

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF-078410
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
2. Name of Operator CONOCOPHILLIPS COMPANY		7. If Unit or CA Agreement, Name and No.
Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conocophillips.com		8. Lease Name and Well No. SAN JUAN 29-5 UNIT 19B
3a. Address 4001 PENBROOK, SUITE 346 ODESSA, TX 79762	3b. Phone No. (include area code) Ph: 915.368.1352	9. API Well No. 3003929203
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface NESE 2445FSL 1170FEL At proposed prod. zone		10. Field and Pool, or Exploratory BLANCO MESAVERDE
14. Distance in miles and direction from nearest town or post office*		11. Sec., T., R., M., or Blk. and Survey or Area Sec 6 T29N R5W Mer NMP I
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in Lease	12. County or Parish RIO ARRIBA ✓
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 6212 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6669 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well 320.66 E/2
23. Estimated duration		

24. Attachments

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

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

25. Signature (Electronic Submission)	Name (Printed/Typed) VICKI WESTBY	Date 08/17/2004
Title AGENT		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 11/1/04
Title AFM	Office FFO	

Application approval does not warrant or certify 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.

Additional Operator Remarks (see next page)

Electronic Submission #34707 verified by the BLM Well Information System
For CONOCOPHILLIPS COMPANY, sent to the Farmington

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

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

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

NMOC

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-29203		*Pool Code 72319	*Pool Name BLANCO MESAVERDE
*Property Code 31325	*Property Name SAN JUAN 29-5 UNIT		*Well Number 198
*GRID No. 217817	*Operator Name CONOCOPHILLIPS COMPANY		*Elevation 6669'

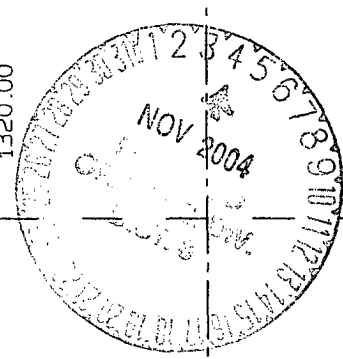

¹⁰ Surface Location

U. or lot no.	Section	Township	Range	Lot Idh	Feet from the	North/South line	Feet from the	East/West line	County
I	6	29N	5W		2445	SOUTH	1170	EAST	RIO ARriba

¹¹ Bottom Hole Location If Different From Surface

U. or lot no.	Section	Township	Range	Lot Idh	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320.66 Acres - (E/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

				6				LEASE SF-078410			
5280.00'				1334.52'				1320.00'			
1320.00'				LOT 4				LOT 3			
1320.00'				LOT 2				LOT 1			
2640.00'				5276.04'				2640.00'			
2445'				1170'				2445'			
LAT: 36°45.2453' N LONG: 107°23.5907' W DATUM: NAD27											
¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Vicki R. Westby</i> Signature Vicki R. Westby Printed Name Sr. Analyst Title Date <i>August 9, 2004</i>								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: MARCH 9, 2004 Signature and Seal of Professional Surveyor  <i>JASON C. EDWARDS</i> Certificate Number 15269			

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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 and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO.
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator ConocoPhillips Company		6. State Oil & Gas Lease No.
3. Address of Operator 4001 Penbrook, Odessa, TX 79762		7. Lease Name or Unit Agreement Name <i>San Juan 29-5 unit</i>
4. Well Location Unit Letter <i>I</i> : <i>2445</i> feet from the <i>South</i> line and <i>1170</i> feet from the <i>East</i> line Section <i>6</i> Township <i>29N</i> Range <i>5W</i> NMPM County		8. Well Number <i>19B</i>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <i>6669</i> GL		9. OGRID Number <i>217817</i>
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat <i>Blanco Mesaverde</i>
Pit type <i>Drill</i> Depth to Groundwater <i>50'</i> Distance from nearest fresh water well <i>>1000'</i> Distance from nearest surface water <i>1000'</i>		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Drill Pit Notification <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

ConocoPhillips Company's Generic Pit Plan is on file at NMOCD in Aztec, NM. See the attached diagram that details the location of the pit in reference to the proposed wellhead. The drill pit will be lined. The drill pit will be closed after the well has been completed. The solids left after the water has been disposed of will be sampled and NMOCD approval will be obtained prior to closure of this pit.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE *Vicki Westby (pj)* TITLE *SR Analyst* DATE *8/17/04*

Type or print name Vicki Westby E-mail address: Vicki.R.Westby@ConocoPhillips.com Telephone No. 432-368-1352

For State Use Only

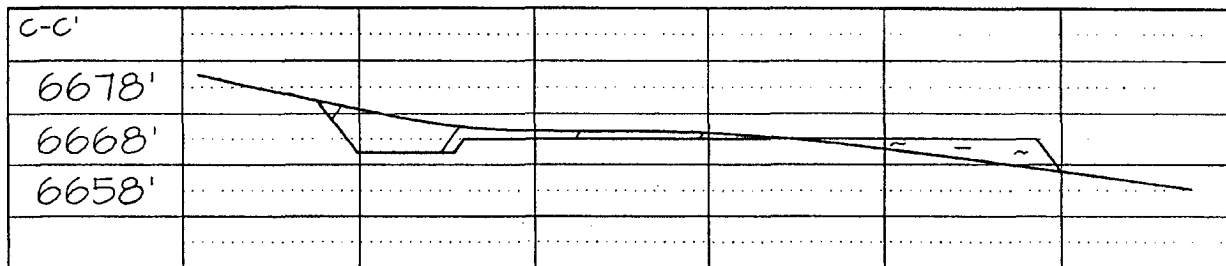
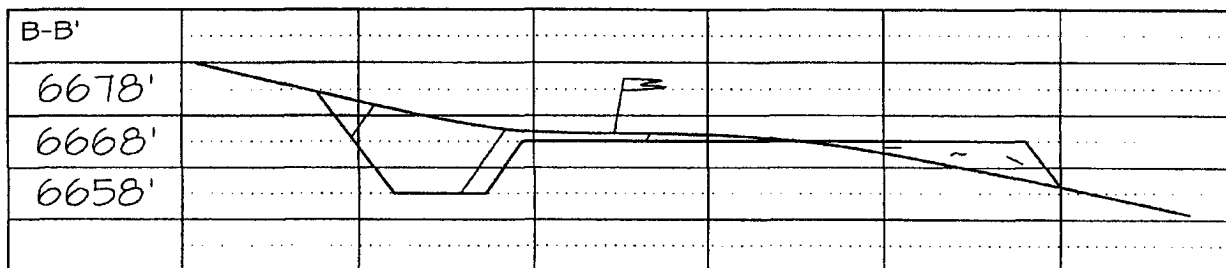
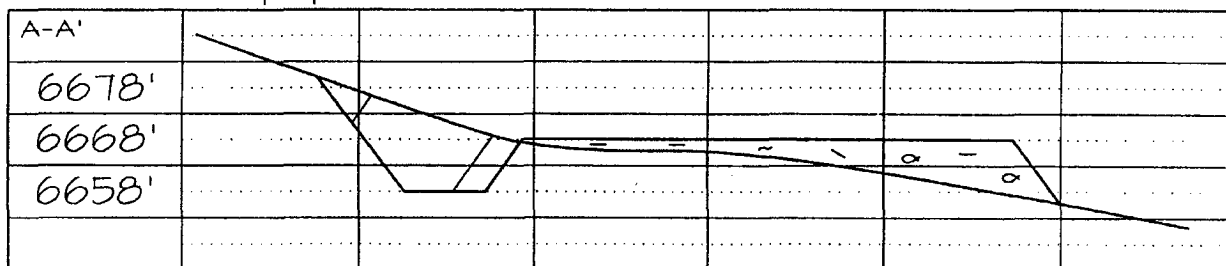
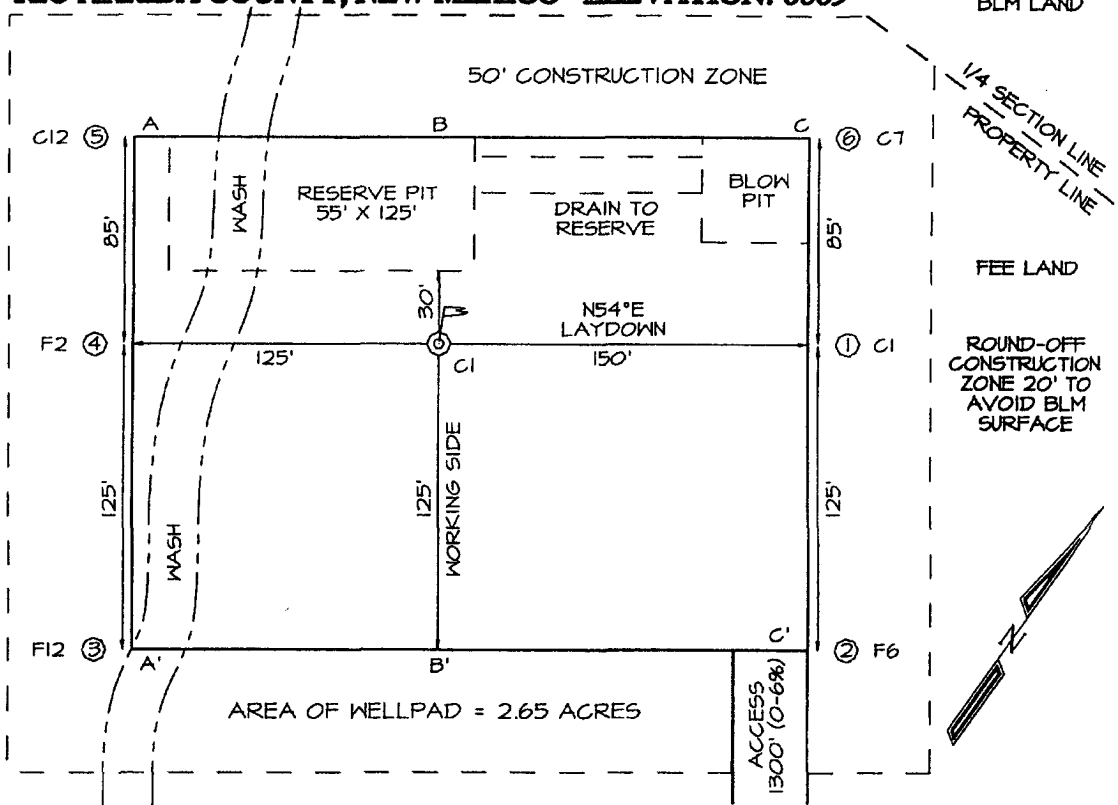
APPROVED BY: *[Signature]* TITLE *DEPUTY OIL & GAS INSPECTOR, DIST. 4* DATE *NOV - 4 2004*

Conditions of Approval (if any):

LATITUDE: 36.75409° N
LONGITUDE: 107.39318° W
DATUM: NAD1927

PLAT NOTE:

SURFACE OWNER
Fee Surface Owner
Gene Gomez Estate





San Juan Business Unit

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 29-5 19B

Lease:	AFE #:		AFE \$:	
Field Name: hPHILLIPS 29-5	Rig: MACKLON Rig 3	State: NM	County: RIO ARRIBA	API #:
Geoscientist: Glaser, Terry J	Phone: (832)486-2332	Prod. Engineer: Moody, Craig E.	Phone: (281) 293 - 6559	
Res. Engineer: Johnson, Tom B.	Phone: (832)-486-2347	Proj. Field Lead: Fransen, Eric E.	Phone:	

Primary Objective (Zones):

Zone	Zone Name
RON	BLANCO MESAVERDE (PRORATED GAS)

Location: Surface **Straight Hole**

Latitude: 36.75	Longitude: -107.39	X:	Y:	Section: 6	Range: 5W
Footage X: 1170 FEL	Footage Y: 2445 FSL	Elevation: 6669	(FT)	Township: 29N	

Tolerance:

Location Type: Summer Only	Start Date (Est.):	Completion Date:	Date In Operation:
Formation Data: Assume KB = 6682	Units = FT		

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
SURFACE CSG	213	6469	<input type="checkbox"/>			12 1/4" Hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.
NCMT	1382	5300	<input type="checkbox"/>			
OJAM	2787	3895	<input type="checkbox"/>			Possible water flows.
KRLD	2937	3745	<input type="checkbox"/>			
FRLD	3307	3375	<input type="checkbox"/>			Possible gas.
PCCF	3622	3060	<input type="checkbox"/>			
LEWS	3822	2860	<input type="checkbox"/>			
Intermediate Casing	3922	2760	<input type="checkbox"/>			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
CHRA	4632	2050	<input type="checkbox"/>			
CLFH	5477	1205	<input type="checkbox"/>	1300		Gas; possibly wet
MENF	5527	1155	<input type="checkbox"/>			Gas.
PTLK	5812	870	<input type="checkbox"/>	2000		Gas.
Total Depth	6212	470	<input type="checkbox"/>			6 1/4" Hole. 4 1/2", 10.5 ppf, J-55, STC casing. Circulate cement a minimum of 100' inside the previous casing string. No open hole logs. Cased hole TDT with GR to surface.

Reference Wells:

Reference Type	Well Name	Comments
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Logging Program:

Intermediate Logs:	<input type="checkbox"/> Log only if show	<input type="checkbox"/> GR/ILD	<input type="checkbox"/> Triple Combo
TD Logs:	<input type="checkbox"/> Triple Combo	<input type="checkbox"/> Dipmeter	<input type="checkbox"/> RFT <input type="checkbox"/> Sonic <input type="checkbox"/> VSP <input checked="" type="checkbox"/> TDT
Additional Information:			

Comments: General/Work Description -

Drilling Mud Program:

Surface: spud mud

Intermediate: fresh water mud with bentonite and polymer as needed

Below Intermediate: air/nitrogen/mist drilling media with foamer, polymer, & corrosion inhibitor as needed

San Juan 29-5 #19B

SURFACE CASING :

Drill Bit Diameter	12.25"	
Casing Outside Diameter	9.625"	Casing Inside Diam. 9.001"
Casing Weight	32.3	ppf
Casing Grade	H-40	
Shoe Depth	230'	
Cement Yield	125	cuft/sk
Excess Cement	125	%
Cement Required	149	sx

SHOE 230 ', 9.625 ", 32.3 ppf, H-40 STC

INTERMEDIATE CASING :

Drill Bit Diameter	8.75"	
Casing Outside Diameter	7"	Casing Inside Diam. 6.456"
Casing Weight	20	ppf
Casing Grade	J-55	
Shoe Depth	3922'	
Lead Cement Yield	150	cuft/sk
Lead Cement Excess	150	%
Tail Cement Length	344'	
Tail Cement Yield	150	cuft/sk
Tail Cement Excess	150	%
Lead Cement Required	335	sx
Tail Cement Required	249	sx

SHOE 3922 ', 7 ", 20 ppf, J-55 STC

PRODUCTION CASING :

Drill Bit Diameter	6.25"	
Casing Outside Diameter	4.5"	Casing Inside Diam. 4.052"
Casing Weight	10.5	ppf
Casing Grade	J-55	
Top of Cement	6212'	200' inside intermediate casing
Shoe Depth	6212'	
Cement Yield	50	cuft/sk
Cement Excess	50	%
Cement Required	259	sx

SHOE 6212 ', 4.5 ", 10.5 ppf, J-55 STC

San Juan 29-5 #19B			
	Surf. Csg	Int. Csg	Prod. Csg
OD	9.625	7	4.5
ID	9.001	6.456	4.052
Depth	230	3922	6212
Hole Diam	12.25	8.75	6.25
% Excess Lead		150	
% Excess Tail	125	150	50
Lead Yield		2.89	
Tail Yield	1.21	1.32	1.45
Ft of Tail Slurry	230	784.4	2490
Top of Tail Slurry	0	3137.6	3722
Top of Lead Slurry	N/A	0	N/A
Mud Wt (ppg)	8.9	9.0	air drill
Mud Type	WBM	WBM	air drill

Surface Casing						
	Ft	Cap	XS Factor	bbls	cuft	sx
Open Hole Annulus	230	0.055804	2.25	28.9	162.1	134.0
Shoe Track Volume	40	0.078735	1	3.1	17.7	14.6
Total				32.0	179.8	148.6

Intermediate Casing						
	Ft	Cap	XS Factor	bbls	cuft	sx
Lead Open Hole Annulus	2907.6	0.026786	2.5	194.7	1093.2	379.6
Lead Cased Hole Annulus	220	0.031116	1	6.8	38.4	13.3
Lead Total				201.6	1131.6	392.9
Tail Open Hole Annulus	784.4	0.026786	2.5	52.5	294.9	221.7
Tail Shoe Track Volume	42	0.040505	1	1.7	9.6	7.2
Tail Total				54.2	304.5	228.9

Production Casing						
	Ft	Cap	XS Factor	bbls	cuft	sx
Open Hole Annulus	2290	0.018282	1.5	62.8	352.6	243.2
Cased Hole Annulus	200	0.020826	1	4.2	23.4	16.1
Total				67.0	376.0	259.3

San Juan 29-5 #19B		
9-5/8 Surface Casing		
Cement Recipe	Class C Standard Cement	
	+ 3% Calcium Chloride	
	+0.25 lb/sx Flocele	
Cement Volume	149	sx
Cement Yield	1.21	cuft/sx
Slurry Volume	179.8	cuft
	32.0	bbis
Cement Density	15.6	ppg
Water Required	5.29	gal/sx
Compressive Strength		
Sample cured at 60 deg F for 8 hrs		
4hrs 38 mins	50	psi
9hrs	250	psi

San Juan 29-5 #19B

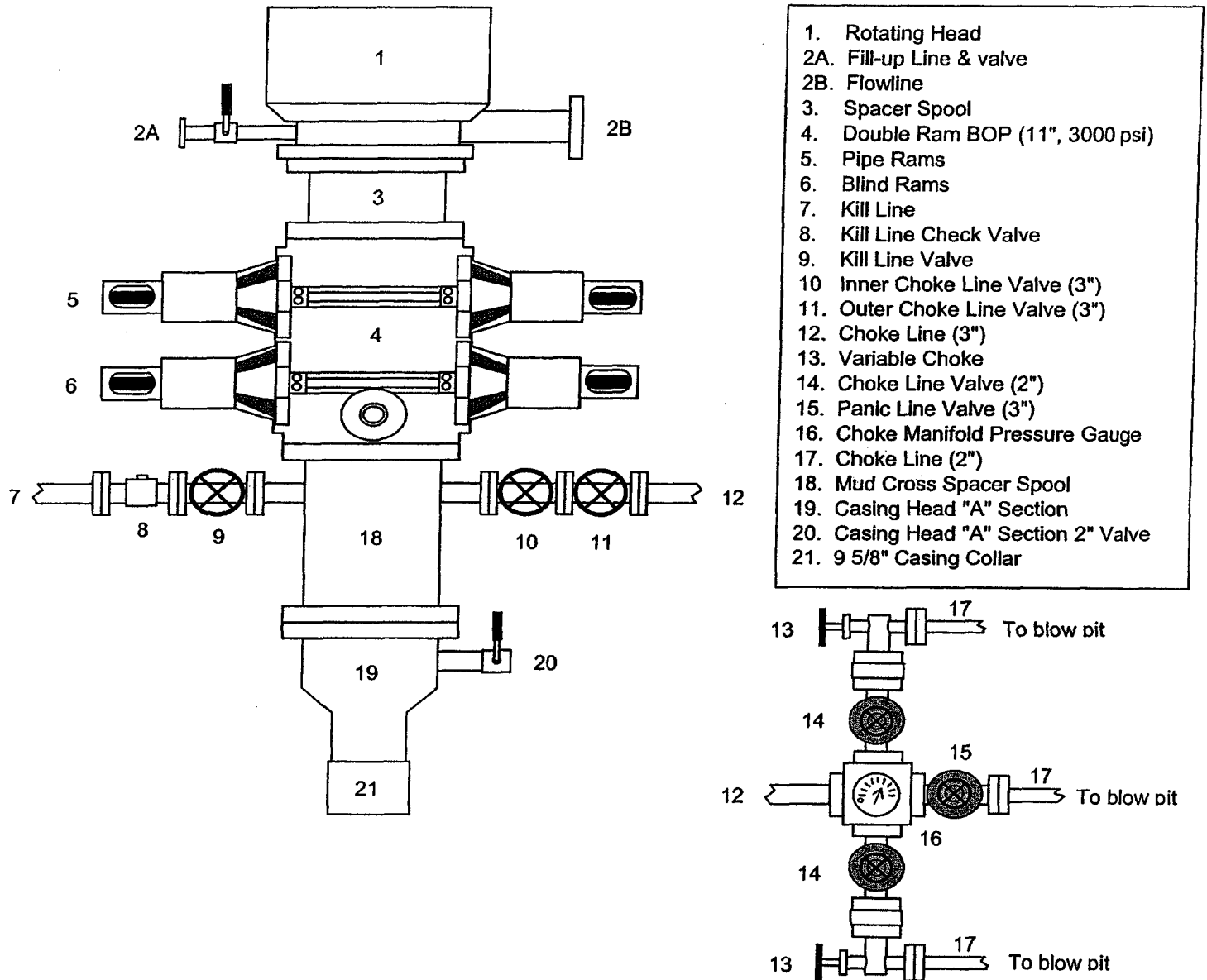
7" Intermediate Casing		
Lead Slurry		
Cement Recipe	Standard Cement	
	+ 3% Econolite (extender)	
	+ 10 lb/sx Pheno Seal	
Cement Required	393	sx
Cement Yield	2.88	cuft/sx
Slurry Volume	1131.6	cuft
	201.6	bbls
Cement Density	11.5	ppg
Water Required	16.91	gal/sx
Compressive Strength		
Sample cured at 130 deg F for 24 hrs		
1 hr 47 min	50	psi
12 hr	350	psi
24 hr	450	psi

7" Intermediate Casing		
Tail Slurry		
Cement Slurry	50 / 50 POZ Standard Cement	
	+ 2% Bentonite	
	+ 6 lb/sx Pheno Seal	
Cement Required	1229	sx
Cement Yield	1.33	cuft/sx
Slurry Volume	1604.5	cuft
	542	bbls
Cement Density	13.5	ppg
Water Required	5.52	gal/sx
Compressive Strength		
Sample cured at 130 deg F for 24 hrs		
2 hr 05 min	50	psi
4 hr 06 min	500	psi
12 hr	1250	psi
24 hr	1819	psi

San Juan 29-5 #19B		
4-1/2" Production Casing		
Cement Recipe	50 / 50 POZ Standard Cement	
	+ 3% Bentonite	
	+ 3.5 lb/sx PhenoSeal	
	+ 0.2% CFR-3 Friction Reducer	
	+ 0.1% HR-5 Retarder	
	+ 0.8% Halad-9 Fluid Loss Additive	
Cement Quantity	259	sx
Cement Yield	1.45	cuft/sx
Cement Volume	376.0	cuft
	67.0	
Cement Density	13.1	ppg
Water Required	6.47	gal/sx
Compressive Strength		
Sample cured at 200 deg F for 23 hrs		
9 hr 50 min	50	psi
13 hr 45 min	500	psi
16 hr	1500	psi
23 hr	2525	psi

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to Intermediate Casing Point & Setting 7" Intermediate Casing



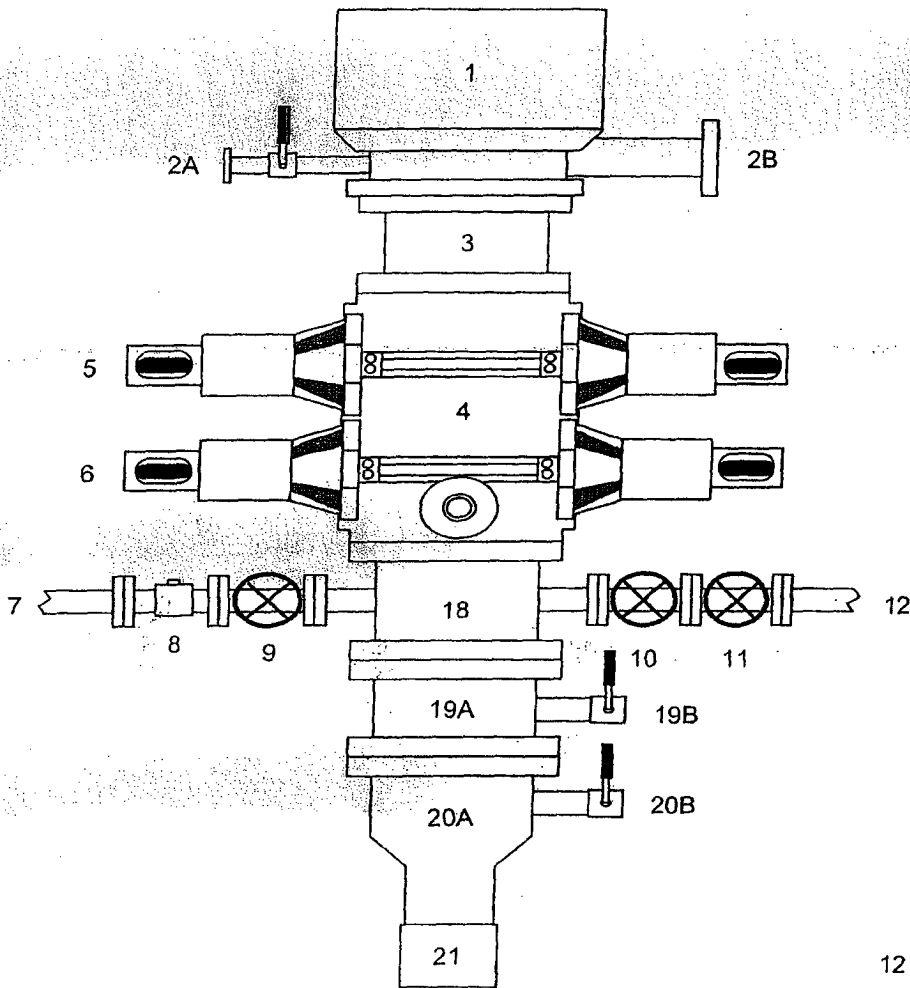
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 2-3 minutes and to 1000 psi (high pressure test) for 10 minutes. Then the test plug will be removed, and the 9-5/8" casing will be pressure tested against closed blind rams to 200 psi to 300 psi for 2-3 minutes and to 1000 psi for 30 minutes (this value is one 44% 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 9-5/8" surface casing). Then an 8-3/4" hole will be drilled to intermediate casing point and 7" intermediate casing will be run and cemented.

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

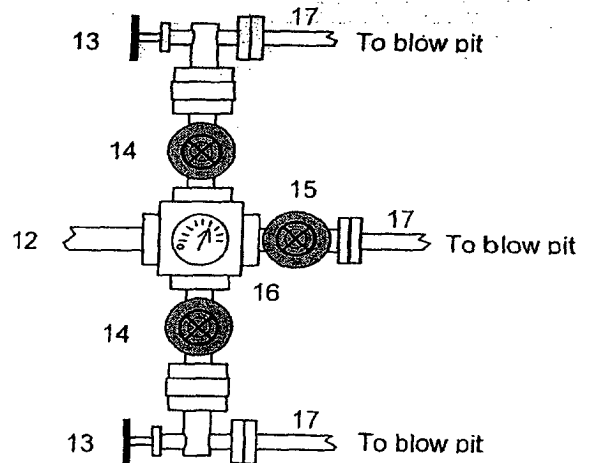
1. Upper Kelly cock Valve with handle
2. Stab-in TIW valve for all drillstrings in use

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to TD and Setting 4.5 inch Casing



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Bleeie Line (for Air Drilling)
3. Spacer Spool
4. Double-Ram BOP (11", 3000 psi)
5. Pipe Rams
6. Blind Rams
7. Kill Line
8. Kill Line Check Valve
9. Kill Line Valve
10. Inner Choke Line Valve (3")
11. Outer Choke Line Valve (3")
12. Choke Line (3")
13. Variable 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
- 19A Csg Spool "B" Section (11", 3M)
- 19B "B" Section Csg Valve (2", 3M)
- 20A Csg Head "A" Section (11", 3M)
- 20B "A" Section Csg Valve (2", 3M)
21. 9 5/8" Casing Collar



After the 7" intermediate casing has been run and cemented, the Casing Spool ("B" Section) will be installed on the wellhead ("A" Section) and the BOP will be installed on the Casing Spool. A test plug will be set in the wellhead and the pipe rams, blind rams, and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 2-3 minutes and to 3000 psi (high pressure test) for 10 minutes. Then the test plug will be removed and the 7" casing will be pressure tested against closed blind rams to 200 psi to 300 psi for 2-3 minutes and to 1800 psi for 30 minutes - this test pressure is 48% of the minimum internal yield strength of 3740 psi for the 7", 20#, J-55, STC casing. Then we will air drill the 6-1/4" hole to TD and run and cement the 4-1/2" casing.

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

Property : San Juan 29-5 Well #: 19B

Surface Location:

Unit: I Section: 6 Township: T.29N Range: 5W

County: Rio Arriba State: New Mexico

Footage: 2445 from the South line, 1170 from the East line.

CATHODIC PROTECTION

ConocoPhillips (COP) proposes to drill a cathodic protection deep well groundbed for the subject well. COP will drill a hole vertically at the surface large enough to accommodate 20 feet of 8 inch diameter PVC pipe for surface casing to assist in further drilling and loading. Casing may be cemented in place for stability if needed. COP will drill a 6-7/8" hole to an anticipated minimum depth of 300' (maximum depth of 500'). Cement plugs will not be used unless more than one water zone is encountered. Prior drilling history for the area indicates only one zone to that depth. If more than one water zone is encountered, notification will be made and details of cement and casing will be provided.

All drilling activity will remain on the existing well pad and a Farmington based company will be doing the drilling for ConocoPhillips.