

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK SEP 28 2010

1a. Type of Work DRILL	BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS	5. Lease Number Farmington Field Office USA SF-079029 of Land Management Unit Reporting Number NMNM-7842-44-MV
1b. Type of Well GAS		6. If Indian, All. or Tribe
2. Operator ConocoPhillips Company		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 RCVD OCT 18 '10 OIL CONS. DIV. DIST. 3
4. Location of Well Surf: Unit M(SWSW), 1175' FSL & 818' FWL BH: Unit N(ESW), 1250' FSL & 1880' FWL Surf: Latitude: 36.921852° N (NAD83) Longitude: 107.668771° W BH: Latitude: 36.922065° N (NAD83) Longitude: 107.665130° W		10. Field, Pool, Wildcat Basin DK/Blanco MV 11. Sec., Twn, Rge, Mer. (NMPM) M Sec. 3, T31N, R8W API # 30-045-35203
14. Distance in Miles from Nearest Town 35.9 Miles from Bloomfield, NM	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 818'		
16. Acres in Lease 1,562.080	17. Acres Assigned to Well 320.47 W/2	
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 71.5' from San Juan 32-8 Unit 19 (MV)		
19. Proposed Depth 8253'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6695' GL	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: Brandie Blabley (Staff Regulatory Tech)	Date	9-27-10

A COMPLETE C-144 MUST BE SUBMITTED TO AND APPROVED BY THE NMOCD FOR: A PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, OR PROPOSED ALTERNATIVE METHOD, PURSUANT TO NMOCD PART 19.15.17, PRIOR TO THE USE OR CONSTRUCTION OF THE ABOVE APPLICATIONS.

PERMIT NO. APPROVAL DATE
APPROVED BY [Signature] TITLE AFM DATE 10/8/2010

Archaeological Report attached A gas recovery unit may or may not be used on this location.

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

Bond Numbers ES-0048 and ES-0085

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

NOV 01 2010

NMOCD

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

Hold C104

Directional Survey and "As Drilled" plat

pc

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

Submit to Appropriate District Office

State Lease - 7 Copies

Fee Lease - 3 Copies

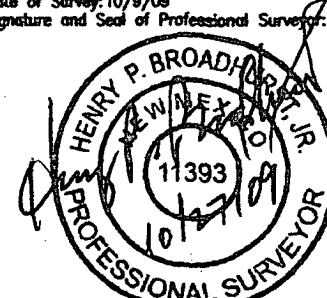
SEP 28 2010

Farmington Field Office ☐ AMENDED REPORT
Bureau of Land Management

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-35203		² Pool Code 71599 / 72319		³ Pool Name BASIN DAKOTA / BLANCO MESAVERDE					
⁴ Property Code 31330		⁵ Property Name SAN JUAN 32-8 UNIT						⁶ Well Number 19B	
⁷ OGRID No. 217817		⁸ Operator Name CONOCOPHILLIPS COMPANY						⁹ Elevation 6695	
¹⁰ SURFACE LOCATION									
UL or lot no. M	Section 3	Township 31-N	Range 8-W	Lot Idn	Feet from the 1175	North/South line SOUTH	Feet from the 818	East/West line WEST	County SAN JUAN
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. N	Section 3	Township 31-N	Range 8-W	Lot Idn	Feet from the 1250	North/South line SOUTH	Feet from the 1880	East/West line WEST	County SAN JUAN
¹² Dedicated Acres 320.47 (W/2)		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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

¹⁶ LOT 4 LOT 3 LOT 2 LOT 1				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. <i>Crystal Tafoya 11/13/09</i> Signature Crystal Tafoya Printed Name Regulatory Technician Title and E-mail Address November 13, 2009 Date	
W/2 DEDICATED ACREAGE USA SF-079029 SECTION 3, T-31-N, R-8-W				BASIS OF BEARING IS THE NEW MEXICO STATE PLANE COORDINATE SYSTEM, WEST ZONE, NAD83 AS DETERMINED BY GPS OBSERVATION AND HGS/OPUS SOLUTION.	
WELL FLAG NAD 83 LAT: 36.921852° N LONG: 107.668771° W NAD 27 LAT: 36°55.310898° N LONG: 107°40.089495° W				BOTTOM HOLE NAD 83 LAT: 36.922065° N LONG: 107.665130° W NAD 27 LAT: 36°55.323679° N LONG: 107°39.871043° W	
BLM 1954 2609.5' (M) 2611.6' (R) 1175' 818' 1880' 1250' 2573.3' (R) 2572.8' (M) BLM 1954 S 89°52' W S 89°46' W N 11°47' E N 1°22' E N 1°08' E N 85°45' E					
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: 10/9/09 Signature and Seal of Professional Surveyor:  Certificate Number: NM 11393					

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 32-8 UNIT 19B

DEVELOPMENT

Lease:		AFE #: WAN.CDR.9349				AFE \$: 859,026.70	
Field Name: SAN JUAN		Rig: Aztec Rig 673		State: NM	County: SAN JUAN		API #:
Geologist:		Phone:		Geophysicist:		Phone:	
Geoscientist:		Phone:		Prod. Engineer:		Phone:	
Res. Engineer:		Phone:		Proj. Field Lead:		Phone:	
Primary Objective (Zones):							
Zone	Zone Name						
RON	BLANCO MESAVERDE (PRORATED GAS)						
FRR	BASIN DAKOTA (PRORATED GAS)						
Location: Surface Datum Code: NAD 27 Directional							
Latitude: 36.921848	Longitude: -107.668158	X:	Y:	Section: 03		Range: 008W	
Footage X: 818 FWL	Footage Y: 1175 FSL	Elevation: 6695	(FT)	Township: 031N			
Tolerance:							
Location: Bottom Hole Datum Code: NAD 27 Directional							
Latitude: 36.922061	Longitude: -107.664517	X:	Y:	Section: 03		Range: 008W	
Footage X: 1880 FWL	Footage Y: 1250 FSL	Elevation:	(FT)	Township: 031N			
Tolerance:							
Location Type: Restricted		Start Date (Est.): 1/1/2012		Completion Date:		Date In Operation:	
Formation Data: Assume KB = 6711 Units = FT							
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	MD (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	230	6481		☐			12-1/4 hole. 230' 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 121 cuft. Circulate cement to surface.
NACIMIENTO	966	5745		☐			
OJO ALAMO	2363	4348		☐			
KIRTLAND	2428	4283		☐			
FRUITLAND	3047	3664		☐			Possible Gas
PICTURED CLIFFS	3587	3124		☐			
LEWIS	3678	3033		☐			
Intermediate Casing	3778	2933		☐	129		8 3/4" Hole. 7", 23 ppf, J-55, LTC Casing. Cement with 908 cuft. Circulate cement to surface.
HUERFANITO BENTONITE	4374	2337		☐			
CHACRA	4799	1912		☐			
UPPER CLIFF HOUSE	5230	1481		☐			Gas; Est. Top Perf - 5231 (1479)
MASSIVE CLIFF HOUSE	5580	1131		☐	689		Gas; Cliffhouse is dry
MENEFEE	5629	1082		☐			
POINT LOOKOUT	5941	770		☐			
MANCOS	6279	432		☐			
UPPER GALLUP	7229	-518		☐			
GREENHORN	7961	-1250		☐			
GRANEROS	8011	-1300		☐			
TWO WELLS	8123	-1412		☐	3456		Gas
PAGUATE	8135	-1424		☐			
UPPER CUBERO	8147	-1436		☐			

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 32-8 UNIT 19B

DEVELOPMENT

LOWER CUBERO	8171	-1460	☐	Est. Btm Perf - 8227 (- 1517) based on offset wells
ENCINAL	8233	-1522	☐	TD - 20' below T/ENCN
Total Depth	8253	-1542	☐	233 6-1/4" hole, 4-1/2" 11.6 ppf, L-80, LTC casing. Cement w/ 609 cuft. Circulate cement a minimum of 100' inside the previous casing string.

Reference Wells:

Reference Type	Well Name	Comments
Production	SJ 32-8 Unit 18M	31N 8W 11 SW SE NW
Production	State Com 31-8 1	31N 8W 2 NE SW SW
Production	SJ 32-8 Unit 29	31N 8W 11 SW SE NW

Logging Program:

Intermediate Logs: ☐ Log only if show ☐ GR/ILD ☐ Triple Combo

TD Logs: ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☐ TDT ☒ Other

Cased Hole GR / CBL

Mudlog from 100' above top of GLLP to TD - mudlogger will call TD.

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
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ConocoPhillips or its affiliates

Planning Report

Database:	EDM Central Planning	Local Co-ordinate Reference:	Well SJ 32-8 #19B
Company:	ConocoPhillips SJB	TVD Reference:	RKB @ 6711.0ft (H&P RIGS)
Project:	San Juan Basin - New Mexico Wells	MD Reference:	RKB @ 6711.0ft (H&P RIGS)
Site:	San Juan 32 Wells	North Reference:	True
Well:	SJ 32-8 #19B	Survey Calculation Method:	Minimum Curvature
Wellbore:	Principal Wellbore		
Design:	Plan #1		

Casing Points					
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (")	Hole Diameter (")	
8,514.4	8,253.0	4 1/2"	4-1/2	6-1/4	
4,039.4	3,778.0	7"	7	8-3/4	
230.0	230.0	9 5/8"	9-5/8	12-1/4	

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
8,432.4	8,171.0	Lower Cubero		0.00		
5,841.4	5,580.0	Massive Cliff House		0.00		
8,396.4	8,135.0	Paguate		0.00		
7,490.4	7,229.0	Upper Gallup		0.00		
8,222.4	7,961.0	Greenhorn		0.00		
3,308.4	3,047.0	Fruitland		0.00		
8,494.4	8,233.0	Encinal		0.00		
8,408.4	8,147.0	Upper Cubero		0.00		
6,202.4	5,941.0	Point Lookout		0.00		
5,491.4	5,230.0	Upper Cliff House		0.00		
979.0	966.0	Nacimiento		0.00		
8,272.4	8,011.0	Graneros		0.00		
4,635.4	4,374.0	Huerfano Bentonite		0.00		
6,540.4	6,279.0	Mancos		0.00		
2,608.8	2,363.0	Ojo Alamo		0.00		
8,514.4	8,253.0	Total Depth		0.00		
5,890.4	5,629.0	Menefee		0.00		
5,060.4	4,799.0	Chacra		0.00		
2,678.0	2,428.0	Kirtland		0.00		
3,848.4	3,587.0	Pictured Cliffs		0.00		
3,939.4	3,678.0	Lewis		0.00		
8,384.4	8,123.0	Two Wells		0.00		

REFERENCE INFORMATION

RKB @ 6711.0ft (H&P RIGS)
Ground Elevation 6695.0
Reference Lat: 36° 55' 18.654 N
Reference Long: 107° 40' 5.370 W

Project: San Juan Basin - New Mexico Well
Site: San Juan 32 Wells
Well: SJ 32-8 #19B
Wellbore: Principal Wellbore
Design: Plan #1

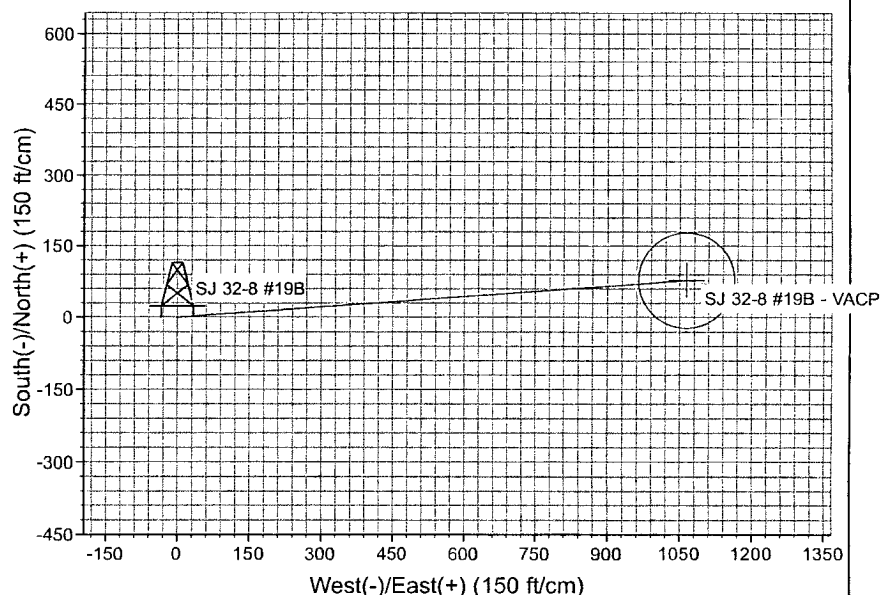
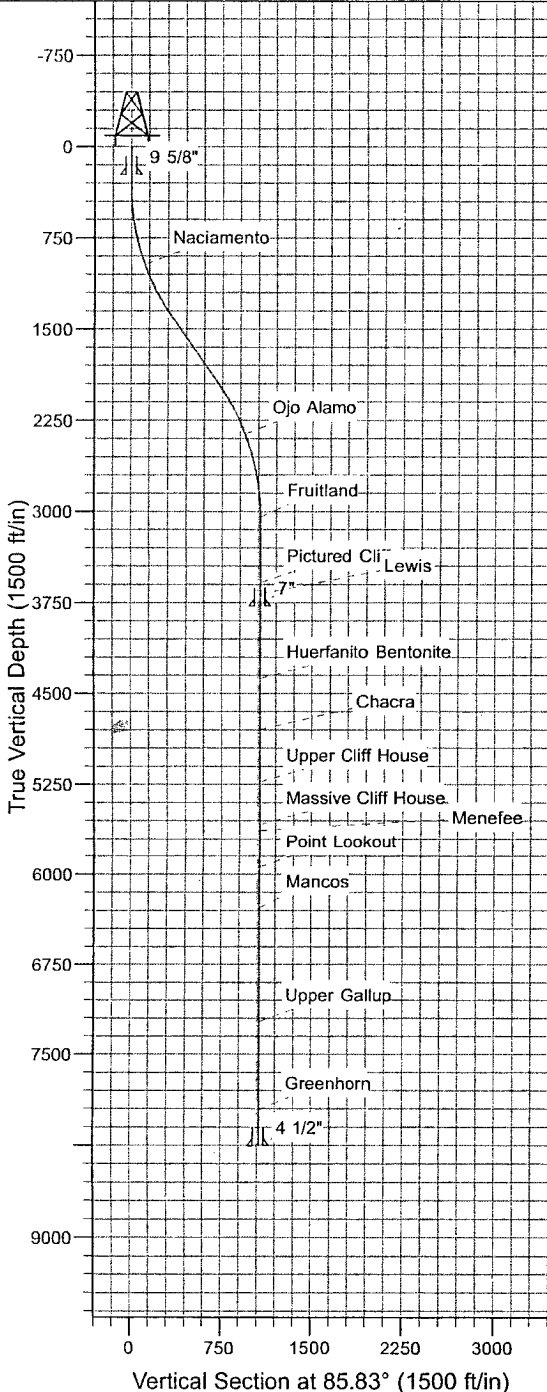
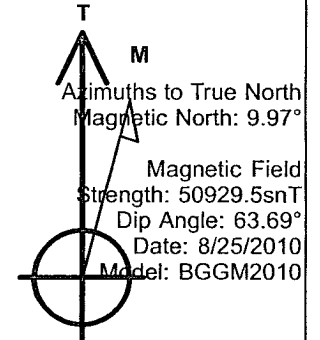
ConocoPhillips

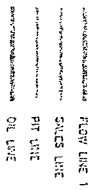
SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	320.0	0.00	0.00	320.0	0.0	0.0	0.00	0.00	0.0	
3	1489.1	35.07	85.83	1417.4	25.2	345.9	3.00	85.83	346.8	
4	2139.3	35.07	85.83	1949.6	52.4	718.5	0.00	0.00	720.4	
5	3308.4	0.00	0.00	3047.0	77.6	1064.4	3.00	180.00	1067.2	SJ 32-8 #19B - VACP
6	4039.4	0.00	0.00	3778.0	77.6	1064.4	0.00	0.00	1067.2	SJ 32-8 #19B - ICP
7	8514.4	0.00	0.00	8253.0	77.6	1064.4	0.00	0.00	1067.2	SJ 32-8 #19B - PCP

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
966.0	979.0	Nacimiento
2363.0	2608.8	Ojo Alamo
2428.0	2678.0	Kirtland
3047.0	3308.4	Fruitland
3587.0	3848.4	Pictured Cliffs
3678.0	3939.4	Lewis
4374.0	4635.4	Huerfano Bentonite
4799.0	5060.4	Chacra
5230.0	5491.4	Upper Cliff House
5580.0	5841.4	Massive Cliff House
5629.0	5890.4	Menefee
5941.0	6202.4	Point Lookout
6279.0	6540.4	Mancos
7229.0	7490.4	Upper Gallup
7961.0	8222.4	Greenhorn
8011.0	8272.4	Graneros
8123.0	8384.4	Two Wells
8135.0	8396.4	Paguate
8147.0	8408.4	Upper Cubero
8171.0	8432.4	Lower Cubero
8233.0	8494.4	Encinal
8253.0	8514.4	Total Depth





CONOCOPHILLIPS COMPANY

SAN JUAN 32-8 UNIT #19B

1175' FSL, 818' FWL

SECTION 3, T-31-N, R-8-W, N.M.P.M.,

SAN JUAN COUNTY, NEW MEXICO

NAD 83 LAT.: 36.921852°N LONG.: 107.668771°W

ELEV.: 6695 NAVD88

NO NEW ACCESS

FROM INTERSECTION OF HWY. 64 AND HWY. 550 IN BLOOMFIELD, NEW MEXICO:

- GO EAST 11.8 MI. ON HWY. 64.
- TURN LEFT AT MILE MARKER 76.1 ON HWY. 511.
- GO 23.7 MI. NORTH ON HWY. 511. TURN RIGHT.
- GO 0.3 MI. EAST. TURN RIGHT (SOUTH).
- GO 400. FT. SOUTH. NEW WELL IS TWINNED HERE.