

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

MAR 07 2012

RECEIVED

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> 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
		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			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A PD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleat 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 drill to a depth of 7248' MD on the Ruby Federal #2.

Production Csg will be set @ 7193'-7238'

Production Cmt will be as follows

Lead: 1000 Sx 50:50 Poz C 5200'-surface, 11.8 ppg, 2640 cuFt, +10% Bentonite +8 lbs/sx Salt+ 0.4% Fluid loss additive + 0.125% LCM if needed, Excess = 220% or more if needed based on guage hole volume, Yield 2.64 cuft/sx

Tail: 650 sx Class H 7186'-7231' to 5200', 16.4 ppg, 696 cuft, + 0.2% Fluid loss additive + 0.3% dispersant + 0.15% retarder + 0.2 antifoam, excess = 100% or more if needed based on guage hole volume, yield 1.07 cuft/sx

Everything else will stay the same according to the originally approved APD

Terms of original APD COA and already approved sundries shall continue to be applicable for this well, with the following revisions to also apply:

Operator is to consider the Abo top when deepening the originally approved TD of the well. Bursts of high pressure may occur if the Abo is penetrated. Use of the mud logging unit (now approved as an option in the original APD) may benefit the Operator when drilling in the proximity of the Abo top.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #131952 verified by the BLM Well Information System

For CONOCOPHILLIPS COMPANY, sent to the Hobbs

Committed to AFMSS for processing by KURT SIMMONS on 03/01/2012 (12KMS0528SE)

Name (Printed/Typed) BRIAN MAIORINO

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 02/29/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE**APPROVED**

MAR 5 2012

Date

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

PETROLEUM ENGINEER

Office

K2

Approved By _____
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

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 08 2012

Ruby Federal 2
ConocoPhillips Company
30-025-40394
March 5, 2012
Conditions of Approval

Summary of Current Status:

- Currently approved for TD at 6969' with TOC for 5-1/2" casing to surface.
- Operator estimates Top of Tubb at 6779', and states the deepest perforation is to be 10' above it.
- BLM estimates the Top Abo at 7525'

NOTE: The Field and Pool for the Ruby Federal is Maljamar: Yeso, West. The Yeso includes the Glorieta, Paddock, Blinbry, Tubb, and Drinkard. The Operator states it is necessary to drill deeper for the purpose of fully evaluating the Tubb formation.

Requests:

Sundry dated 2/29/2012 includes the following:

- Revise the planned TD of 6969' to now be at 7238'. ($\pm 287'$ above the Abo Top)
- Revise the depth range of the 5-1/2" shoe to be between 7193' – 7238' ($\pm 279'$ deeper, and approximately 287' above the estimated Abo top.)
- TOC for the 5-1/2" casing is still intended to be surface.

Conditions of Approval:

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Operator is to consider the Abo top when deepening the originally approved TD of the well. Bursts of high pressure may occur if the Abo is penetrated. Use of the mud logging unit (now approved as an option in the original APD) may benefit the Operator when drilling in the proximity of the Abo top.

TMM 03/05/2012