

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

OCD Hobbs

HOBBS OCD
FEB 29 2012
RECEIVED**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other		5. Lease Serial No. NMLC029405B
2. Name of Operator CONOCOPHILLIPS COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address 3300 N "A" ST BLDG 6 MIDLAND, TX 79705		7. If Unit or CA/Agreement, Name and/or No
3b. Phone No. (include area code) Ph: 432-688-6913		8. Well Name and No. RUBY FEDERAL 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T17S R32E SWSE 1140FSL 2310FEL		9. API Well No. 30-025-40394-00-X1
		10. Field and Pool, or Exploratory MALJAMAR Yes W -
		11. County or Parish, and State LEA COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Change to Original A
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

ConocoPhillips Company respectfully request to change the BOP and choke manifold design for Approval Subject to General Requirements
Precision 194 Drilling Rig. & Special Stipulations Attached

Please see attached.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct	
Electronic Submission #131376 verified by the BLM Well Information System For CONOCOPHILLIPS COMPANY, sent to the Hobbs Committed to AFMSS for processing by DEBORAH MCKINNEY on 02/23/2012 (12DLM0288SE)	
Name (Printed/Typed) BRIAN MAIORINO	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 02/22/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By TED MORGAN	Title PETROLEUM ENGINEER	Date 02/24/2012
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office Hobbs		

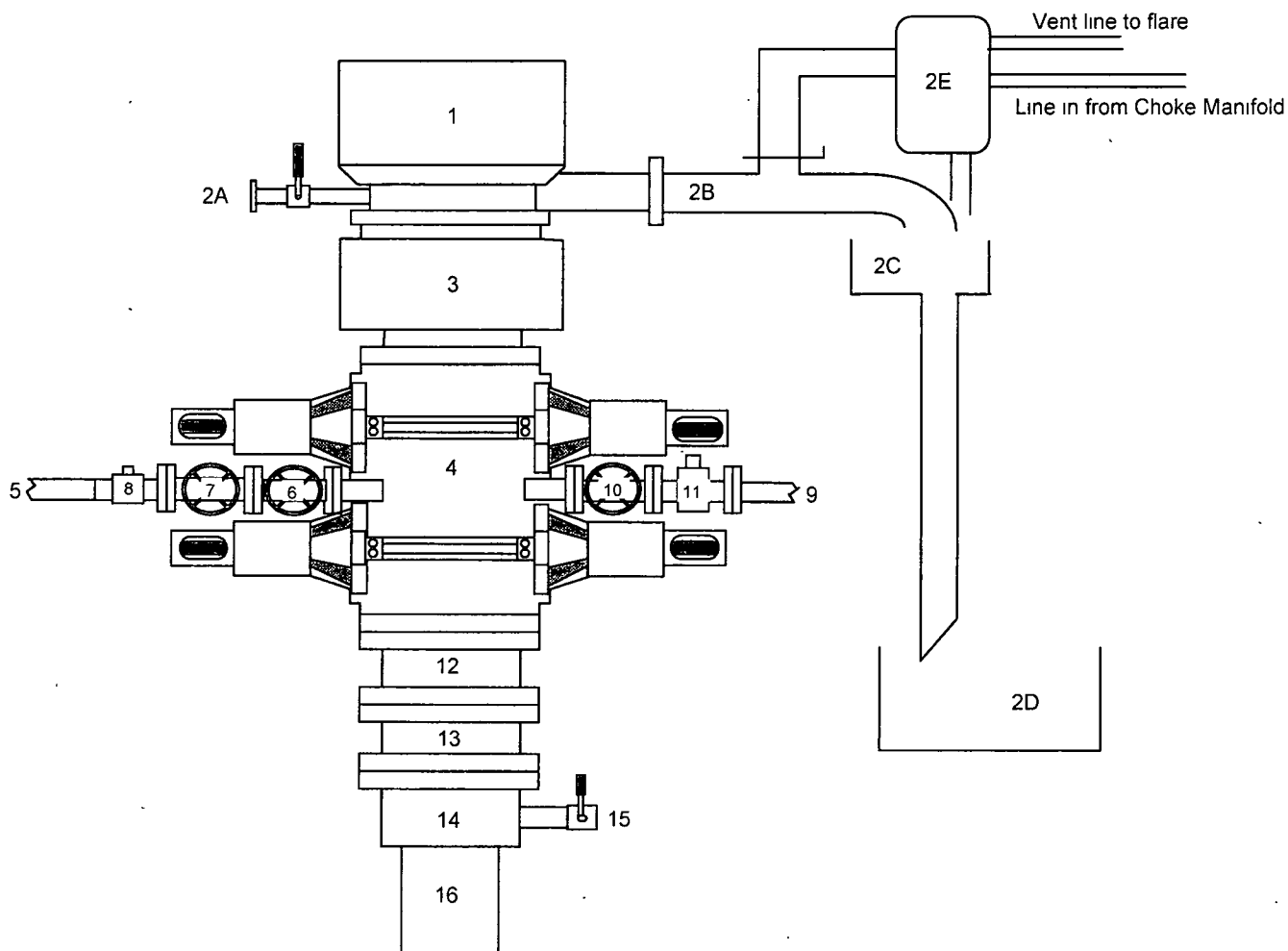
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

MAR 01 2012

BLOWOUT PREVENTER ARRANGEMENT

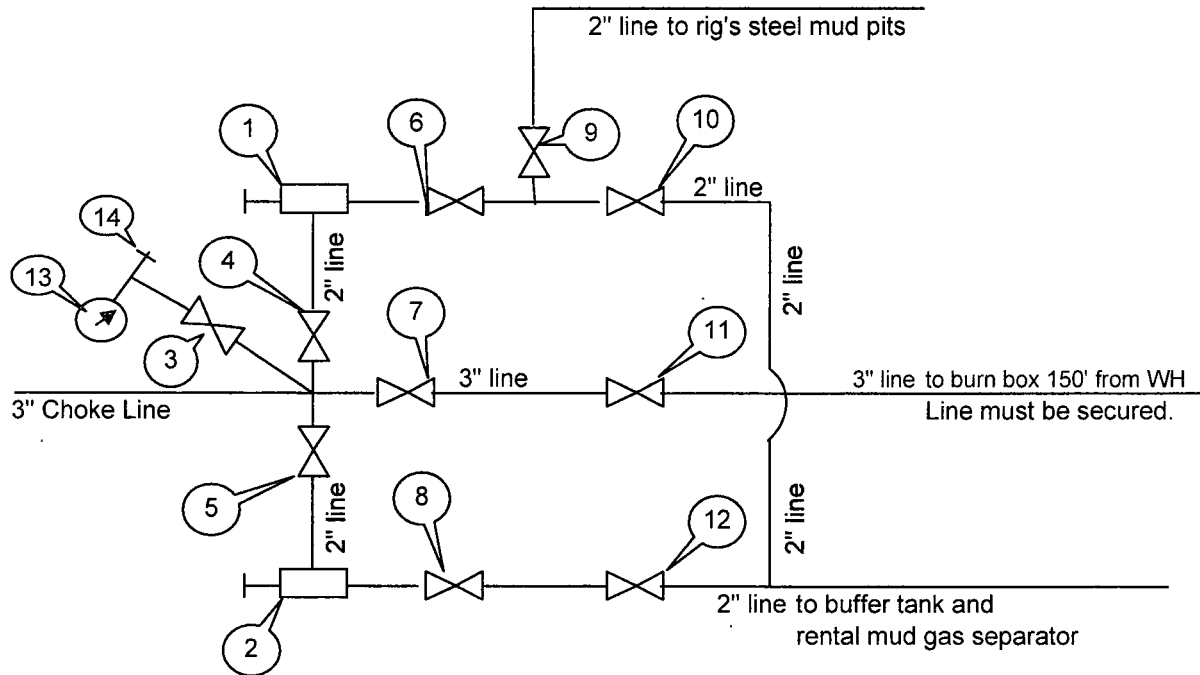
3M System per Onshore Oil and Gas Order No. 2 utilizing 3M and 5M Rated Equipment



Item	Description
1	Rotating Head (11")
2A	Fill up Line and Valve
2B	Flow Line (8")
2C	Shale Shakers and Solids Settling Tank
2D	Cuttings Bins for Zero Discharge
2E	Rental Mud Gas Separator with vent line to flare and return line to mud system
3	Annular BOP (11", 3000 psi)
4	Double Ram BOP (11", 3000 psi, with Blind Rams in Upper Set and Pipe Rams in Lower Set)
5	Kill Line (2" Flexible Hose, 3000 psi WP)
6	Kill Line Valve, Inner (2-1/6" 3000 psi WP)
7	Kill Line Valve, Outer (2-1/16", 3000 psi WP)
8	Kill Line Check Valve (2-1/16", 3000 psi WP)
9	Choke Line (3" Steel Line, 3000 psi WP)
10	Choke Line Valve, Inner (3-1/8", 3000 psi WP)
11	Choke Line Valve, Outer, (Hydraulically operated, 3-1/8", 3000 psi WP)
12	Spacer Spool (11" 3M x 3M)
13	Spacer Spool (11 3M x 5M)
14	Casing Head (11" 5M)
15	Ball Valve and Threaded Nipple on Casing Head Outlet, 2" 5M
16	Surface Casing

CHOKE MANIFOLD ARRANGEMENT

3M System per Onshore Oil and Gas Order No. 2 utilizing 3M and 5M Equipment



All Tees must be targeted

Item	Description
1	Manual Adjustable Choke, 2-1/16", 3M
2	Manual Adjustable Choke, 2-1/16", 3M
3	Gate Valve, 2-1/16" 5M
4	Gate Valve, 2-1/16" 5M
5	Gate Valve, 2-1/16" 5M
6	Gate Valve, 2-1/16" 5M
7	Gate Valve, 3-1/8" 3M
8	Gate Valve, 2-1/16" 5M
9	Gate Valve, 2-1/16" 5M
10	Gate Valve, 2-1/16" 5M
11	Gate Valve, 3-1/8" 3M
12	Gate Valve, 2-1/16" 5M
13	Pressure Gauge
14	2" hammer union tie-in point for BOP Tester

We will test each valve to 3000 psi from the upstream side.

Drawn by:

Steven O Moore

Chief Drilling Engineer, Mid-Continent Business Unit, ConocoPhillips Company

Date: 07-Feb-2012

Ruby Federal 2
ConocoPhillips Company
30-025-40394
February 24, 2012
Conditions of Approval

Summary of Current Status:

- APD for this well has been approved.
- Recent sundry deepens TD, but is still in the Yeso.

Requests:

Sundry dated 2/22/2012 includes the following request:

- Update the APD BOPE specifications to reflect modifications made to meet Onshore Order 2 requirements for rig piping.

Conditions of Approval:

The original Conditions of Approval for the APD remain applicable.

This request is approved. ConocoPhillips has voluntarily arranged communication discussions and a meeting with the BLM to review the requirements of Onshore Order 2 concerning BOPE and related piping. BLM-CFO Engineering and P.E.T. staff have been fully involved in these BOPE reviews, and with the applications of Onshore Order 2 in that regard.

ConocoPhillips, and their rig contractor, have modified the manifold rig piping to achieve approved compliance with the Onshore Orders and their cooperation in this regard is appreciated.

TMM 02/24/2012