

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

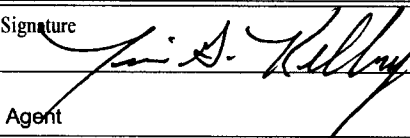
FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. 14-20-151-06
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name Southern Ute
2. Name of Operator ConocoPhillips Company		7. If Unit or CA Agreement, Name and No.
3a. Address PO Box 4289, Farmington, NM 87499		8. Lease Name and Well No. Southern Ute #704
3b. Phone No. (include area code) 505-326-9700		9. API Well No.
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 618' FNL x 199' FWL At proposed prod. zone 702' FNLx1843' FWL to TD(Lat.A); 690' FNLx1754' FWL to TD(Lat.B)		10. Field and Pool, or Exploratory Ignacio Blanco
11. Sec., T. R. M. or Blk. and Survey or Area Sec. 16, T-32-N, R-7-W, NMPM		
14. Distance in miles and direction from nearest town or post office* 4.5 miles		12. County or Parish La Plata
13. State CO		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) Lat.A is 618' from top prod. to nearest lease line; Lat.B is 630'	16. No. of acres in lease 2080	17. Spacing Unit dedicated to this well N/2 Sec. 16, T-32-N, R-7-W
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1650' from bottom hole	19. Proposed Depth 6866' MD	20. BLM/BIA Bond No. on file ES-0048, ES-0085
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6348' GL	22. Approximate date work will start* 08/01/2010	23. Estimated duration 12-20 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature 	Name (Printed/Typed) Tim G. Kelley	Date 5-24-10
Title Agent		
Approved by (Signature)	Name (Printed/Typed)	Date
Title	Office	

Application approval 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.
Conditions of approval, if any, are attached.

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.

(Continued on page 2)

*(Instructions on page 2)



May 24, 2010

Bureau of Land Management
15 Burnett Ct.
Durango, CO 81301

RE: Designation of Agent

To Whom It May Concern:

ConocoPhillips Company hereby designates Finney Land Co. as its Agent for permitting gas wells with the BLM. This designation shall be valid until ConocoPhillips revokes it. Please contact me with any questions or comments you may have.

Sincerely:

A handwritten signature in cursive script that reads "Kandis Roland".

Kandis Roland
Engineering Technician
ConocoPhillips Company



Juanita Farrell
Staff Associate
Corporate Real Estate
Property Tax, Real Estate, ROW & Claims

ConocoPhillips Company
3401 E. 30th Street
PO Box 4289
Farmington, NM 87499-1429
(505) 326-9597
(505) 324-6136

May 14, 2010

Bureau of Land Management
15 Burnett Circle
Durango, CO 81301-3647

Re: Credit Card Authorization
Southern Ute 704
Section 16, T32N, R7W
La Plata County, CO

To Whom It May Concern:

Please charge my credit card for the amount of \$6,500.00 for the APD application fee associated with the subject well.

If you have any questions, please contact me at 505 326-9597.

Sincerely,

A handwritten signature in cursive script that reads "Juanita Farrell".

Juanita Farrell
Staff Associate



Operator Certification

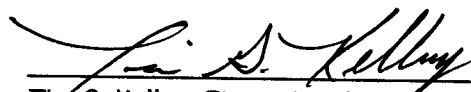
Operator Information:

ConocoPhillips Company
P.O. Box 4289
Farmington, NM 87499-4289
505-326-9700

Certification:

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provision of 18 U.S.C. 1001 for the filing of false statements.

Executed this 24th day of May, 2007.



Tim G. Kelley, Finney Land Company
Agent for ConocoPhillips Company

The person who can be contacted concerning compliance of the APD is:

Sharon Zubrod,
Regulatory Compliance Manager
ConocoPhillips Company
P.O. Box 4289
Farmington, NM 87499-4289
505-326-9793

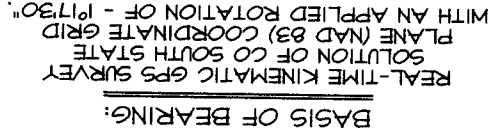
The Field Representative who can be contacted concerning compliance of the enclosed Surface Use Plan is:

Virgil Chavez,
Construction Supervisor
ConocoPhillips Company
P.O. Box 4289
Farmington, NM 87499-4289
505-326-9845

SURFACE LOCATION: 618' FNL, 199' FWL

**SURFACE LOCATION: 618' FNL, 199' FWL
SEC. 16, T-32-N, R-7-W, N.M.P.M., LA PLATA COUNTY, COLORADO.
GROUND LEVEL ELEVATION: 6348'**

**BOTTOM HOLE LOCATION: 700' FNL, 700' FEL
SEC. 16, T-32-N, R-7-W, N.M.P.M., LA PLATA COUNTY, COLORADO.**



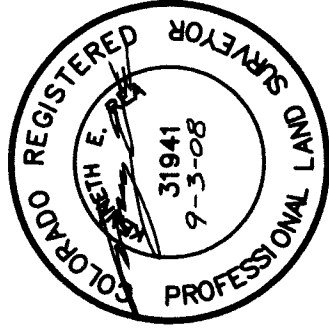
BASIS OF ELEVATION

N.G.S. SURVEY MARK "IGNATIO" LOCATED IN THE
SE/4 NE/4 OF SECTION 6, T33N, R7M, N.M.P.M., LA PLATA
COUNTY COLORADO. REFERENCE ELEVATION = 6590'

BASIS OF ELEVATION

● and ● denote found 3-1/4" S.U.R. Aluminum Cap.
○ denotes calculated position - no monument found or set.

1. THERE PRESENTLY EXISTS NO VISIBLE IMPROVEMENTS WITHIN 200' OF THIS LOCATION OTHER THAN THOSE SHOWN HEREON OR ON ATTACHED PIT & PAD DIAGRAM.
2. WELL LOCATION FOOTAGE CALLS MEASURED PERPENDICULAR TO SECTION LINES.
3. SURFACE USE FOR THE LAND SURROUNDING THIS LOCATION IS SOUTHERN UTE TRIBAL LAND.
4. THERE ARE NO DWELLING STRUCTURES WITHIN 400' OF THE PERIMETER OF THE WELL PAD.
5. THERE ARE NO PLANTED SUBDIVISION LOT LINES WITHIN 200' OF THE PERIMETER OF THE WELL PAD.
6. THERE ARE NO PUBLIC ROADS OR PROPERTY BOUNDARY LINES WITHIN 150' OF THE ACTUAL WELL BORE LOCATION.
7. WELL GPS OBSERVATION PERFORMED BY NELSON ROSS ON DATE OF SURVEY - POOP VALUE <3.0
8. THIS EXHIBIT IS INTENDED TO DEPICT THE PROPOSED WELL AND DOES NOT REPRESENT A MONUMENTED BOUNDARY SURVEY.



I, KENNETH E. REA, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE WELL LOCATION SHOWN ON THIS PLAT IS ACCURATELY PLOTTED FROM FIELD NOTES OF ACTUAL SURVEYS MADE UNDER MY DIRECT SUPERVISION, AND THAT THIS PLAT IS NOT A LAND SURVEY PLAT OR IMPROVEMENT SURVEY PLAT, AND THAT IS NOT TO BE RELIED UPON FOR THE ESTABLISHMENT OF FENCE, BUILDING, OR OTHER FUTURE IMPROVEMENT LINES.

DRAMM BY: K.R.	SURVEYED: 8/20/08
CHECKED BY: K.R.	DRAWN: 9/3/08
FILE NO. CPB38MP3	CPB38

**BURLINGTON RESOURCES
OIL & GAS COMPANY, LP**

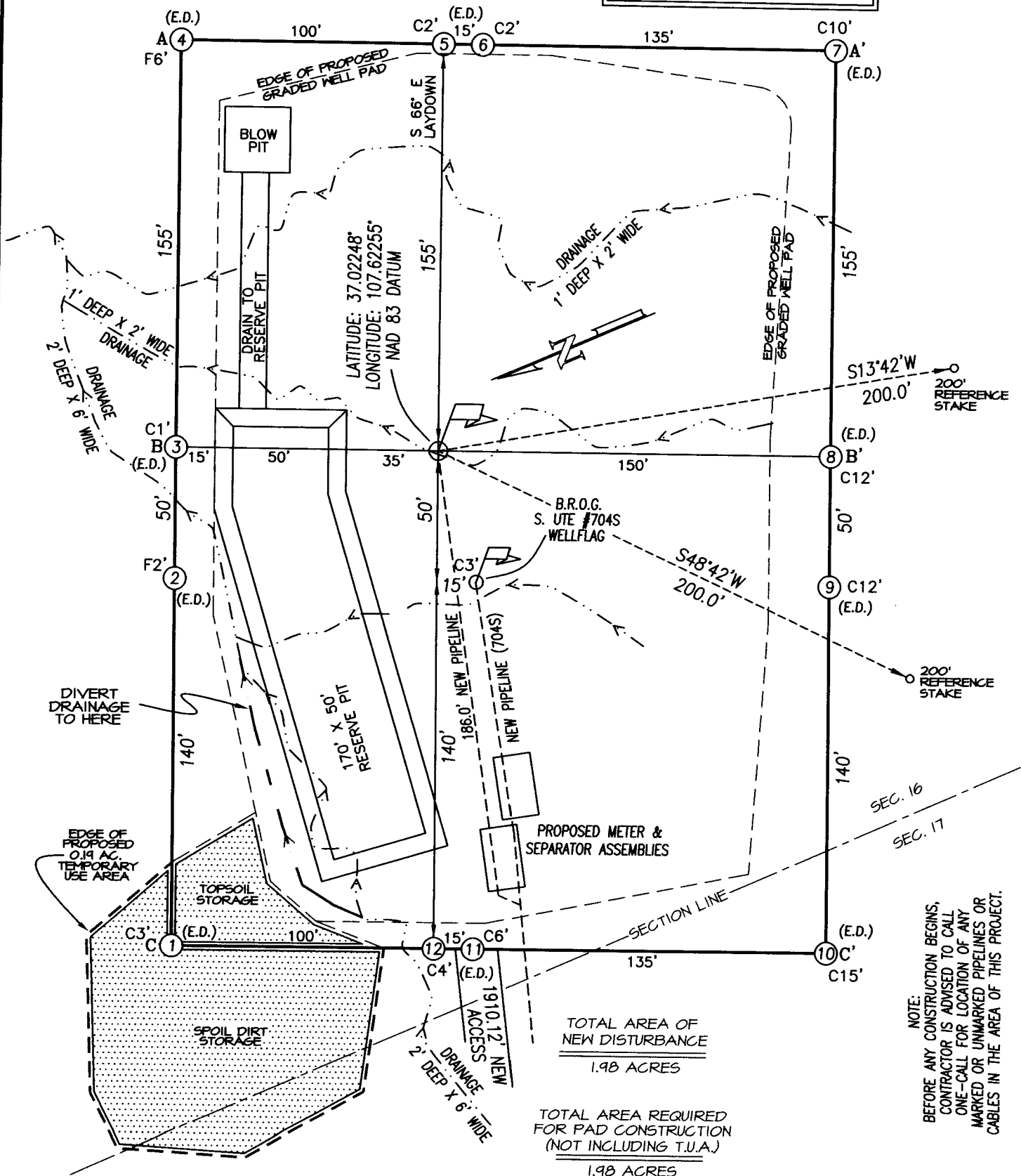
**NORTHSTAR
SURVEYING & MAPPING, INC.**

75 County Rd. 231
DURANGO, CO. 81303
(970) 385-0851

BURLINGTON RESOURCES OIL & GAS COMPANY, LP: SOUTHERN UTE #704
618' FNL, 199' FWL, SECTION 16, T-32-N, R-7-W, N.M.P.M.,
LA PLATA COUNTY, CO. GROUND LEVEL ELEVATION: 6348'

PAD DRAWING

(E.D.) DENOTES EDGE OF DISTURBANCE



DRAWING SCALE: 1" = 50'

DATE DRAWN: 4/23/09

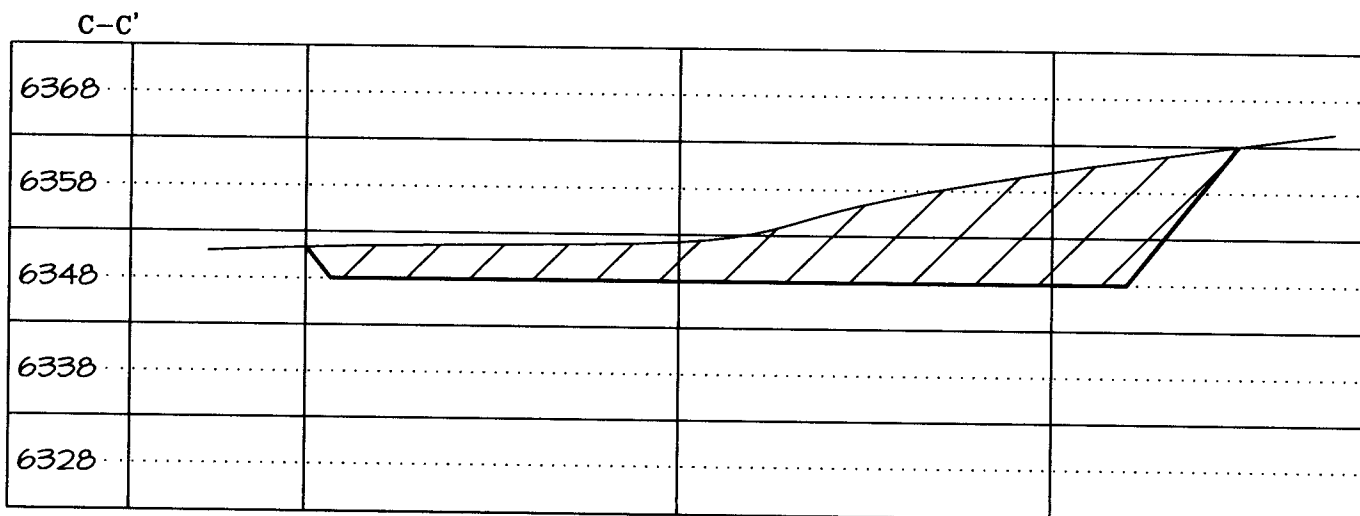
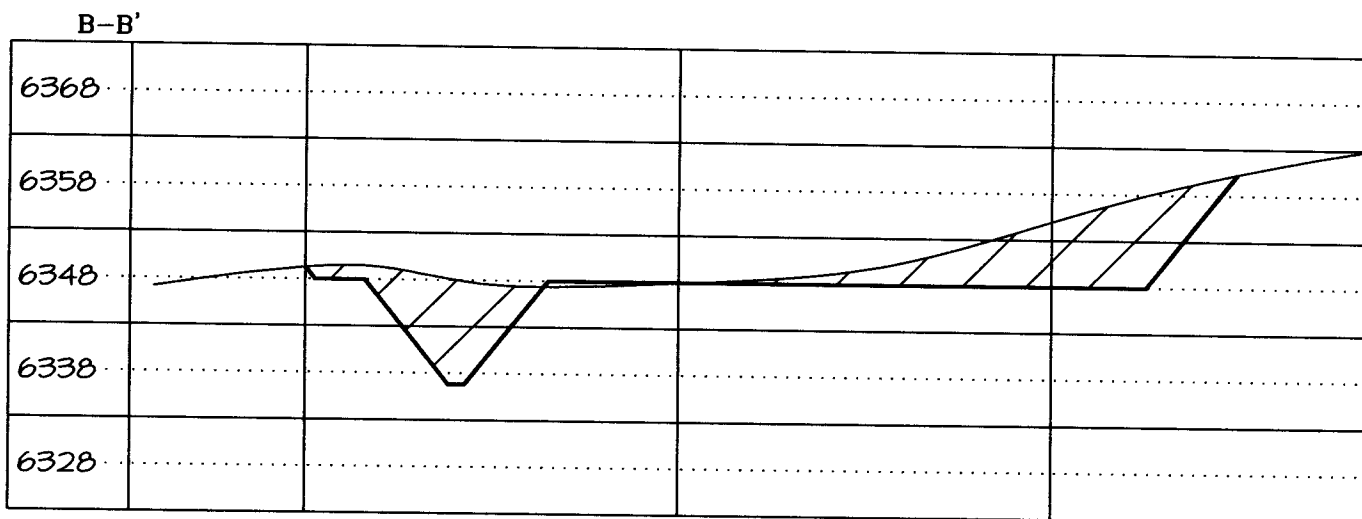
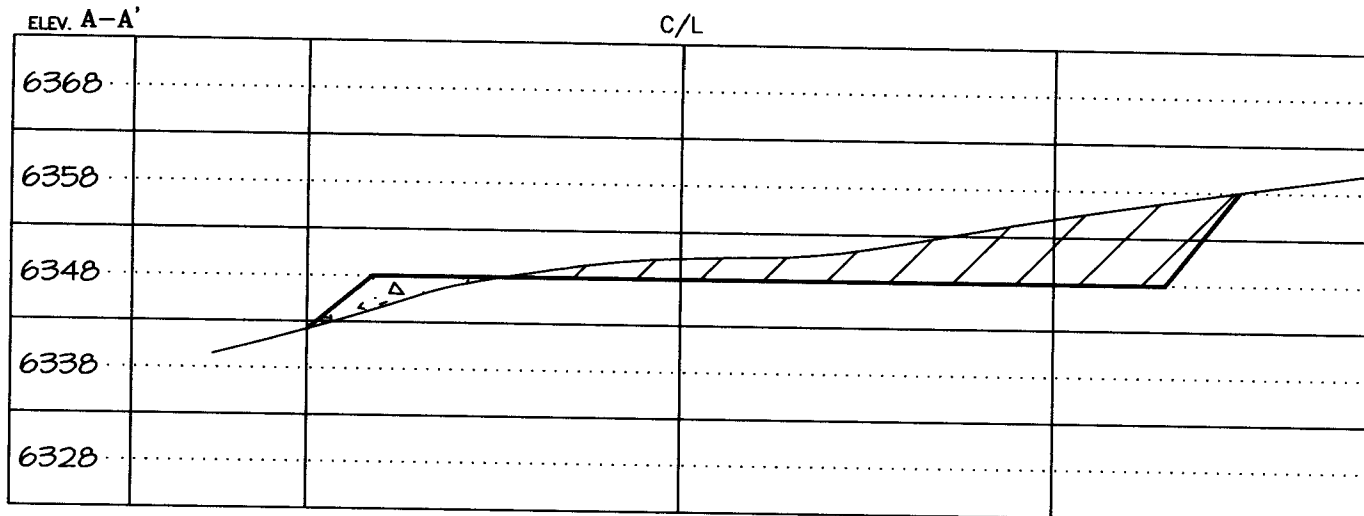
NORTHSTAR SURVEYING & MAPPING, INC.

FILE NO. CFB38CFA3

DRAWN BY: R.S.

CHECKED BY: K.R.

BURLINGTON RESOURCES OIL & GAS COMPANY, LP: SOUTHERN UTE #704
618' FNL, 199' FWL, SECTION 16, T-32-N, R-7-W, N.M.P.M.,
LA PLATA COUNTY, CO. GROUND LEVEL ELEVATION: 6348'
PAD CROSS SECTION DETAIL



VERTICAL SCALE: 1" = 20' / HORIZONTAL SCALE: 1" = 50'

DATE DRAWN: 8/21/08

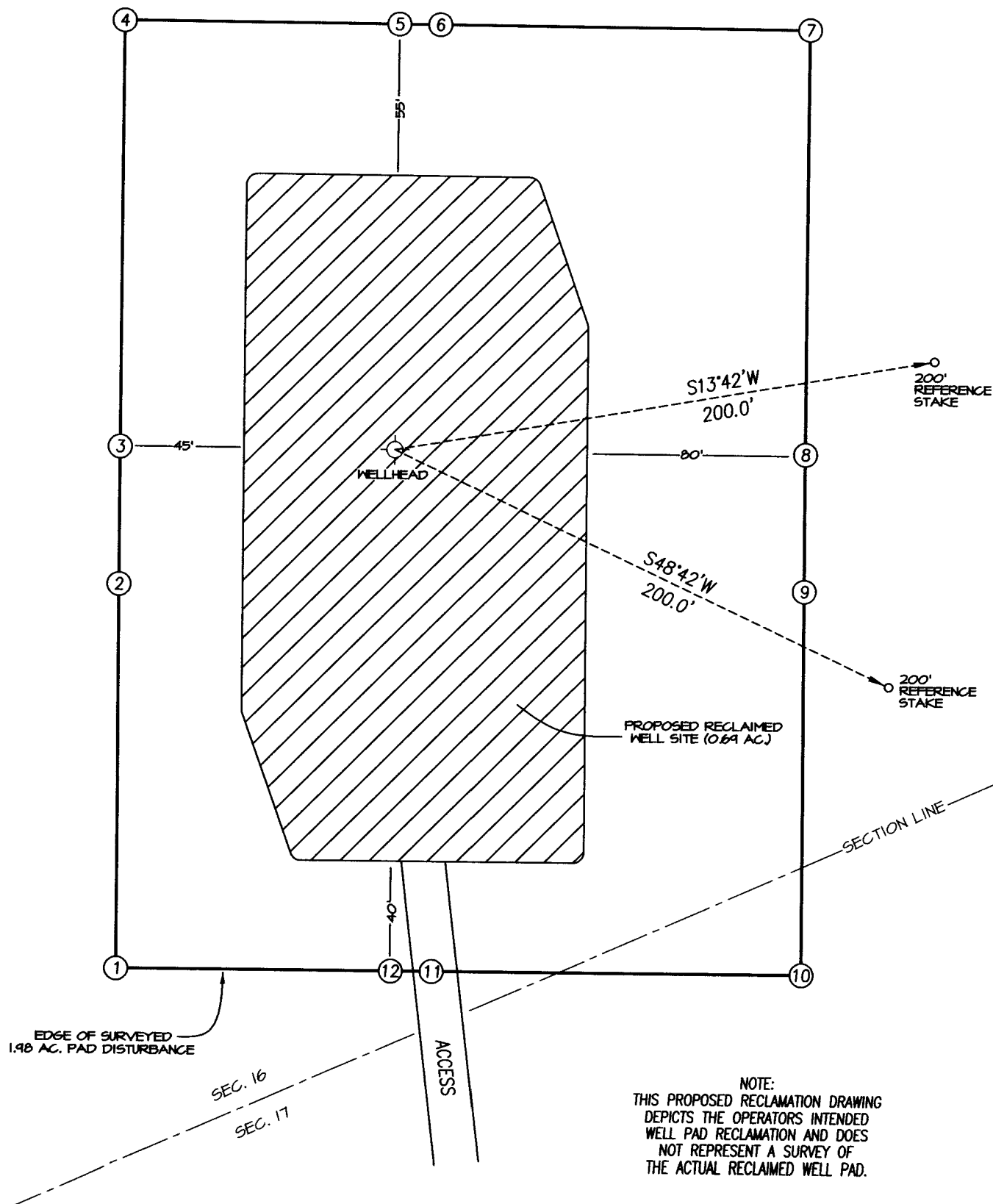
NORTHSTAR SURVEYING & MAPPING, INC.

FILE NO: CPB38CFB3

DRAWN BY: R.S.

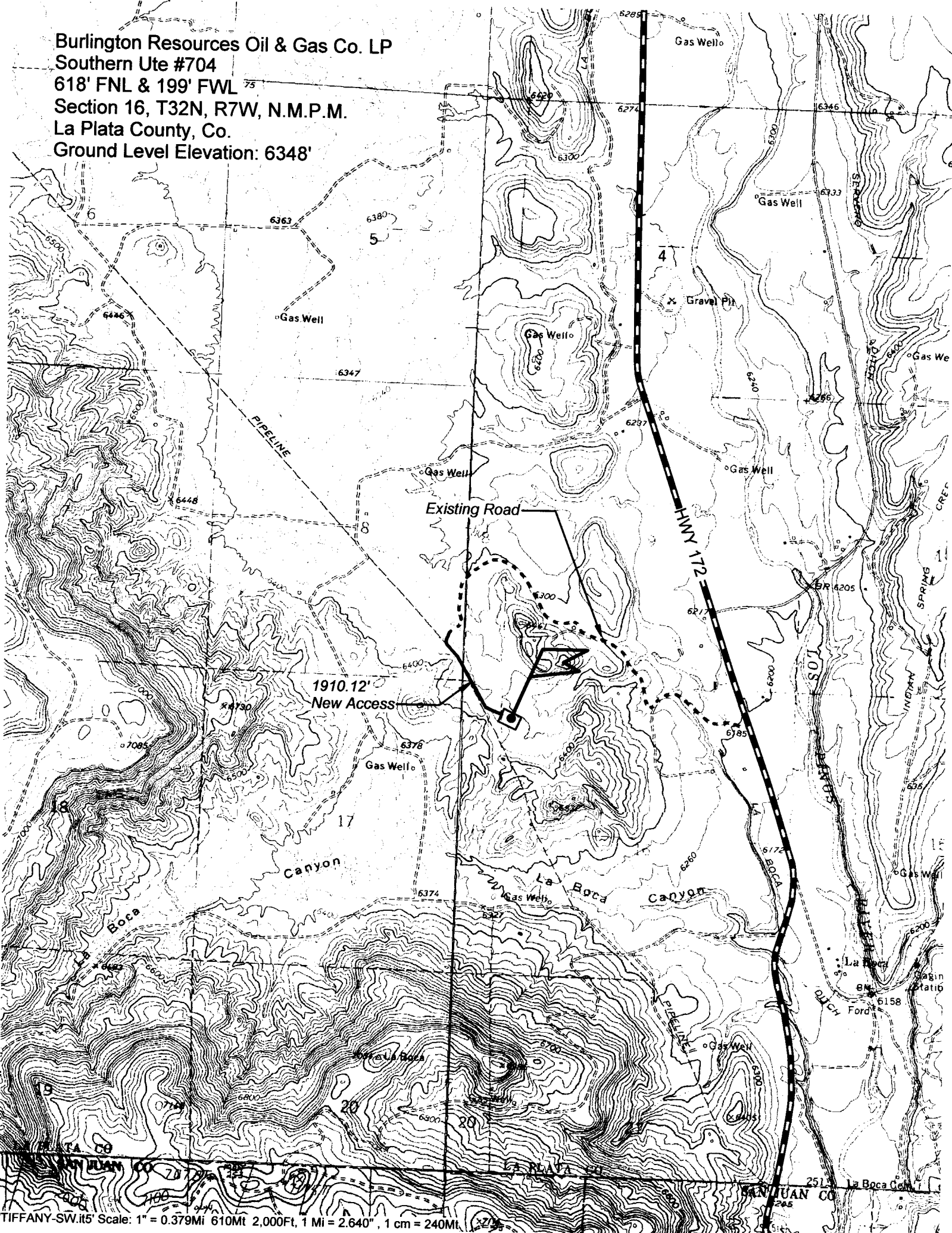
CHECKED BY: K.R.

PROPOSED RECLAMATION DRAWING



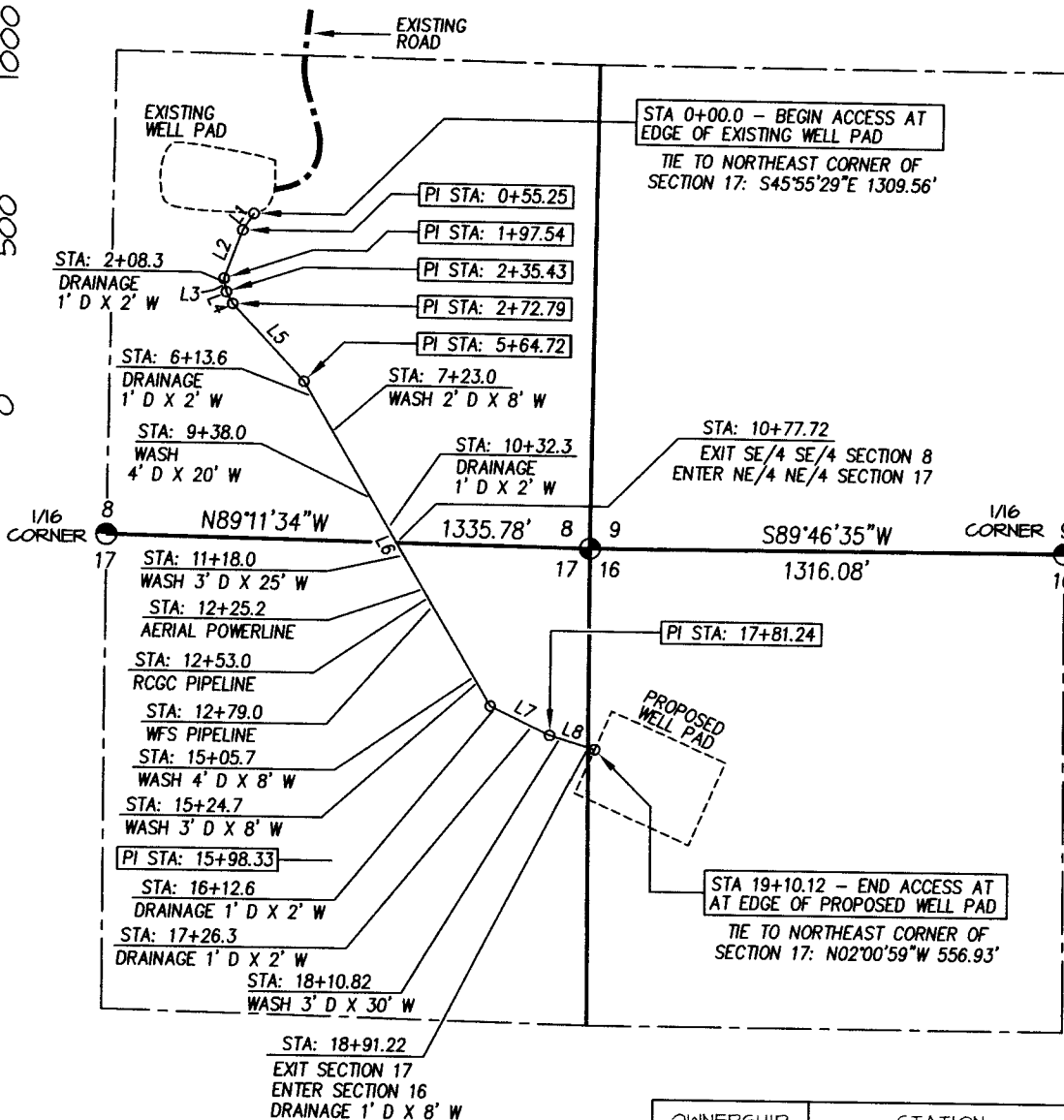
NOTE:
THIS PROPOSED RECLAMATION DRAWING
DEPICTS THE OPERATORS INTENDED
WELL PAD RECLAMATION AND DOES
NOT REPRESENT A SURVEY OF
THE ACTUAL RECLAIMED WELL PAD.

Burlington Resources Oil & Gas Co. LP
Southern Ute #704
618' FNL & 199' FWL
Section 16, T32N, R7W, N.M.P.M.
La Plata County, Co.
Ground Level Elevation: 6348'



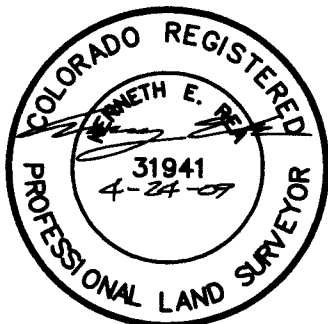
**BURLINGTON RESOURCES OIL & GAS COMPANY, LP: SOUTHERN UTE #704
PROPOSED ACCESS ROAD LOCATED IN THE SE/4 SE/4 OF SECTION 8,
THE NE/4 NE/4 OF SECTION 17, AND THE NW/4 NW/4 OF SECTION 16,
T32N, R07W, N.M.P.M., LA PLATA COUNTY, COLORADO**

GRAPHIC SCALE 1"=500'



BASIS OF BEARING:
REAL-TIME KINEMATIC GPS SURVEY
SOLUTION OF CO SOUTH STATE
PLANE (NAD 83) COORDINATE GRID
WITH AN APPLIED ROTATION OF -1°17'30".

OWNERSHIP	STATION	FEET/RODS
S.U.I.R.	0+00.0 TO 19+10.12	1910.12 / 115.76



LINE TABLE		
LINE	BEARING	LENGTH
L1	S33°23'47"W	55.25'
L2	S20°15'55"W	142.29'
L3	S10°26'02"E	37.89'
L4	S28°18'26"E	37.36'
L5	S43°21'34"E	291.93'
L6	S30°37'39"E	1033.61'
L7	S64°31'54"E	182.91'
L8	S73°05'34"E	128.88'

⊙ and ⊖ denote found 3-1/4" S.U.I.R. Aluminum Cap.

I, KENNETH E. REA, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE SURVEY REPRESENTED BY THIS PLAT WAS MADE UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT ACCURATELY REPRESENTS THIS SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.

DRAWN BY: K.R.	CHECKED BY: K.R.	FILE NO.: CPB38AC L08 NO.	SURVEYED: 4/18/09	DRAWN: 4/24/09	CPB38	PREPARED FOR:
						BURLINGTON RESOURCES OIL & GAS COMPANY, LP
						NORTHSTAR SURVEYING & MAPPING, INC.
						75 County Rd. 231 DURANGO, CO. 81303 (970) 385-0851

Burlington Resources Oil & Gas Company, LP: Southern Ute #704: Access easement

LEGAL DESCRIPTION

An access easement being twenty feet (20') wide located in the Southeast Quarter of the Southeast Quarter of Section 8, and the Northeast Quarter of the Northeast Quarter of Section 17, Township 32 North, Range 7 West, N.M.P.M., La Plata County, Colorado.

Said road lying ten feet (10') on each side of the following described centerline:

Beginning at the edge of an existing well pad whence the Northeast Corner of said Section 17, being a 3-1/4" S.U.I.R aluminum cap, bears S45°55'29"E a distance of 1309.56 feet.

Thence S33°23'47"W a distance of 55.25 feet,

Thence S20°15'55"W a distance of 142.29 feet,

Thence S10°26'02"E a distance of 37.89 feet,

Thence S28°18'26"E a distance of 37.36 feet,

Thence S43°21'34"E a distance of 291.93 feet,

Thence S30°37'39"E a distance of 1033.61 feet,

Thence S64°31'54"E a distance of 182.91 feet,

Thence S73°05'34"E a distance of 128.88 feet, ending at edge of proposed Burlington Resources Oil & Gas Company, LP Southern Ute #704 well pad whence said Northeast Corner of said Section 17 bears N02°00'59"W a distance of 556.93 feet.

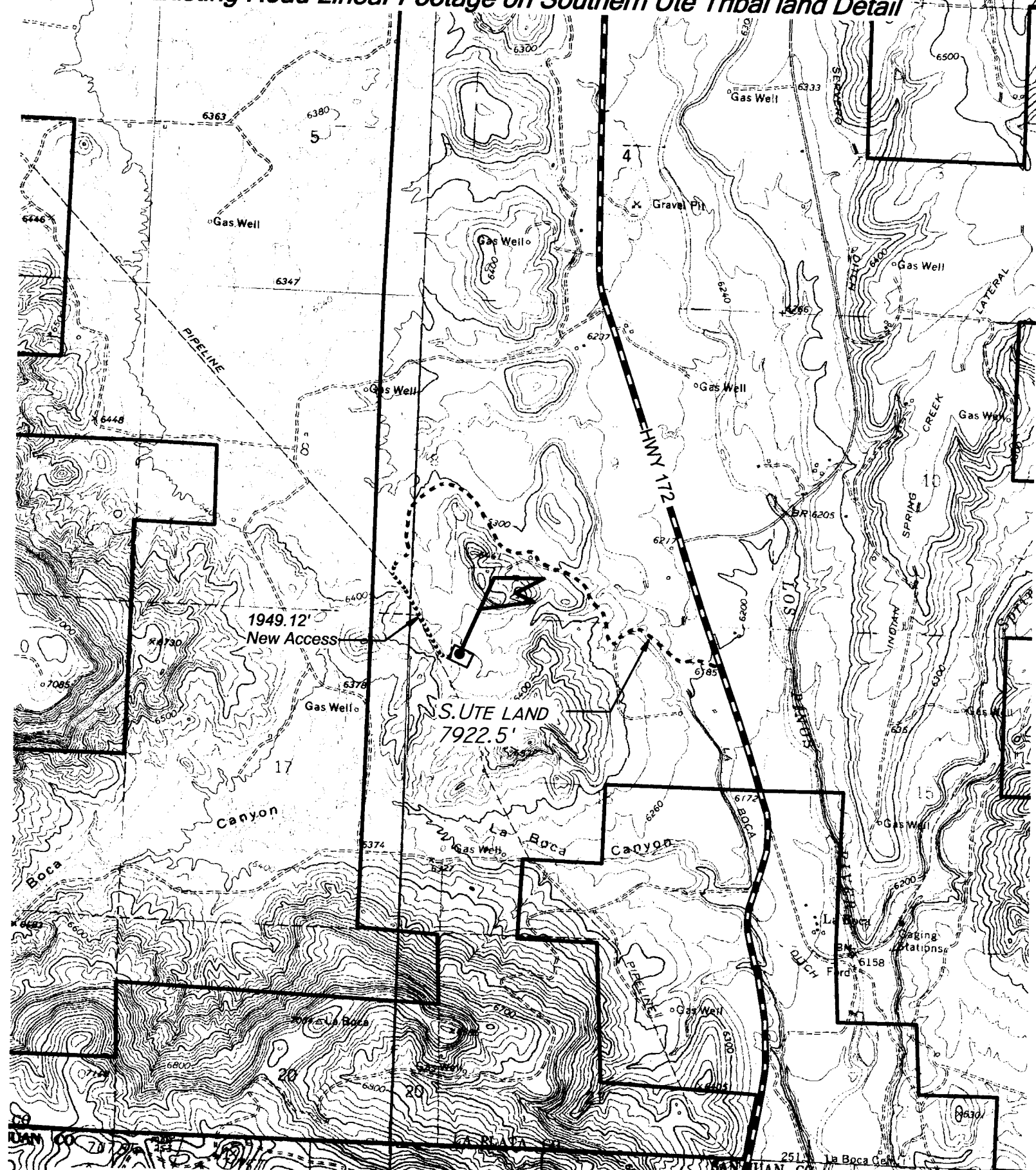
Described easement being 1910.12 feet in length.

I, KENNETH E. REA, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE SURVEY REPRESENTED BY THIS DOCUMENT WAS MADE BY ME OR UNDER MY DIRECT SUPERVISION AND THAT THIS DOCUMENT REPRESENTS THIS SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.

KENNETH E. REA P.L.S. #31941

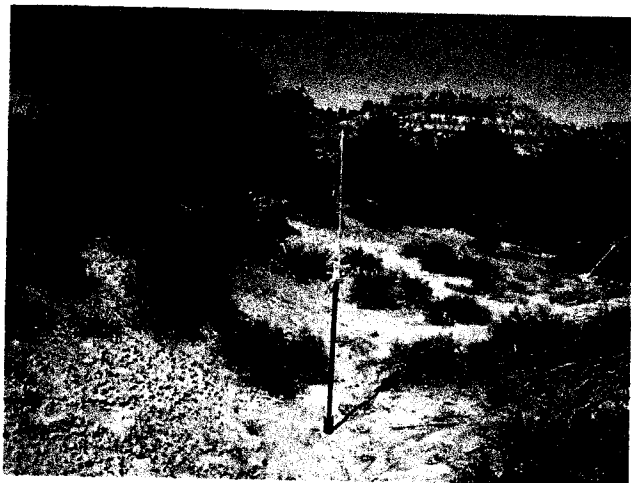


***Burlington Resources Oil & Gas Company, LP: Southern Ute #704
Existing Road Linear Footage on Southern Ute Tribal land Detail***



Total Existing Road Linear Footage on Southern Ute Tribal land: 7922.5' / 1.50 Mi

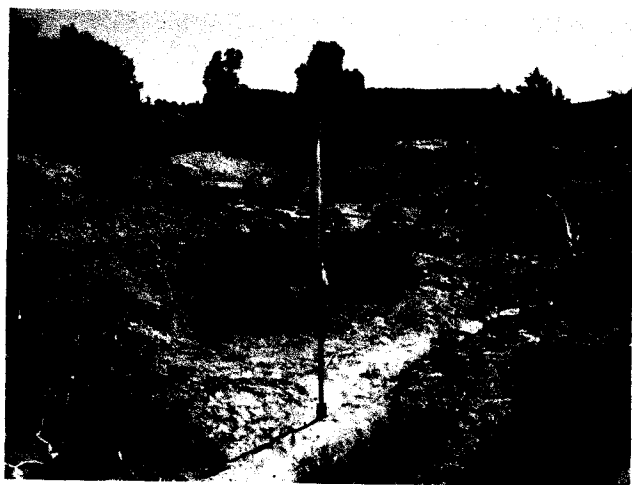
Burlington Resources Oil & Gas Company, LP
Southern Ute #704
618' FNL, 199' FWL Section 16, T32N, R7W, La Plata County, Co.



Looking North



Looking East



Looking South



Looking West



Access at Well Location



Access at Road

Directions from the Intersection of State Highway 172 & State Highway 151 in Ignacio, CO

to Burlington Resources Oil & Gas Company, LP: Southern Ute #704

618' FNL & 199' FWL, Section 16, T32N, R7W, N.M.P.M., La Plata County, CO.

From the Intersection of State Highway 172 & County Road 318 in Ignacio, CO. travel South State Highway 172 for 5.5 miles;

Go right (West) on dirt road for 0.4 miles;

Go right (Northwest) on dirt road for 0.3 miles;

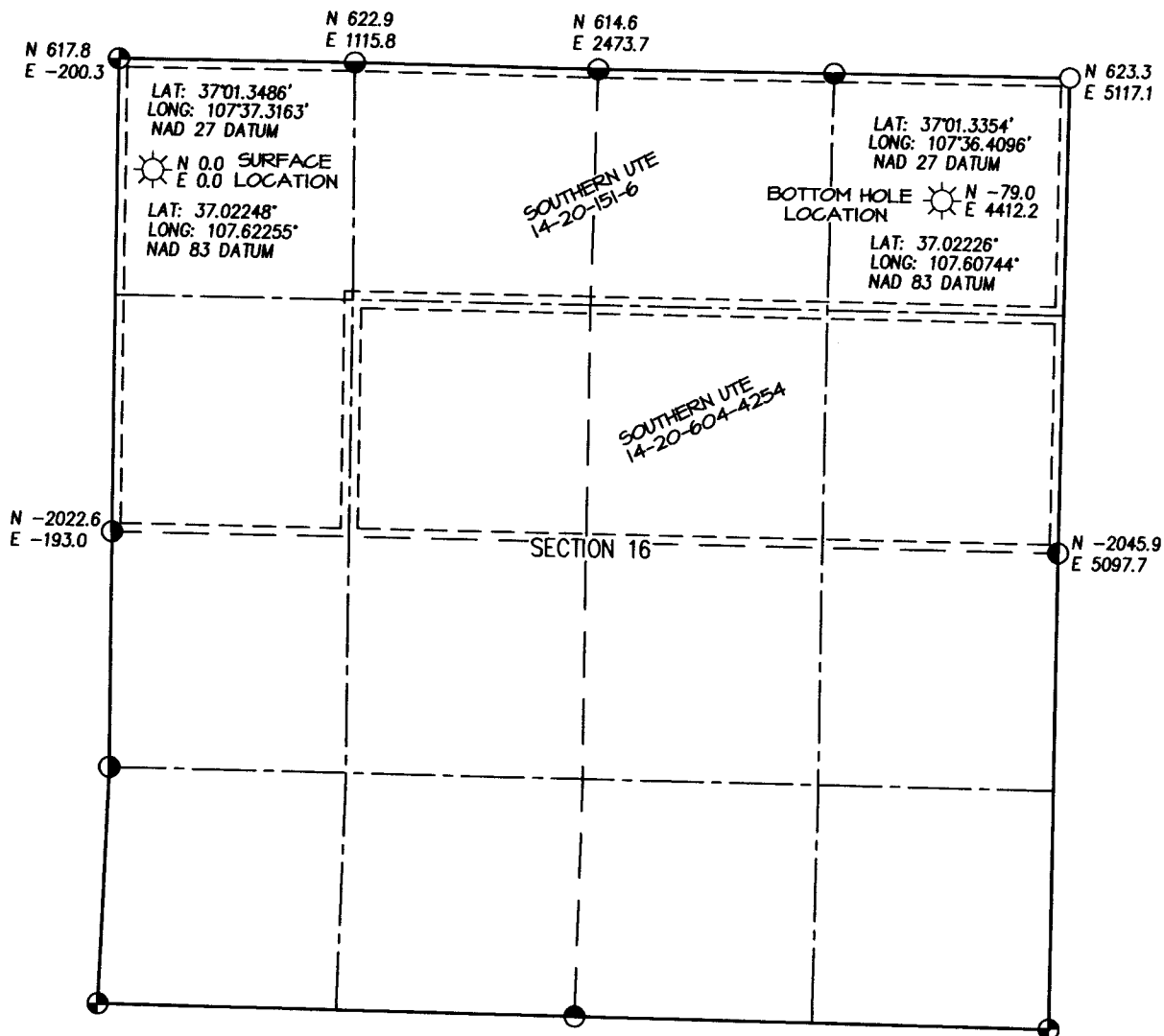
Go right (North) on dirt road for 1.1 miles to existing BP Wirt Gas Unit F #2 well pad;

Follow flagged access beginning at Southeast corner of existing BP Wirt Gas Unit F #2 well pad for 1949 feet to staked location at Lat: 37.02248 Long: 107.62255 NAD 83.

BURLINGTON RESOURCES OIL & GAS COMPANY, LP
SOUTHERN UTE #704

SURFACE LOCATION: 618' FNL, 199' FWL
SEC. 16, T-32-N, R-7-W, N.M.P.M., LA PLATA COUNTY, COLORADO.
GROUND LEVEL ELEVATION: 6348'

BOTTOM HOLE LOCATION: 700' FNL, 700' FWL
SEC. 16, T-32-N, R-7-W, N.M.P.M., LA PLATA COUNTY, COLORADO.



COORDINATE SYSTEM
 Local - True North

DRAWN BY: K.R.	SURVEYED: -/-/-	PREPARED FOR:
	CHECKED BY: K.R.	BURLINGTON RESOURCES
	FILE NO. CPB 38813	OIL & GAS COMPANY, LP
	DATE NO. CPB 38813	
		NORTHSTAR
		SURVEYING & MAPPING, INC.
		75 County Rd. 231
		DURANGO, CO. 81303
		(970) 385-0851



ConocoPhillips

LA PLATA COUNTY, CO

SEC 16-T32N-R7W

Southern Ute #704

Lateral A

Plan: Plan #8

Standard Planning Report

09 April, 2010





Project: LA PLATA COUNTY, CO
Site: SEC 16-T32N-R7W
Well: Southern Ute #704
Wellbore: Lateral A
Design: Plan #8



REFERENCE INFORMATION

Co-ordinate (N/E) Reference: Well Southern Ute #704, True North
Vertical (TVD) Reference: DFE @ 6363.0ft (AWS 730)
Section (VS) Reference: Slot - (0.0N, 0.0E)
Measured Depth Reference: DFE @ 6363.0ft (AWS 730)
Calculation Method: Minimum Curvature

PROJECT DETAILS

Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: Colorado Southern Zone
System Datum: Mean Sea Level

WELL DETAILS: Southern Ute #704

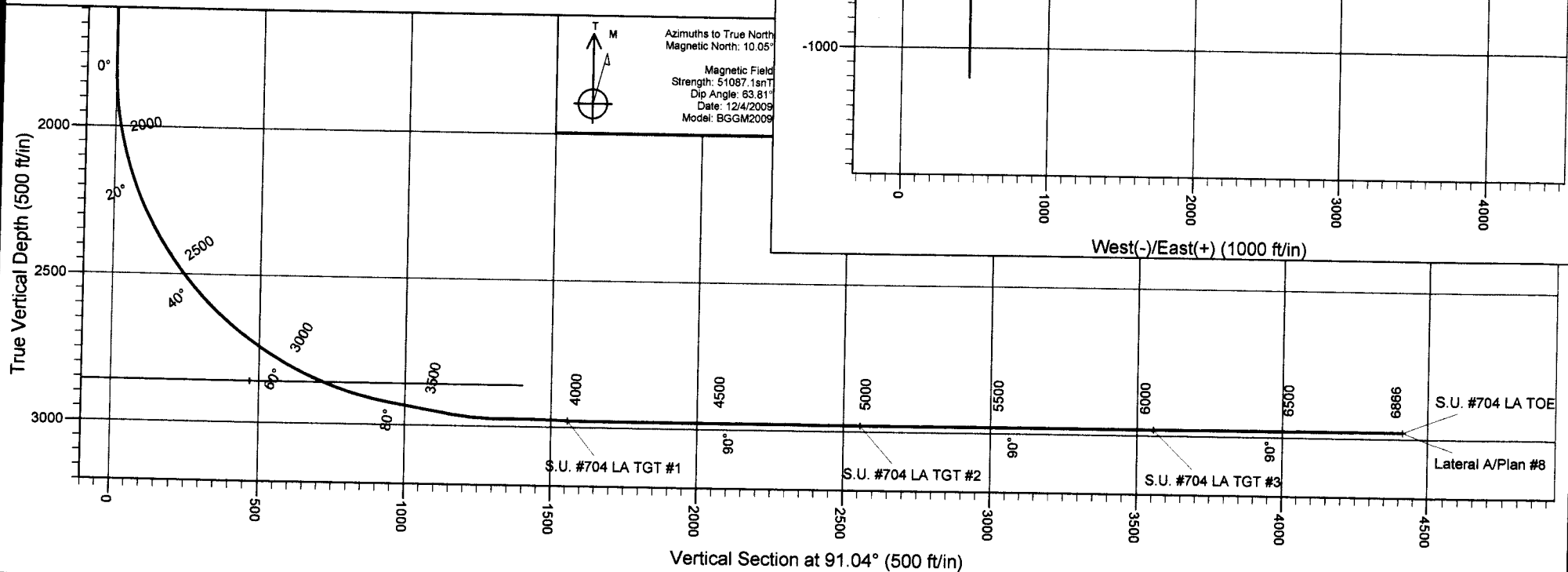
+N/-S	+E/-W	Northing	Ground Level:	6348.0		
0.0	0.0	1136600.58	Easting	2380354.50	Latitude	Longitude
					37° 1' 20.928 N	107° 37' 21.180 W

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	1795.0	0.00	0.00	1795.0	0.0	0.0	0.00	0.00	0.0	
3	3395.0	80.00	94.00	2923.5	-66.1	944.6	5.00	94.00	945.7	
4	3595.0	80.00	94.00	2958.2	-79.8	1141.1	0.00	0.00	1142.4	
5	3778.5	90.00	89.37	2974.2	-85.1	1323.5	6.00	-25.00	1324.9	
6	3878.5	90.00	89.37	2974.2	-84.0	1423.5	0.00	0.00	1424.8	
7	4003.5	87.71	90.56	2976.7	-83.9	1548.5	2.07	152.67	1549.8	
8	4010.5	87.71	90.56	2977.0	-84.0	1555.5	0.00	0.00	1556.7	S.U. #704 LA TGT #1
9	4099.5	89.99	89.53	2978.8	-84.1	1644.5	2.81	-24.32	1645.7	
10	5010.8	89.99	89.53	2979.0	-76.5	2555.8	0.00	0.00	2556.8	S.U. #704 LA TGT #2
11	5038.2	90.00	90.20	2979.0	-76.5	2583.1	2.46	88.87	2584.1	
12	6010.1	90.00	90.20	2979.0	-79.8	3555.1	0.00	0.00	3555.9	S.U. #704 LA TGT #3
13	6019.7	90.13	89.99	2979.0	-79.8	3564.6	2.56	-56.76	3565.5	
14	6866.4	90.13	89.99	2977.0	-79.7	4411.3	0.00	0.00	4412.1	S.U. #704 LA TOE

WELLBORE TARGET DETAILS (MAP CO-ORDINATES AND LAT/LONG)

Name	TVD	+N/-S	+E/-W	Latitude	Longitude	Shape
704 SHL North HL	2859.0	-42.0	-200.0	37° 1' 20.513 N	107° 37' 23.646 W	Polygon
704 SHL West HL	2859.0	-400.0	461.0	37° 1' 16.973 N	107° 37' 15.495 W	Polygon
S.U. #704 LA TGT #1	2977.0	-84.0	1555.5	37° 1' 20.097 N	107° 37' 1.999 W	Point
S.U. #704 LA TOE	2977.0	-79.7	4411.3	37° 1' 20.136 N	107° 36' 26.784 W	Point
S.U. #704 LA TGT #2	2979.0	-76.5	2555.8	37° 1' 20.170 N	107° 36' 49.685 W	Point
S.U. #704 LA TGT #3	2979.0	-79.8	3555.1	37° 1' 20.136 N	107° 36' 37.342 W	Point



Database: EDM 2003.21 Single User Db
Company: ConocoPhillips
Project: LA PLATA COUNTY, CO
Site: SEC 16-T32N-R7W
Well: Southern Ute #704
Wellbore: Lateral A
Design: Plan #8

Local Co-ordinate Reference: Well Southern Ute #704
TVD Reference: DFE @ 6363.0ft (AWS 730)
MD Reference: DFE @ 6363.0ft (AWS 730)
North Reference: True
Survey Calculation Method: Minimum Curvature

Project	LA PLATA COUNTY, CO, SOUTHERN COLORADO, S-Type Fruitland		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		Using Well Reference Point
Map Zone:	Colorado Southern Zone		Using geodetic scale factor

Site	SEC 16-T32N-R7W		
Site Position:		Northing:	1,136,600.59 ft
From:	Lat/Long	Easting:	2,380,354.50 ft
Position Uncertainty:	0.0 ft	Slot Radius:	6-1/8"
		Latitude:	37° 1' 20.928 N
		Longitude:	107° 37' 21.180 W
		Grid Convergence:	-1.30 °

Well	Southern Ute #704		
Well Position	+N/-S	0.0 ft	Northing: 1,136,600.58 ft
	+E/-W	0.0 ft	Easting: 2,380,354.50 ft
Position Uncertainty	3.5 ft	Wellhead Elevation:	ft
		Latitude:	37° 1' 20.928 N
		Longitude:	107° 37' 21.180 W
		Ground Level:	6,348.0 ft

Wellbore	Lateral A				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	BGGM2009	12/4/2009	10.05	63.81	51,087

Design	Plan #8			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.0	0.0	0.0	91.04

Plan Sections

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,795.0	0.00	0.00	1,795.0	0.0	0.0	0.00	0.00	0.00	0.00	
3,395.0	80.00	94.00	2,923.5	-66.1	944.6	5.00	5.00	0.00	94.00	
3,595.0	80.00	94.00	2,958.2	-79.8	1,141.1	0.00	0.00	0.00	0.00	
3,778.5	90.00	89.37	2,974.2	-85.1	1,323.5	6.00	5.45	-2.52	-25.00	
3,878.5	90.00	89.37	2,974.2	-84.0	1,423.5	0.00	0.00	0.00	0.00	
4,003.5	87.71	90.56	2,976.7	-83.9	1,548.5	2.07	-1.83	0.95	152.67	
4,010.5	87.71	90.56	2,977.0	-84.0	1,555.5	0.00	0.00	0.00	0.00	0.00 S.U. #704 LA TGT ;
4,099.5	89.99	89.53	2,978.8	-84.1	1,644.5	2.81	2.56	-1.16	-24.32	
5,010.8	89.99	89.53	2,979.0	-76.5	2,555.8	0.00	0.00	0.00	0.00	0.00 S.U. #704 LA TGT ;
5,038.2	90.00	90.20	2,979.0	-76.5	2,583.1	2.46	0.05	2.46	88.87	
6,010.1	90.00	90.20	2,979.0	-79.8	3,555.1	0.00	0.00	0.00	0.00	0.00 S.U. #704 LA TGT ;
6,019.7	90.13	89.99	2,979.0	-79.8	3,564.6	2.56	1.41	-2.14	-56.76	
6,866.4	90.13	89.99	2,977.0	-79.7	4,411.3	0.00	0.00	0.00	0.00	0.00 S.U. #704 LA TOE

Database: EDM 2003.21 Single User Db
Company: ConocoPhillips
Project: LA PLATA COUNTY, CO
Site: SEC 16-T32N-R7W
Well: Southern Ute #704
Wellbore: Lateral A
Design: Plan #8

Local Co-ordinate Reference: Well Southern Ute #704
TVD Reference: DFE @ 6363.0ft (AWS 730)
MD Reference: DFE @ 6363.0ft (AWS 730)
North Reference: True
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,795.0	0.00	0.00	1,795.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.25	94.00	1,800.0	0.0	0.0	0.0	5.00	5.00	0.00
1,900.0	5.25	94.00	1,899.9	-0.3	4.8	4.8	5.00	5.00	0.00
2,000.0	10.25	94.00	1,998.9	-1.3	18.2	18.3	5.00	5.00	0.00
2,100.0	15.25	94.00	2,096.4	-2.8	40.3	40.3	5.00	5.00	0.00
2,200.0	20.25	94.00	2,191.6	-4.9	70.7	70.7	5.00	5.00	0.00
2,300.0	25.25	94.00	2,283.8	-7.6	109.2	109.3	5.00	5.00	0.00
2,400.0	30.25	94.00	2,372.3	-10.9	155.7	155.8	5.00	5.00	0.00
2,500.0	35.25	94.00	2,456.4	-14.7	209.6	209.8	5.00	5.00	0.00
2,569.4	38.72	94.00	2,511.8	-17.6	251.2	251.5	5.00	5.00	0.00
704 SHL North HL									
2,600.0	40.25	94.00	2,535.4	-18.9	270.7	271.0	5.00	5.00	0.00
2,700.0	45.25	94.00	2,608.8	-23.7	338.3	338.7	5.00	5.00	0.00
S.U. #704 LA TGT Line									
2,800.0	50.25	94.00	2,676.0	-28.8	412.2	412.6	5.00	5.00	0.00
2,900.0	55.25	94.00	2,736.5	-34.4	491.5	492.1	5.00	5.00	0.00
2,961.2	58.31	94.00	2,770.0	-37.9	542.6	543.2	5.00	5.00	0.00
704 SHL West HL									
3,000.0	60.25	94.00	2,789.9	-40.3	575.9	576.5	5.00	5.00	0.00
3,069.7	63.73	94.00	2,822.6	-44.6	637.3	638.0	5.00	5.00	0.00
S.U. #704 LA Coal PPT									
3,100.0	65.25	94.00	2,835.7	-46.5	664.5	665.3	5.00	5.00	0.00
3,200.0	70.25	94.00	2,873.5	-52.9	756.8	757.7	5.00	5.00	0.00
3,300.0	75.25	94.00	2,903.2	-59.6	852.1	853.0	5.00	5.00	0.00
3,395.0	80.00	94.00	2,923.5	-66.1	944.6	945.7	5.00	5.00	0.00
3,400.0	80.00	94.00	2,924.4	-66.4	949.5	950.6	0.00	0.00	0.00
3,500.0	80.00	94.00	2,941.7	-73.3	1,047.8	1,048.9	0.00	0.00	0.00
3,595.0	80.00	94.00	2,958.2	-79.8	1,141.1	1,142.4	0.00	0.00	0.00
3,600.0	80.27	93.87	2,959.1	-80.1	1,146.0	1,147.3	6.00	5.44	-2.57
3,650.0	82.99	92.60	2,966.4	-82.9	1,195.4	1,196.7	6.00	5.44	-2.55
3,700.0	85.72	91.33	2,971.3	-84.6	1,245.1	1,246.4	6.00	5.45	-2.52
3,750.0	88.45	90.08	2,973.8	-85.2	1,295.0	1,296.4	6.00	5.45	-2.50
3,766.7	89.36	89.67	2,974.2	-85.2	1,311.7	1,313.1	6.00	5.46	-2.50
7"									
3,778.5	90.00	89.37	2,974.2	-85.1	1,323.5	1,324.9	6.00	5.46	-2.50

Database: EDM 2003.21 Single User Db
Company: ConocoPhillips
Project: LA PLATA COUNTY, CO
Site: SEC 16-T32N-R7W
Well: Southern Ute #704
Wellbore: Lateral A
Design: Plan #8

Local Co-ordinate Reference: Well Southern Ute #704
TVD Reference: DFE @ 6363.0ft (AWS 730)
MD Reference: DFE @ 6363.0ft (AWS 730)
North Reference: True
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
3,800.0	90.00	89.37	2,974.2	-84.9	1,345.0	1,346.4	0.00	0.00	0.00
3,878.5	90.00	89.37	2,974.2	-84.0	1,423.5	1,424.8	0.00	0.00	0.00
3,900.0	89.61	89.57	2,974.3	-83.8	1,445.0	1,446.3	2.07	-1.83	0.95
4,003.5	87.71	90.56	2,976.7	-83.9	1,548.5	1,549.8	2.07	-1.83	0.95
4,010.5	87.71	90.56	2,977.0	-84.0	1,555.5	1,556.7	0.00	0.00	0.00
S.U. #704 LA TGT #1									
4,099.5	89.99	89.53	2,978.8	-84.1	1,644.5	1,645.7	2.81	2.56	-1.16
4,200.0	89.99	89.53	2,978.8	-83.2	1,745.0	1,746.2	0.00	0.00	0.00
4,300.0	89.99	89.53	2,978.8	-82.4	1,845.0	1,846.2	0.00	0.00	0.00
4,400.0	89.99	89.53	2,978.9	-81.6	1,945.0	1,946.1	0.00	0.00	0.00
4,500.0	89.99	89.53	2,978.9	-80.7	2,045.0	2,046.1	0.00	0.00	0.00
4,600.0	89.99	89.53	2,978.9	-79.9	2,145.0	2,146.0	0.00	0.00	0.00
4,700.0	89.99	89.53	2,978.9	-79.1	2,245.0	2,246.0	0.00	0.00	0.00
4,800.0	89.99	89.53	2,979.0	-78.3	2,344.9	2,346.0	0.00	0.00	0.00
4,900.0	89.99	89.53	2,979.0	-77.4	2,444.9	2,445.9	0.00	0.00	0.00
5,000.0	89.99	89.53	2,979.0	-76.6	2,544.9	2,545.9	0.00	0.00	0.00
5,010.8	89.99	89.53	2,979.0	-76.5	2,555.8	2,556.8	0.00	0.00	0.00
S.U. #704 LA TGT #2									
5,038.2	90.00	90.20	2,979.0	-76.5	2,583.1	2,584.1	2.46	0.05	2.46
5,100.0	90.00	90.20	2,979.0	-76.7	2,644.9	2,645.9	0.00	0.00	0.00
5,200.0	90.00	90.20	2,979.0	-77.0	2,744.9	2,745.9	0.00	0.00	0.00
5,300.0	90.00	90.20	2,979.0	-77.4	2,844.9	2,845.9	0.00	0.00	0.00
5,400.0	90.00	90.20	2,979.0	-77.7	2,944.9	2,945.9	0.00	0.00	0.00
5,500.0	90.00	90.20	2,979.0	-78.1	3,044.9	3,045.9	0.00	0.00	0.00
5,600.0	90.00	90.20	2,979.0	-78.4	3,144.9	3,145.8	0.00	0.00	0.00
5,700.0	90.00	90.20	2,979.0	-78.8	3,244.9	3,245.8	0.00	0.00	0.00
5,800.0	90.00	90.20	2,979.0	-79.1	3,344.9	3,345.8	0.00	0.00	0.00
5,900.0	90.00	90.20	2,979.0	-79.4	3,444.9	3,445.8	0.00	0.00	0.00
6,000.0	90.00	90.20	2,979.0	-79.8	3,544.9	3,545.8	0.00	0.00	0.00
6,010.1	90.00	90.20	2,979.0	-79.8	3,555.1	3,555.9	0.00	0.00	0.00
S.U. #704 LA TGT #3									
6,019.7	90.13	89.99	2,979.0	-79.8	3,564.6	3,565.5	2.56	1.41	-2.14
6,100.0	90.13	89.99	2,978.8	-79.8	3,644.9	3,645.8	0.00	0.00	0.00
6,200.0	90.13	89.99	2,978.6	-79.8	3,744.9	3,745.8	0.00	0.00	0.00
6,300.0	90.13	89.99	2,978.3	-79.8	3,844.9	3,845.7	0.00	0.00	0.00
6,400.0	90.13	89.99	2,978.1	-79.8	3,944.9	3,945.7	0.00	0.00	0.00
6,500.0	90.13	89.99	2,977.9	-79.8	4,044.9	4,045.7	0.00	0.00	0.00
6,600.0	90.13	89.99	2,977.6	-79.8	4,144.9	4,145.7	0.00	0.00	0.00
6,700.0	90.13	89.99	2,977.4	-79.8	4,244.9	4,245.7	0.00	0.00	0.00
6,800.0	90.13	89.99	2,977.2	-79.7	4,344.9	4,345.7	0.00	0.00	0.00
6,866.4	90.13	89.99	2,977.0	-79.7	4,411.3	4,412.1	0.00	0.00	0.00
S.U. #704 LA TOE									

Database: EDM 2003.21 Single User Db
Company: ConocoPhillips
Project: LA PLATA COUNTY, CO
Site: SEC 16-T32N-R7W
Well: Southern Ute #704
Wellbore: Lateral A
Design: Plan #8

Local Co-ordinate Reference: Well Southern Ute #704
TVD Reference: DFE @ 6363.0ft (AWS 730)
MD Reference: DFE @ 6363.0ft (AWS 730)
North Reference: True
Survey Calculation Method: Minimum Curvature

Design Targets

Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)		
- Shape									
704 SHL North HL	0.00	0.00	2,859.0	-42.0	-200.0	1,136,563.15	2,380,153.59	37° 1' 20.513 N	107° 37' 23.646 W
- plan misses target center by 569.9ft at 2569.4ft MD (2511.8 TVD, -17.6 N, 251.2 E)									
- Polygon									
Point 1			2,859.0	0.0	0.0	1,136,563.15	2,380,153.59		
Point 2			2,859.0	0.0	1,600.0	1,136,526.79	2,381,753.24		
704 SHL West HL	0.00	0.00	2,859.0	-400.0	461.0	1,136,190.21	2,380,806.31	37° 1' 16.973 N	107° 37' 15.495 W
- plan misses target center by 381.6ft at 2961.2ft MD (2770.0 TVD, -37.9 N, 542.6 E)									
- Polygon									
Point 1			2,859.0	1,600.0	0.0	1,137,789.86	2,380,842.67		
Point 2			2,859.0	-800.0	0.0	1,135,390.38	2,380,788.13		
S.U. #704 LA TGT #1	0.00	0.00	2,977.0	-84.0	1,555.5	1,136,481.26	2,381,907.73	37° 1' 20.097 N	107° 37' 1.999 W
- plan hits target center									
- Point									
S.U. #704 LA TOE	0.00	0.00	2,977.0	-79.7	4,411.3	1,136,420.63	2,384,763.07	37° 1' 20.136 N	107° 36' 26.784 W
- plan hits target center									
- Point									
S.U. #704 LA TGT #2	0.00	0.00	2,979.0	-76.5	2,555.8	1,136,466.00	2,382,908.00	37° 1' 20.170 N	107° 36' 49.665 W
- plan hits target center									
- Point									
S.U. #704 LA TGT #3	0.00	0.00	2,979.0	-79.8	3,555.1	1,136,440.00	2,383,907.00	37° 1' 20.136 N	107° 36' 37.342 W
- plan hits target center									
- Point									

Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (")	Hole Diameter (")
3,766.7	2,974.2	7"	7	8-3/4



ConocoPhillips

LA PLATA COUNTY, CO

SEC 16-T32N-R7W

Southern Ute #704

Lateral B

Plan: Plan #8

Standard Planning Report

09 April, 2010





Project: LA PLATA COUNTY, CO
 Site: SEC 16-T32N-R7W
 Well: Southern Ute #704
 Wellbore: Lateral B
 Design: Plan #8



REFERENCE INFORMATION

Co-ordinate (N/E) Reference: Well Southern Ute #704, True North
 Vertical (TVD) Reference: DFE @ 6363.0ft (AWS 730)
 Section (VS) Reference: Slot - (0.0N, 0.0E)
 Measured Depth Reference: DFE @ 6363.0ft (AWS 730)
 Calculation Method: Minimum Curvature

PROJECT DETAILS

Geodetic System: US State Plane 1983
 Datum: North American Datum 1983
 Ellipsoid: GRS 1980
 Zone: Colorado Southern Zone
 System Datum: Mean Sea Level

WELL DETAILS: Southern Ute #704

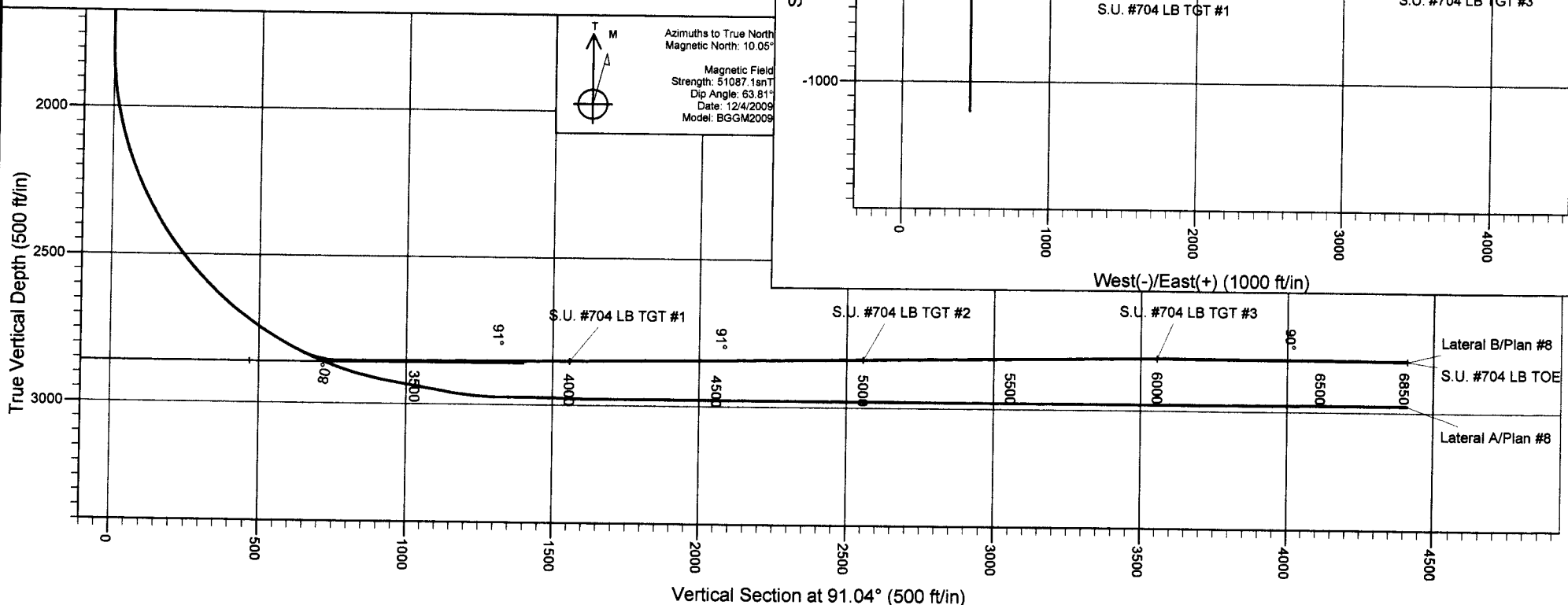
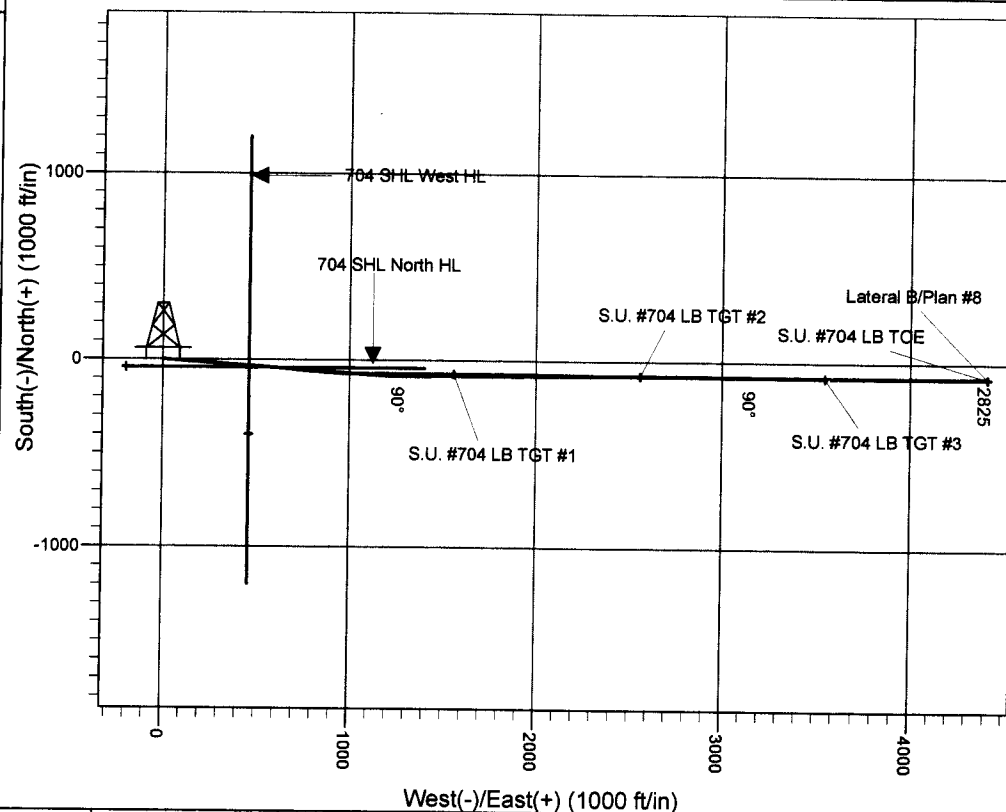
+N/-S	+E/-W	Northing	Ground Level:	Easting	Latitude	Longitude
0.0	0.0	1136600.58	6348.0	2380354.50	37° 1' 20.928 N	107° 37' 21.180 W

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	3080.0	64.25	94.00	2827.1	-45.2	646.5	0.00	0.00	647.2	
2	3209.2	90.00	96.18	2855.7	-56.4	770.9	20.00	5.00	771.8	
3	3524.1	90.52	89.90	2854.2	-73.1	1085.2	2.00	-85.28	1086.4	
4	3994.4	90.52	89.90	2850.0	-72.3	1555.5	0.00	0.00	1556.5	S.U. #704 LB TGT #1
5	4017.1	90.81	90.25	2849.7	-72.3	1578.1	2.00	50.59	1579.2	
6	4994.8	90.81	90.25	2836.0	-76.5	2555.8	0.00	0.00	2556.8	S.U. #704 LB TGT #2
7	5994.2	90.80	90.13	2822.0	-79.8	3555.1	0.01	-92.33	3555.9	S.U. #704 LB TGT #3
8	6046.3	89.77	89.99	2821.7	-79.9	3607.2	2.00	-172.32	3608.0	
9	6850.5	89.77	89.99	2825.0	-79.7	4411.3	0.00	0.00	4412.1	S.U. #704 LB TOE

WELLBORE TARGET DETAILS (MAP CO-ORDINATES AND LAT/LONG)

Name	TVD	+N/-S	+E/-W	Latitude	Longitude	Shape
S.U. #704 LB TGT #3	2822.0	-79.8	3555.1	37° 1' 20.136 N	107° 36' 37.342 W	Point
S.U. #704 LB TOE	2825.0	-79.7	4411.3	37° 1' 20.136 N	107° 36' 26.784 W	Point
S.U. #704 LB TGT #2	2836.0	-76.5	2555.8	37° 1' 20.170 N	107° 36' 49.665 W	Point
S.U. #704 LB TGT #1	2850.0	-72.3	1555.5	37° 1' 20.213 N	107° 37' 1.999 W	Point
704 SHL North HL	2859.0	-42.0	-200.0	37° 1' 20.513 N	107° 37' 23.646 W	Polygon
704 SHL West HL	2859.0	-400.0	461.0	37° 1' 16.973 N	107° 37' 15.495 W	Polygon



Database: EDM 2003.21 Single User Db
Company: ConocoPhillips
Project: LA PLATA COUNTY, CO
Site: SEC 16-T32N-R7W
Well: Southern Ute #704
Wellbore: Lateral B
Design: Plan #8

Local Co-ordinate Reference: Well Southern Ute #704
TVD Reference: DFE @ 6363.0ft (AWS 730)
MD Reference: DFE @ 6363.0ft (AWS 730)
North Reference: True
Survey Calculation Method: Minimum Curvature

Project	LA PLATA COUNTY, CO, SOUTHERN COLORADO, S-Type Fruitland		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		Using Well Reference Point
Map Zone:	Colorado Southern Zone		Using geodetic scale factor

Site	SEC 16-T32N-R7W		
Site Position:		Northing:	1,136,600.59ft
From:	Lat/Long	Easting:	2,380,354.50ft
Position Uncertainty:	0.0 ft	Slot Radius:	6-1/8"
		Latitude:	37° 1' 20.928 N
		Longitude:	107° 37' 21.180 W
		Grid Convergence:	-1.30 °

Well	Southern Ute #704		
Well Position	+N/-S	0.0 ft	Northing: 1,136,600.58 ft
	+E/-W	0.0 ft	Easting: 2,380,354.50 ft
Position Uncertainty		3.5 ft	Wellhead Elevation: ft
			Latitude: 37° 1' 20.928 N
			Longitude: 107° 37' 21.180 W
			Ground Level: 6,348.0 ft

Wellbore	Lateral B				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	BGGM2009	12/4/2009	10.05	63.81	51,087

Design	Plan #8			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	3,080.0
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.0	0.0	0.0	91.04

Plan Sections

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
3,080.0	64.25	94.00	2,827.1	-45.2	646.5	0.00	0.00	0.00	0.00	
3,209.2	90.00	96.18	2,855.7	-56.4	770.9	20.00	19.93	1.69	5.00	
3,524.1	90.52	89.90	2,854.2	-73.1	1,085.2	2.00	0.16	-1.99	-85.28	
3,994.4	90.52	89.90	2,850.0	-72.3	1,555.5	0.00	0.00	0.00	0.00	S.U. #704 LB TGT ;
4,017.1	90.81	90.25	2,849.7	-72.3	1,578.1	2.00	1.27	1.55	50.59	
4,994.8	90.81	90.25	2,836.0	-76.5	2,555.8	0.00	0.00	0.00	0.00	S.U. #704 LB TGT ;
5,994.2	90.80	90.13	2,822.0	-79.8	3,555.1	0.01	0.00	-0.01	-92.33	S.U. #704 LB TGT ;
6,046.3	89.77	89.99	2,821.7	-79.9	3,607.2	2.00	-1.98	-0.27	-172.32	
6,850.5	89.77	89.99	2,825.0	-79.7	4,411.3	0.00	0.00	0.00	0.00	S.U. #704 LB TOE

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Wellbore: Lateral B
Design: Plan #8

Local Co-ordinate Reference: Well Southern Ute #704
TVD Reference: DFE @ 6363.0ft (AWS 730)
MD Reference: DFE @ 6363.0ft (AWS 730)
North Reference: True
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,795.0	0.00	0.00	1,795.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.25	94.00	1,800.0	0.0	0.0	0.0	5.00	5.00	0.00
1,900.0	5.25	94.00	1,899.9	-0.3	4.8	4.8	5.00	5.00	0.00
2,000.0	10.25	94.00	1,998.9	-1.3	18.2	18.3	5.00	5.00	0.00
2,100.0	15.25	94.00	2,096.4	-2.8	40.3	40.3	5.00	5.00	0.00
2,200.0	20.25	94.00	2,191.6	-4.9	70.7	70.7	5.00	5.00	0.00
2,300.0	25.25	94.00	2,283.8	-7.6	109.2	109.3	5.00	5.00	0.00
2,400.0	30.25	94.00	2,372.3	-10.9	155.7	155.8	5.00	5.00	0.00
2,500.0	35.25	94.00	2,456.4	-14.7	209.6	209.8	5.00	5.00	0.00
2,569.4	38.72	94.00	2,511.8	-17.6	251.2	251.5	5.00	5.00	0.00
704 SHL North HL									
2,600.0	40.25	94.00	2,535.4	-18.9	270.7	271.0	5.00	5.00	0.00
2,657.9	43.14	94.00	2,578.6	-21.6	309.1	309.4	5.00	5.00	0.00
S.U. #704 LB TGT Line									
2,700.0	45.25	94.00	2,608.8	-23.7	338.3	338.7	5.00	5.00	0.00
2,800.0	50.25	94.00	2,676.0	-28.8	412.2	412.6	5.00	5.00	0.00
2,900.0	55.25	94.00	2,736.5	-34.4	491.5	492.1	5.00	5.00	0.00
2,961.2	58.31	94.00	2,770.0	-37.9	542.6	543.2	5.00	5.00	0.00
704 SHL West HL									
3,000.0	60.25	94.00	2,789.9	-40.3	575.9	576.5	5.00	5.00	0.00
3,080.0	64.25	94.00	2,827.1	-45.2	646.5	647.2	5.00	5.00	0.00
3,100.0	68.24	94.38	2,835.2	-46.5	664.8	665.5	20.00	19.93	1.88
3,125.0	73.22	94.82	2,843.4	-48.4	688.3	689.0	20.00	19.93	1.76
3,150.0	78.20	95.23	2,849.6	-50.6	712.4	713.2	20.00	19.93	1.67
3,175.0	83.19	95.64	2,853.6	-52.9	736.9	737.8	20.00	19.94	1.61
3,200.0	88.17	96.03	2,855.5	-55.4	761.7	762.6	20.00	19.94	1.58
3,209.2	90.00	96.18	2,855.7	-56.4	770.9	771.8	20.00	19.94	1.57
3,300.0	90.15	94.37	2,855.6	-64.7	861.3	862.3	2.00	0.16	-1.99
3,400.0	90.31	92.37	2,855.1	-70.6	961.1	962.2	2.00	0.16	-1.99
3,500.0	90.48	90.38	2,854.5	-73.0	1,061.1	1,062.2	2.00	0.16	-1.99
3,524.1	90.52	89.90	2,854.2	-73.1	1,085.2	1,086.4	2.00	0.16	-1.99
3,600.0	90.52	89.90	2,853.6	-73.0	1,161.1	1,162.2	0.00	0.00	0.00
3,700.0	90.52	89.90	2,852.7	-72.8	1,261.1	1,262.2	0.00	0.00	0.00
3,800.0	90.52	89.90	2,851.8	-72.6	1,361.1	1,362.2	0.00	0.00	0.00
3,900.0	90.52	89.90	2,850.9	-72.4	1,461.1	1,462.1	0.00	0.00	0.00

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MD Reference: DFE @ 6363.0ft (AWS 730)
North Reference: True
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
3,994.4	90.52	89.90	2,850.0	-72.3	1,555.5	1,556.5	0.00	0.00	0.00
S.U. #704 LB TGT #1									
4,000.0	90.59	89.98	2,849.9	-72.3	1,561.1	1,562.1	2.00	1.27	1.55
4,017.1	90.81	90.25	2,849.7	-72.3	1,578.1	1,579.2	2.00	1.27	1.55
4,100.0	90.81	90.25	2,848.6	-72.6	1,661.0	1,662.1	0.00	0.00	0.00
4,200.0	90.81	90.25	2,847.2	-73.1	1,761.0	1,762.1	0.00	0.00	0.00
4,300.0	90.81	90.25	2,845.8	-73.5	1,861.0	1,862.1	0.00	0.00	0.00
4,400.0	90.81	90.25	2,844.4	-73.9	1,961.0	1,962.0	0.00	0.00	0.00
4,500.0	90.81	90.25	2,843.0	-74.4	2,061.0	2,062.0	0.00	0.00	0.00
4,600.0	90.81	90.25	2,841.5	-74.8	2,161.0	2,162.0	0.00	0.00	0.00
4,700.0	90.81	90.25	2,840.1	-75.2	2,261.0	2,262.0	0.00	0.00	0.00
4,800.0	90.81	90.25	2,838.7	-75.7	2,361.0	2,362.0	0.00	0.00	0.00
4,900.0	90.81	90.25	2,837.3	-76.1	2,461.0	2,461.9	0.00	0.00	0.00
4,994.8	90.81	90.25	2,836.0	-76.5	2,555.8	2,556.8	0.00	0.00	0.00
S.U. #704 LB TGT #2									
5,000.0	90.81	90.25	2,835.9	-76.5	2,561.0	2,561.9	0.01	0.00	-0.01
5,100.0	90.80	90.24	2,834.5	-77.0	2,660.9	2,661.9	0.01	0.00	-0.01
5,200.0	90.80	90.22	2,833.1	-77.4	2,760.9	2,761.9	0.01	0.00	-0.01
5,300.0	90.80	90.21	2,831.7	-77.8	2,860.9	2,861.9	0.01	0.00	-0.01
5,400.0	90.80	90.20	2,830.3	-78.1	2,960.9	2,961.8	0.01	0.00	-0.01
5,500.0	90.80	90.19	2,828.9	-78.5	3,060.9	3,061.8	0.01	0.00	-0.01
5,600.0	90.80	90.18	2,827.5	-78.8	3,160.9	3,161.8	0.01	0.00	-0.01
5,700.0	90.80	90.16	2,826.1	-79.1	3,260.9	3,261.8	0.01	0.00	-0.01
5,800.0	90.80	90.15	2,824.7	-79.3	3,360.9	3,361.8	0.01	0.00	-0.01
5,900.0	90.80	90.14	2,823.3	-79.6	3,460.9	3,461.7	0.01	0.00	-0.01
5,994.2	90.80	90.13	2,822.0	-79.8	3,555.1	3,555.9	0.01	0.00	-0.01
S.U. #704 LB TGT #3									
6,000.0	90.69	90.11	2,821.9	-79.8	3,560.8	3,561.7	2.00	-1.98	-0.27
6,046.3	89.77	89.99	2,821.7	-79.9	3,607.2	3,608.0	2.00	-1.98	-0.27
6,100.0	89.77	89.99	2,822.0	-79.9	3,660.8	3,661.7	0.00	0.00	0.00
6,200.0	89.77	89.99	2,822.4	-79.8	3,760.8	3,761.7	0.00	0.00	0.00
6,300.0	89.77	89.99	2,822.8	-79.8	3,860.8	3,861.7	0.00	0.00	0.00
6,400.0	89.77	89.99	2,823.2	-79.8	3,960.8	3,961.6	0.00	0.00	0.00
6,500.0	89.77	89.99	2,823.6	-79.8	4,060.8	4,061.6	0.00	0.00	0.00
6,600.0	89.77	89.99	2,824.0	-79.8	4,160.8	4,161.6	0.00	0.00	0.00
6,700.0	89.77	89.99	2,824.4	-79.8	4,260.8	4,261.6	0.00	0.00	0.00
6,800.0	89.77	89.99	2,824.8	-79.7	4,360.8	4,361.6	0.00	0.00	0.00
6,850.5	89.77	89.99	2,825.0	-79.7	4,411.3	4,412.1	0.00	0.00	0.00
S.U. #704 LB TOE - S.U. #704 UL TOE wrong									

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MD Reference: DFE @ 6363.0ft (AWS 730)
North Reference: True
Survey Calculation Method: Minimum Curvature

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
S.U. #704 LB TGT #3 - plan hits target center - Point	0.00	0.00	2,822.0	-79.8	3,555.1	1,136,440.00	2,383,907.00	37° 1' 20.136 N	107° 36' 37.342 W
S.U. #704 LB TOE - plan hits target center - Point	0.00	0.00	2,825.0	-79.7	4,411.3	1,136,420.63	2,384,763.07	37° 1' 20.136 N	107° 36' 26.784 W
S.U. #704 LB TGT #2 - plan hits target center - Point	0.00	0.00	2,836.0	-76.5	2,555.8	1,136,466.00	2,382,908.00	37° 1' 20.170 N	107° 36' 49.665 W
S.U. #704 LB TGT #1 - plan hits target center - Point	0.00	0.00	2,850.0	-72.3	1,555.5	1,136,493.00	2,381,908.00	37° 1' 20.213 N	107° 37' 1.999 W
704 SHL North HL - plan misses target center by 569.9ft at 2569.4ft MD (2511.8 TVD, -17.6 N, 251.2 E) - Polygon	0.00	0.00	2,859.0	-42.0	-200.0	1,136,563.15	2,380,153.59	37° 1' 20.513 N	107° 37' 23.646 W
Point 1			2,859.0	0.0	0.0	1,136,563.15	2,380,153.59		
Point 2			2,859.0	0.0	1,600.0	1,136,526.79	2,381,753.24		
704 SHL West HL - plan misses target center by 381.6ft at 2961.2ft MD (2770.0 TVD, -37.9 N, 542.6 E) - Polygon	0.00	0.00	2,859.0	-400.0	461.0	1,136,190.21	2,380,806.31	37° 1' 16.973 N	107° 37' 15.495 W
Point 1			2,859.0	1,600.0	0.0	1,137,789.86	2,380,842.67		
Point 2			2,859.0	-800.0	0.0	1,135,390.38	2,380,788.13		



Southern Ute #704
618' FNL x 199' FWL
NW/4NW/4 Section 16, T-32-N, R-7-W, N.M.P.M.
La Plata Co., CO

THIRTEEN POINT SURFACE USE PLAN

1. Existing Roads: (see attached map)

All roads used to access the well shall be properly maintained in the same or better condition than the roads presently found.

2. Planned Access Route: (see attached map)

From the intersection of State Hwy 172 and CR 318 in Ignacio, travel south on State Hwy 172 for 5.5 miles; turn right on dirt road for 0.4 miles; turn right on dirt road for 0.3 miles; turn right on dirt road for 1.1 miles to existing BP Wirt Gas Unit F#2 wellpad; follow flagged access from SE corner of wellpad for 1949' to staked location.

3. Location of Existing Wells: See attached map.

4. Location of Existing or Proposed Facilities:

Proposed facilities may consist of a wellhead, wellsite compressor, separator, dehydrator, three 400 bbl steel water tanks, two 80 bbl fiberglass tanks, pumping unit, water transfer pump, chemical injection system, meter house and "slop tank" for residual compressor / dehy fluids and associated pipelines. See attached proposed equipment layout diagram. All equipment will be painted green as required.

5. Location and Type of Water Supply:

Any water for the project will be obtained from the city of Ignacio. Water will be trucked to the site using the same roads described above.

6. Construction Materials:

No construction materials are required to build the proposed location.

THIRTEEN POINT SURFACE USE PLAN (cont.)
Southern Ute #704

7. Methods of Handling Waste Material:

All garbage and trash material will be put into a trash container. The container will be periodically emptied at an approved disposal site. A portable latrine will be provided for human wastes.

Drill cuttings will be placed in a lined reserve pit. Drilling fluids will be kept in the reserve pit. Fluids will be allowed to dry and will be buried with the cuttings in the reserve pit.

The wellsite cleanup will be done once the completion operations have finished. Trash will be collected in the trash container. The reserve pit will be fenced on three sides during drilling and completion operations with the fourth side fenced during cleanup. The pit will remain fenced until the pit has dried enough to be backfilled.

Water produced during testing will be drained into the reserve pit.

8. Ancillary Facilities: None.

9. Wellsite Layout:

Refer to survey plat, cut-and-fill diagram and equipment layout diagram. Reserve pit will be lined.

10. Plans for restoration of the surface:

Following completion of the project the location will be cleaned and leveled. Backfilling of the reserve pit will be done when dry. Contouring will be done in conjunction with backfilling. Waste removal will commence as soon as drilling is complete. Topsoil will be stripped and stockpiled to be spread over the recontoured area prior to revegetation. Revegetation will be done during the appropriate season. This will be conducted using BLM specified seed mixtures and planting times. All areas not needed for production operations will be reseeded. The reserve pit will be fenced until covered. Any oil accumulation will be removed.

THIRTEEN POINT SURFACE USE PLAN (cont.)
Southern Ute #704

11. Surface Ownership:

Southern Ute Indian Tribe, P.O. Box 737, Ignacio, CO 81132

12. Other Information:


Contact one of the following personnel for operations, engineering and/or regulatory issues:

	<u>Office</u>	<u>Mobile</u>
Tom Bealessio 3401 East 30 th St. Farmington, NM 87401	(505) 326-9710	(505) 947-2540

13. I certify that I, or persons under my supervision have inspected the proposed drillsite and access route: that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by ConocoPhillips, its contractors and subcontractors in conformity with this plan and terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

5-24-2010

Date


Tim G. Kelley, Agent

Eight Point Technical Plan

1. Geologic Tops -

Formation	Top- TVD	Substance
Surface Casing	300'	
Nacimiento	1780	Possible water flows
Ojo Alamo	2050'	Water
Kirtland	2074'	
Fruitland Coal	2508	Gas/Water
7" Casing	2974'(3788' MD)	Gas/Water
TD (Lateral A)	2977'(6866' MD)	Gas/Water
TD (Lateral B)	2825'(6851' MD)	Gas/Water

2. Pressure control equipment – See attached diagram

- Total Depth = 2977 ft TVD.
- Bottom Hole Pressure = 1350 psi (estimated).
- Minimum BOP Working Pressure = 1350 psi - .22 psi/ft * 2977 ft = 695 psi
- BOPE of 2,000 psi (2M) working pressure is required, but well will be drilled with 3M stack.

3. Complete information on the drilling equipment, casing and cementing program –

Proposed Casing And Cementing Program				
Size of Hole	Size of Casing	Weight/Foot	Setting Depth (MD)	Quantity of Cement
12-1/4"	9 5/8"	32.3#, H-40, ST&C, New	0-300'	Cement to surface with 206 cu ft (161 sks), volume includes 100% excess in open hole, mixed at 15.2 ppg with calcium chloride to accelerate, compressive strength 500 psi after 8 hours.
8-3/4"	7"	23#, L-80, LT&C, New	0-3778'	Cement to surface with 846 cu ft. volume includes 50% excess in open hole, to consist of 646 cu ft (303 sks) lead slurry mixed at 12.1 ppg and 200 cu ft (145 sks) tail slurry mixed at 14.6 ppg. Slurries are extended to achieve stated densities and may

				include various additives to control seepage. TOC for tail: 100' MD above base of Kirtland Shale
6-1/4"	4-1/2" liner	11.6#, L-80, BTC, New	3778'-6866' 3080'-6851'	Pre-perforated and plugged liner left uncemented

4. Information on Mud System -

Mud Program				
Interval (MD)	Mud Type	Weight (ppg)	Water/Fluid Loss	Additives
0-600'	Air or Gel/Water	Air or 8.3 - 8.9	No Control	Gel
600'-3788'	LSND or Gel system	8.4 - 9.2	Some control	Polymer and gel as required
3788'-6866' 3080'-6851'	LSND	8.4-8.7	Some control	Polymer, and LCM as required

5. Testing, Logging, Coring -

- Logs: Cased hole GR-CCL-CBL will be run in 7" casing
- MWD LWD(GR) from under surface shoe to TD
- Mudlog from KOP to TD, taking samples every 10'
- Coring: No coring is planned
- DST: No planned drill stem test

6. Expected BHP, abnormal temperatures and pressures, and hazards -

- No overpressured intervals expected
- No H2S anticipated
- Possible lost circulation in Fruitland to be handled if it occurs with standard LCM products

7. Other information -

This is a dual lateral Horizontal. Lateral A will be drilled out the 7" shoe which will be set horizontally, Lateral B will be drilled out a casing exit at 3080'. See attached Directional plans and diagrams

N



300.000'

Edge of disturbance

Edge of graded wellpad

Blow Pit

Reserve Pit

Wellhead

Flowline

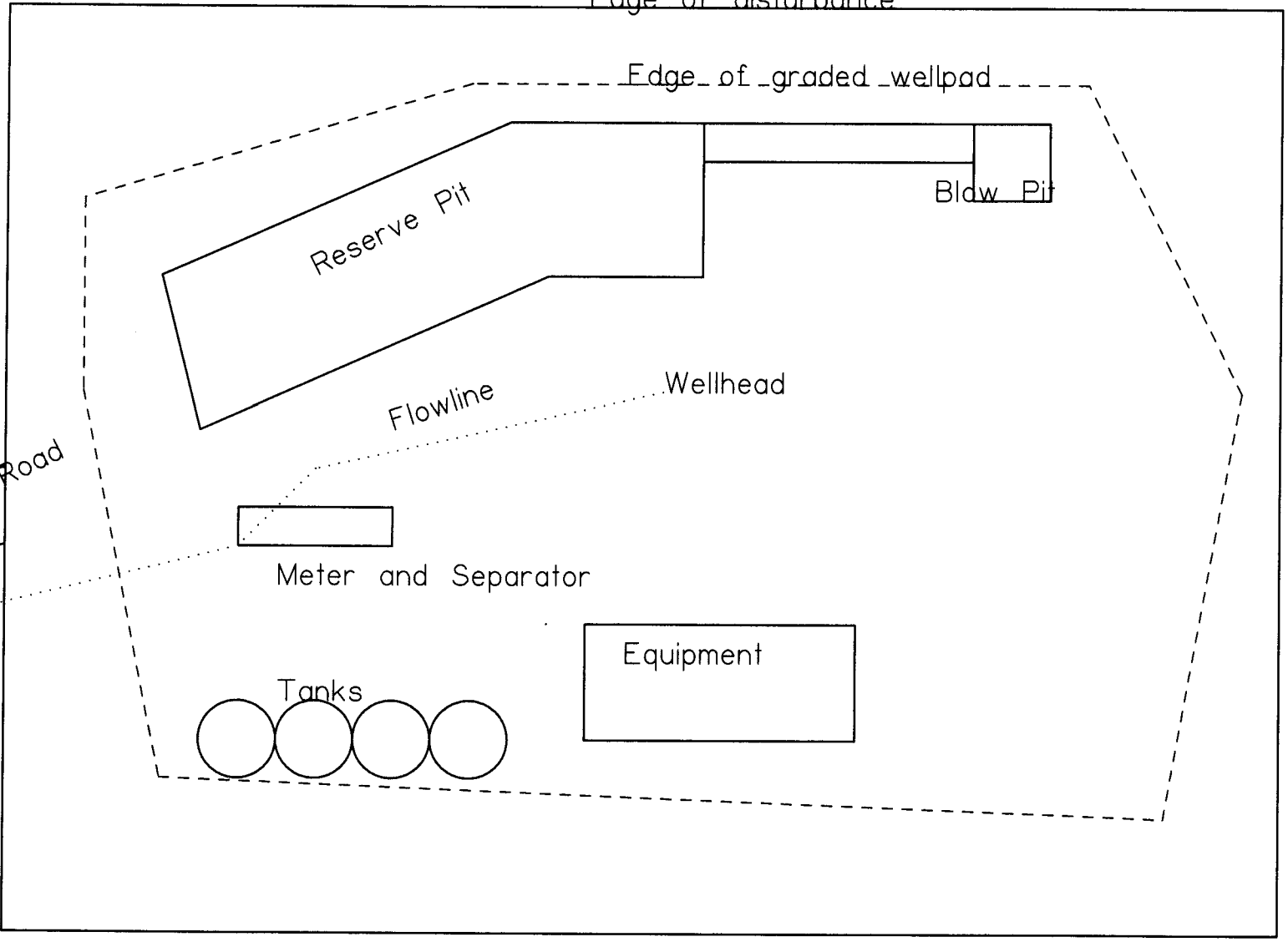
Meter and Separator

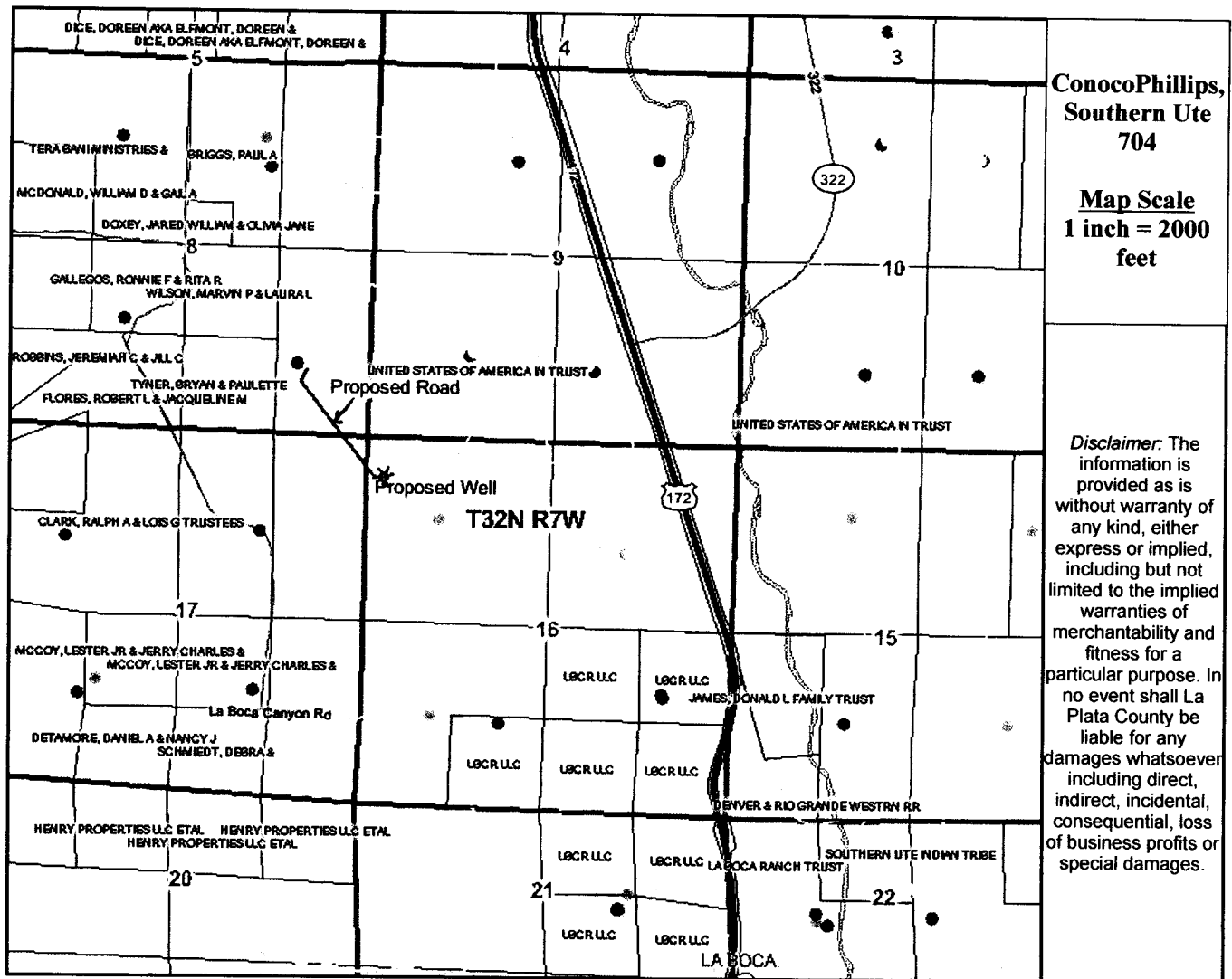
Equipment

Tanks

Access Road

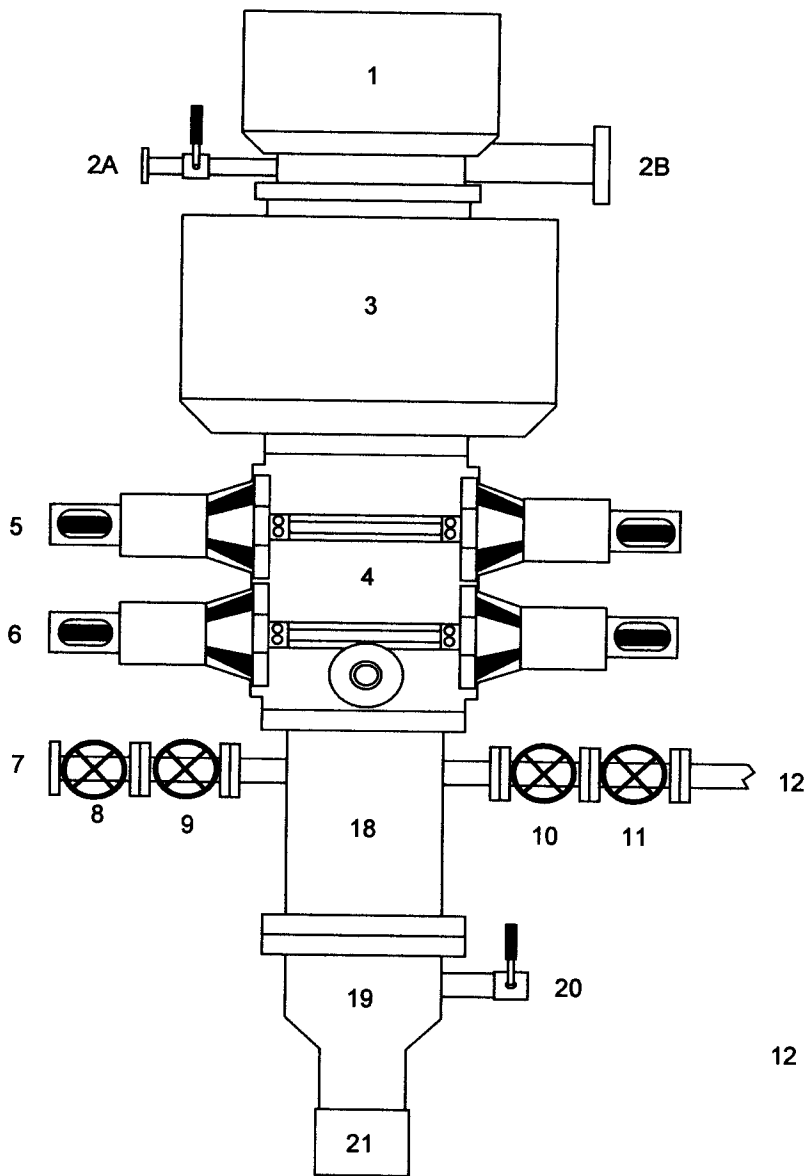
400.000'



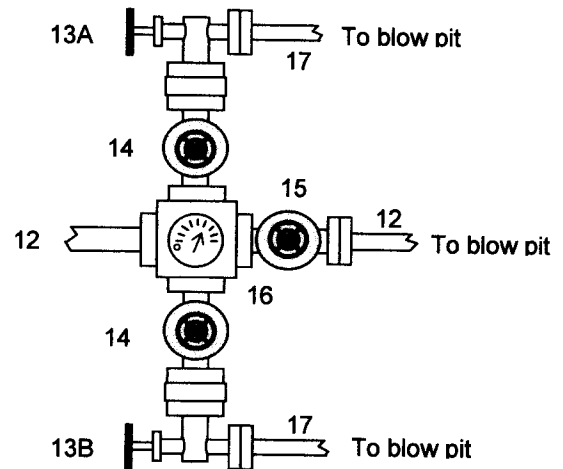


BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

Figure 1 AWS 730 BOP schematic



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Flowline
3. Annular BOP (11", 3000 psi)
4. Double Ram BOP (11", 3000 psi)
5. Pipe Rams
6. Blind Rams
7. Kill Line Connection
8. Kill Line Gate Valve
9. Kill Line Gate Valve
10. Inner Choke Line Valve (3")
11. Outer Choke Line Valve (3")
12. Choke Line (3")
- 13A Variable Choke
- 13B Fixed Choke
14. Choke Line Valve (2")
15. Panic Line Valve (3")
16. Choke Manifold Pressure Gauge
17. Choke Line (2")
18. Mud Cross Spacer Spool
19. Casing Head "A" Section
20. Casing Head "A" Section 2" Valve
21. 9 5/8" Casing Collar



Surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 5 minutes and to 3000 psi (high pressure test) for 10 minutes. The annular will be tested to 1500 psi (50% of the rated pressure). Then the test plug will be removed, and the surface casing will be pressure tested against closed rams to 600 psi for 30 minutes (this value is 26% of the minimum internal yield pressure of the 9-5/8" casing). (Note: per regulatory requirements we will wait on cement at least 8 hrs after placement before testing the surface casing). Then the intermediate hole will be drilled to intermediate casing point and intermediate casing will be run and cemented.

In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

1. Upper Kelly cock Valve with handle
2. Stab-in TIW valve for all drillstrings in use