

Lease:			AFE #: WAN			1 1			AFE \$: 700,891.20	
Field Name: SAN JUAN		Rig: XXX 2011 Holding Rig #1				State: NM County: RIO ARRIBA		API #:		
Geologist:				: :	Geophysicist:			Phone:		
Geoscientist: Phone:						Prod. Engineer:			Phone:	
Res. Engineer: Phone:									Phone:	
Primary Object	ive (Zones)									
Zone	Zone Name	l								
FRR	BASIN DAK	OTA (PRORAT	ED GA	S)						
RON	BLANCO ME	SAVERDE (PR	RORAT	ED GAS)	}					
Location: Surface	e . V.	Datum Co	de: N	AD 27					Straight Hole 👑	
Latitude: 36.4726	573 Long	itude: -107.50	2511	X:		Y:		Section: 19	Range: 006W	
Footage X: 830 F	EL Foot	age Y: 2175 FI	NL	Elevation: 64	38	(FT)	Township: 026	V		
Tolerance:										
Location Type: Re	estricted	 	Start	Date (Est.): 1/1	1/2011	Con	npletion Date:	Date In C	Operation:	
··	· -				-,		- Date:	,	, posturo	
Formation Data: Formation Call &	Assume KB		Units =		ВНР	1				
Casing Points		Depth (TVD in Ft)		Depletion (Yes/No)	(PSIG)	BHT		Remarks		
Surface Casing		320	6133			<u> </u>		24 ppf, J-55, STC casing.	Cement with 226 cuft.	
NACIMIENTO		670	c221	. —			Circulate ceme	ent to surface.		
NACIMIENTO OJO ALAMO		678	5775					*		
KIRTLAND		1998 2156	4455 4297							
FRUITLAND		2136	4170				Possible Gas			
PICTURED CLIFFS		2658	3795				. 035/15/10 043			
LEWIS		2770	3683	=						
HUERFANITO BEN	TONITE	3106	3347	=						
CHACRA -		3548	2905	=		-			· · ·	
MASSIVE CLIFF HO	DUSE	4336	2117	_						
MENEFEE		4358	2095							
POINT LOOKOUT		4913	1540		410		GAS			
MANCOS		5258	1195							
UPPER GALLUP		6013	440							
GREENHORN		68 44	-391							
GRANEROS		6899	-446							
TWO WELLS		6953	-500		2800		Gas			
UPPER CUBERO		7036	-583							
LOWER CUBERO		7065	-612							
ENCINAL		7142	-689							
Total Depth		7142	-689					-1/2" 11.6 ppf, N-80 LTC	C casing. Cement with	
BURRO CANYON		7206	-753	П			2191 CUIT. CITC	ulate cement to surface.		
Reference Well	s:					7, 19, 1				
Reference Type	Or contract to section the ter-		- A TANK	Comments	or received that per		And the Control of th	The second second control of the second seco	a State are more and his configuration (all 1997) 599	

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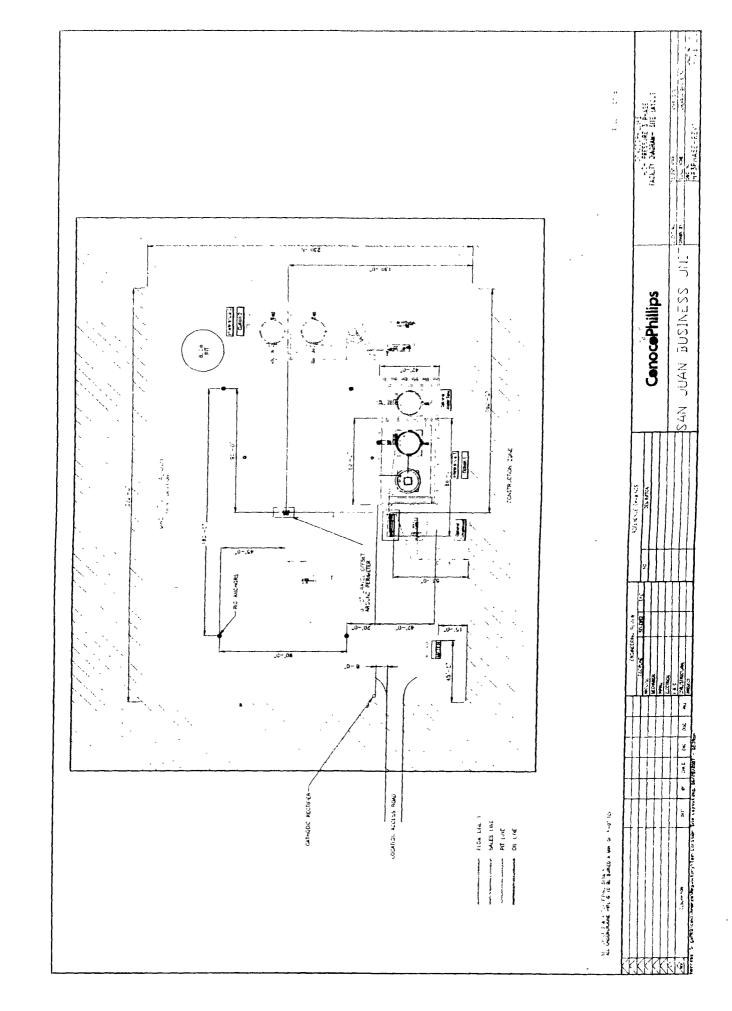


PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks	
Additional Infor	mation:					
	Est bottom	perf is ~20' above the	e est TD. Est TD	is at the T/Encn.		
TD Logs:	Triple Co	ombo 🔲 Dipmeter	☐ RFT ☐ Sc	onic VSP TDT 🗸 Ot	her	
Intermediate Lo	ogs: 🔲 Log only	if show GR/ILD	Triple Com	bo		
REAMES COI	WI ZN			DEVELOPMEN	4 I	

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Directions from the Intersection of Hwy 550 & Hwy 64 in Bloomfield, NM

To:

ConocoPhillips Company REAMES COM #2N 2175' FNL & 830' FEL,

Section 19, T26N, R6W, N.M.P.M., Rio Arriba County,

New Mexico

Latitude: 36 ° 28′ 21.659′ N Longitude: 107° 30′ 11.216″ W NAD 1983

Take Hwy 550 (south) for 1.0 miles to CR 4900 (South Sullivan rd.) turn left (easterly) on CR 4900 15.0 miles to Five Mile Bridge stay right @ intersection (southeasterly) for 3.2 miles, across 10 mile bridge, continue (southeasterly) 18.2 miles, to Old Largo Canyon School, stay left (easterly) across Ice Canyon Bridge 3.8 miles, turn right (southeasterly) 0.15 miles, turn right (southerly) 1.2 miles, turn right (southerly) 0.8 miles, continue (west-southwesterly) across wash 1.1 miles, stay right (southwesterly) 1.2 miles, to newly staked location twinned on the P&A pad AMCO Reams LS #3.