

2005 MAY 18 17 12 14

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
OTO FARMINGTON

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-078997
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input 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.
3a. Address 4001 Penbrook, Odessa, Tx 79762	3b. Phone No. (include area code) 432-368-1352	8. Lease Name and Well No. SAN JUAN 30-5 UNIT #37G
4. Location of Well (Report location clearly and in accordance with any State requirements, *) At surface SWNW 1870 FNL - 495 FWL At proposed prod. zone		9. API Well No. 30-039-29552
14. Distance in miles and direction from nearest town or post office*		10. Field and Pool, or Exploratory Blanco Mesaverde / Basin Dakota
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)		11. Sec., T. R. M. or Blk. and Survey or Area Section 8, T30N, R5W NMPM E
16. No. of acres in lease 2560 acres		12. County or Parish Rio Arriba
17. Spacing Unit dedicated to this well W/2 - 320.0 acres		13. State NM
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 7851' TVD		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6338' GL		20. BLM/BIA Bond No. on file
22. Approximate date work will start*		23. Estimated duration JUL 2005
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.
2. A Drilling Plan.
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).
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 BLM.

25. Signature Vicki Westby (pj)	Name (Printed/Typed) Vicki Westby	Date 5/17/2005
Title Staff Agent		

Approved by (Signature) Adrian Field Manager - Minerals	Name (Printed/Typed)	Date 7/13/05
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.

\*(Instructions on page 2)

ConocoPhillips Company proposes to drill a vertical wellbore to the Blanco Mesaverde / Basin Dakota formations. This well will be drilled and equipped in accordance with the attachments submitted herewith. This application is for APD / ROW.

This well will be downhole commingled pursuant to the terms and conditions outlined in Order R-11363.

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

NMOC

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

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 <b>30-039-29552</b>		*Pool Code <b>72319 / 71599</b>	*Pool Name <b>BLANCO MESAVERDE / BASIN DAKOTA</b>
*Property Code <b>31327</b>	*Property Name <b>SAN JUAN 30-5 UNIT</b>		*Well Number <b>376</b>
*GRID No. <b>217817</b>	*Operator Name <b>CONOCOPHILLIPS COMPANY</b>		*Elevation <b>6338'</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	8	30N	5W		1870	NORTH	495	WEST	RIO ARriba

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres <b>320.0 Acres - W/2</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

<div><p><sup>16</sup></p><p>5279.34'</p><p>1870'</p><p>495'</p><p>LAT: 36°49.7563'N LONG: 107°23.2440'W DATUM: NAD27</p><p>5280.00'</p><p>8</p><p>5280.00'</p><p>LEASE SF-078997 2560 total acres</p></div>	<div><p>JUL 2005</p><p>RECEIVED</p><p>OIL CONSERVATION DIVISION</p><p>STATE OF NEW MEXICO</p></div>	<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Vicki Westby</i></p> <p>Signature</p> <p>Vicki R. Westby</p> <p>Printed Name</p> <p>Staff Agent</p> <p>Title</p> <p><i>April 4, 2005</i></p> <p>Date</p>
		<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>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</p> <p>Survey Date: OCTOBER 27, 2004</p> <p>Signature and Seal of Professional Surveyor</p> <div><p>JASON C. EDWARDS</p><p>NEW MEXICO</p><p>15269</p><p>REGISTERED PROFESSIONAL SURVEYOR</p></div> <p><i>JASON C. EDWARDS</i></p> <p>Certificate Number 15269</p>

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-103

May 27, 2004

WELL API NO.

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

San Juan 30-5 Unit

8. Well Number

37G

9. OGRID Number

217817

10. Pool name or Wildcat

Blanco Mesaverde / Basin Dakota

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)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

ConocoPhillips Company

3. Address of Operator

4001 Penbrook, Odessa, Tx 79762

4. Well Location

Unit Letter E 1870 feet from the North line and 495 feet from the West line  
Section 8 Township 30N Range 5W NMPM Rio Arriba County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
6338' GL

Pit or Below-grade Tank Application ☒ Closure ☐

Pit type Drill Depth to Groundwater 160' Distance from nearest fresh water well < 1 Mile Distance from nearest surface water 300'

Liner Thickness:

mil

Below-Grade Tank: Volume

bb1s; Construction Material

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: ☐

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.

The pit will be constructed and closed in accordance with Rule 50 and as per the Nov. 1, 2004 Guidelines. 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.

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

TITLE Staff Agent

DATE 5/17/2005

Type or print name

E-mail address:

Telephone No.

For State Use Only

APPROVED BY:

Conditions of Approval (if any):

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. 03

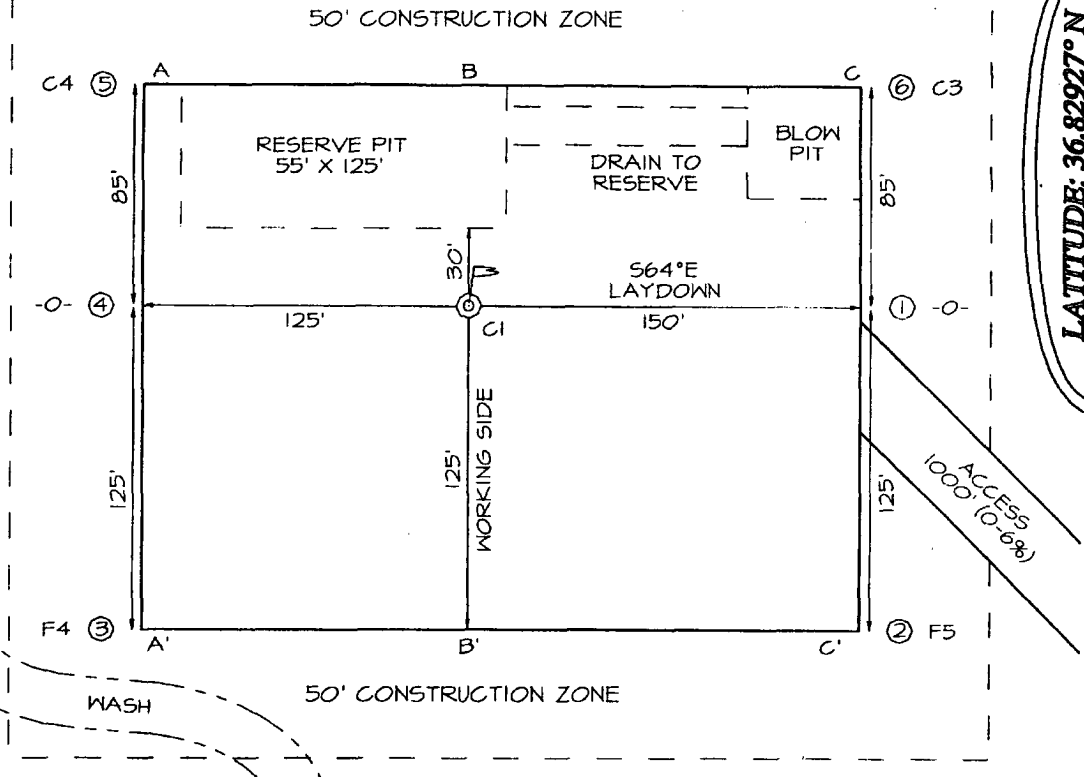
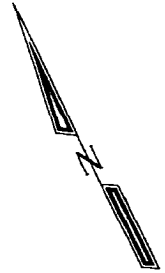
DATE

JUL 15 2005

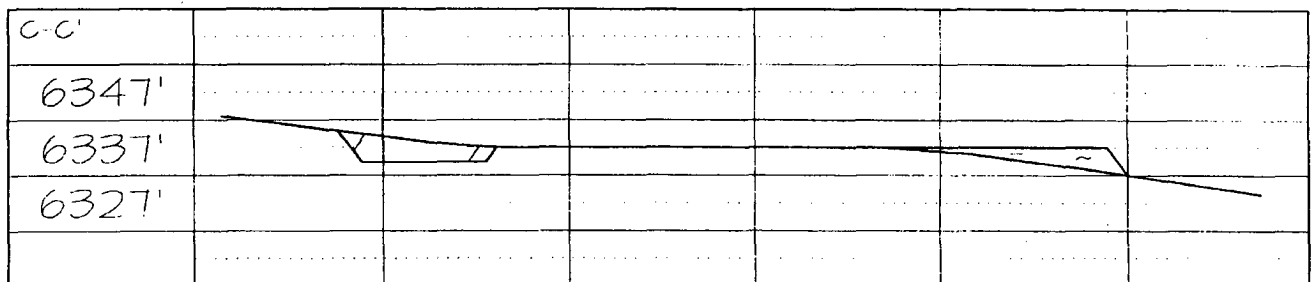
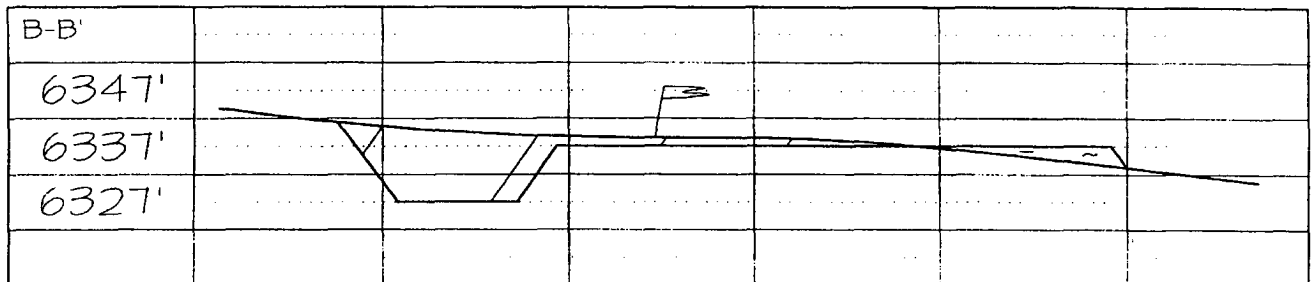
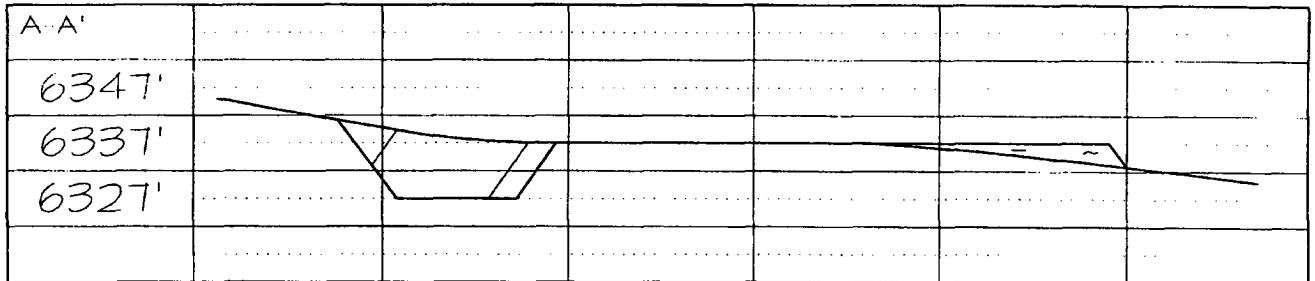
**CONOCOPHILLIPS COMPANY SAN JUAN 30-5 UNIT #37G**  
**1870' FNL & 495' FWL, SECTION 8, T30N, R5W, NMPM**  
**RIO ARriba COUNTY, NEW MEXICO ELEVATION: 6338'**

PLAT NOTE:

\*SURFACE OWNER\*  
 Bureau of Land  
 Management



**LATITUDE: 36.82927° N**  
**LONGITUDE: 107.38740° W**  
 DATUM: NAD1927



# PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 30-5 37G

Lease:		AFE #:		AFE \$:	
Field Name: hPHILLIPS 30-5		Rig:	State: NM	County: RIO ARRIBA	API #:
Geoscientist: Glaser, Terry J		Phone: (832)486-2332	Prod. Engineer: Moody, Craig E.		Phone: 486-2334
Res. Engineer: Johnson, Tom B.		Phone: (832)-486-2347	Proj. Field Lead: Fransen, Eric E.		Phone:

## Primary Objective (Zones):

Zone	Zone Name
FRR	BASIN DAKOTA (PRORATED GAS)
RON	BLANCO MESAVERDE (PRORATED GAS)

## Location: Surface

## Straight Hole

Latitude: 36.83	Longitude: -107.39	X:	Y:	Section: 8	Range: 5W
Footage X: 495 FWL	Footage Y: 1870 FNL	Elevation: 6338	(FT)	Township: 30N	

## Tolerance:

Location Type: Summer Only	Start Date (Est.):	Completion Date:	Date In Operation:
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Formation Data: Assume KB = 6351 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	213	6138	<input type="checkbox"/>			12-1/4 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.
NCMT	1151	5200	<input type="checkbox"/>			
OJAM	2426	3925	<input type="checkbox"/>			Possible water flows.
KRLD	2626	3725	<input type="checkbox"/>			
FRLD	3001	3350	<input type="checkbox"/>			Possible gas.
PCCF	3271	3080	<input type="checkbox"/>			
LEWS	3471	2880	<input type="checkbox"/>			
Intermediate Casing	3571	2780	<input type="checkbox"/>			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
CHRA	4421	1930	<input type="checkbox"/>			
CLFH	5241	1110	<input type="checkbox"/>			Gas; possibly wet
MENF	5301	1050	<input type="checkbox"/>			Gas.
GLLP	5901	450	<input type="checkbox"/>			Gas. Possibly wet.
GRHN	7501	-1150	<input type="checkbox"/>			Gas possible, highly fractured
CBBO	7681	-1330	<input type="checkbox"/>			Gas
Total Depth	7851	-1500	<input type="checkbox"/>			6-1/4" Hole. 4-1/2", 11.6 ppf, N-80, LTC 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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# PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 30-5 37G

<b>Logging Program:</b>					
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:					
Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks

Comments: Zones - Drilling Mud Program:

Surface: spud mud

Intermediate: fresh water mud with bentonite and polymer as needed

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

Centralizer Program:

Surface: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 3rd, & 4th joints

Intermediate: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 4th, 6th, 8th, & 10th joints

Turbolizers placed one per joint from the top of the Ojo Alamo to the top of the Kirtland Shale

Below Intermediate: no centralizers used in air holes. In mud holes centralizers are spaced out appropriately

**San Juan 30-5 #37G**  
**Halliburton Cement Calculations**

**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	1.21	cuft/sk
Excess Cement	125	%
Cement Required	147	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	3571'	
Lead Cement Yield	2.88	cuft/sk
Lead Cement Excess	150	%
Tail Cement Length	714.2'	
Tail Cement Yield	1.33	cuft/sk
Tail Cement Excess	150	%
Lead Cement Required	356	sx
Tail Cement Required	209	sx

SHOE 3571 ', 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	11.6	ppf
Casing Grade	N-80	
Top of Cement	3371'	200' inside intermediate casing
Shoe Depth	7851'	
Cement Yield	1.45	cuft/sk
Cement Excess	50	%
Cement Required	471	sx

SHOE 7851 ', 4.5 ", 11.6 ppf, N-80 LTC

**SAN JUAN 30-5 #37G**
**HALLIBURTON OPTION**

9-5/8 Surface Casing		
Cement Recipe	Class C Standard Cement	
	+ 3% Calcium Chloride	
	+0.25 lb/sx Flocele	
Cement Volume	147	sx
Cement Yield	1.21	cuft/sx
Slurry Volume	179.8	cuft
	32.0	bbls
Cement Density	15.6	ppg
Water Required	5.29	gal/sx

7" Intermediate Casing		
Lead Slurry		
Cement Recipe	Standard Cement	
	+ 3% Econolite (extender)	
	+ 10 lb/sx Pheno Seal	
Cement Required	356	sx
Cement Yield	2.88	cuft/sx
Slurry Volume	1026.0	cuft
	182.7	bbls
Cement Density	11.5	ppg
Water Required	16.91	gal/sx

7" Intermediate Casing		
Tail Slurry		
Cement Slurry	50 / 50 POZ:Standard Cement	
	+ 2% Bentonite	
	+ 6 lb/sx Pheno Seal	
Cement Required	209	sx
Cement Yield	1.33	cuft/sx
Slurry Volume	278.1	cuft
	49.5	bbls
Cement Density	13.5	ppg
Water Required	5.52	gal/sx

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	471	sx
Cement Yield	1.45	cuft/sx
Cement Volume	682.4	cuft
	121.5	
Cement Density	13.1	ppg
Water Required	6.47	gal/sx

**SCHLUMBERGER OPTION**

9-5/8 Surface Casing		
Cement Recipe	Class G Standard Cement	
	+ 2% S001 Calcium Chloride	
	+0.25 lb/sx D029 Cellophane Flakes	
Cement Volume	148	sx
Cement Yield	1.16	cuft/sx
Cement Volume	171.5	cuft
Cement Density	15.8	ppg
Water Required	4.983	gal/sx

7" Intermediate Casing		
Lead Slurry		
Cement Recipe	Class G Standard Cement	
	+0.25 lb/sx D029 Cellophane Flakes	
	+ 3% D079 Extender	
	+ 0.20% D046 Antifoam	
	+ 10 lb/sx Pheno Seal	
Cement Required	378	sx
Cement Yield	2.72	cuft/sx
Slurry Volume	1027.4	cuft
	183.0	bbls
Cement Density	11.7	ppg
Water Required	15.74	gal/sx

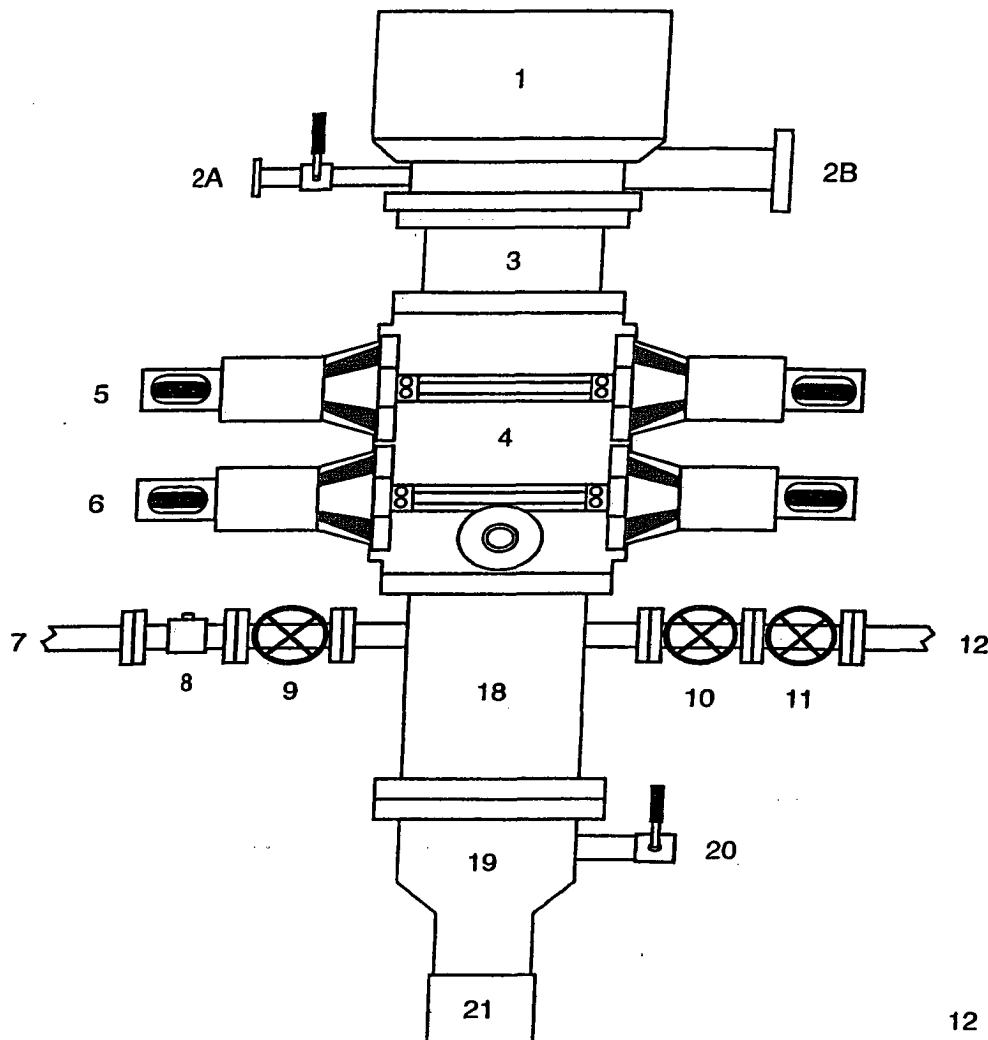
7" Intermediate Casing		
Tail Slurry		
Cement Slurry	50 / 50 POZ:Standard Cement	
	+0.25 lb/sx D029 Cellophane Flakes	
	+ 2% D020 Bentonite	
	+ 1.5 lb/sx D024 Gilsonite Extender	
	+ 2% S001 Calcium Chloride	
	+ 0.10% D046 Antifoam	
	+ 6 lb/sx Pheno Seal	
Cement Required	212	sx
Cement Yield	1.31	cuft/sx
Slurry Volume	278.0	cuft
	49.5	bbls
Cement Density	13.5	ppg
Water Required	5.317	gal/sx

4-1/2" Production Casing		
Cement Recipe	50 / 50 POZ:Class G Standard Cement	
	+0.25 lb/sx D029 Cellophane Flakes	
	+ 3% D020 Bentonite	
	+ 1.0 lb/sx D024 Gilsonite Extender	
	+ 0.25% D167 Fluid Loss	
	+ 0.15% D065 Dispersant	
	+ 0.1% D800 Retarder	
	+ 0.1% D046 Antifoamer	
	+ 3.5 lb/sx PhenoSeal	
Cement Quantity	474	sx
Cement Yield	1.44	cuft/sx
Cement Volume	682.1	cuft
	121.5	
Cement Density	13	ppg
Water Required	6.43	gal/sx

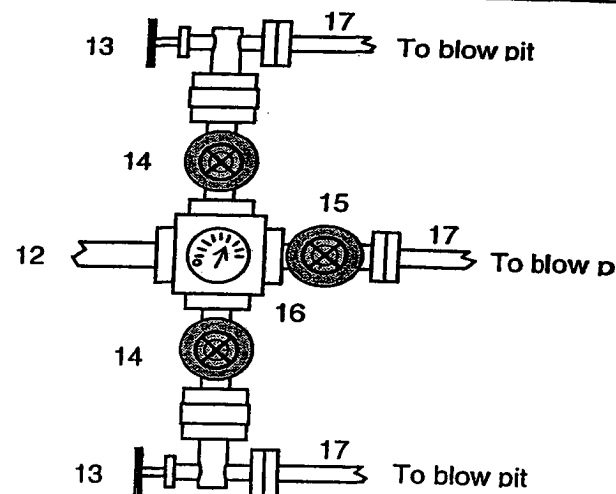


# BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

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



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Flowline
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
19. Casing Head "A" Section
20. Casing Head "A" Section 2" Valve
21. 9 5/8" Casing Collar



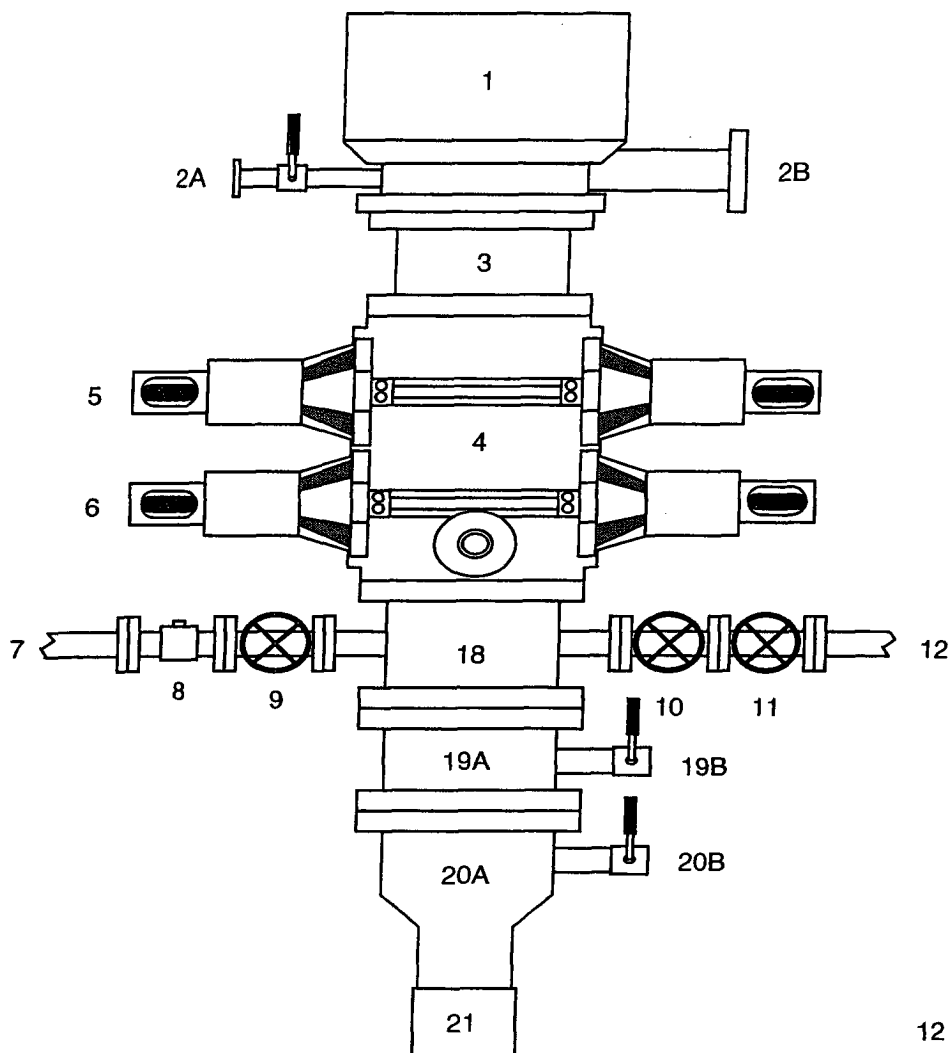
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 10 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 10 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:

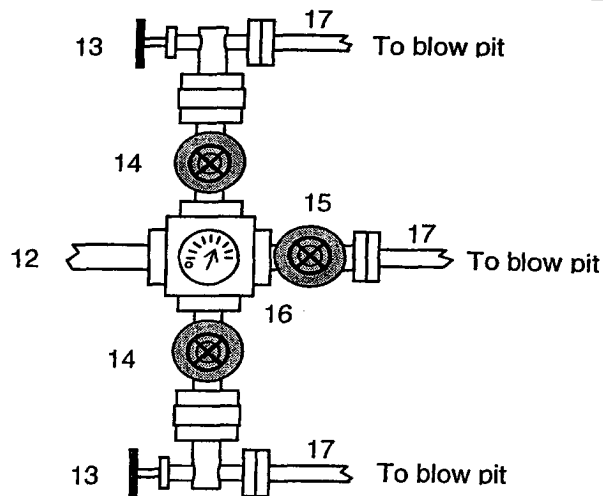
1. Inner Kelly cock Valve with handle

## 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 10 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 10 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 30-5 Unit Well #: 37G

**Surface Location:**

Unit: E Section: 8 Township: 30N Range: 5W

County: Rio Arriba State: New Mexico

Footage: 1870 from the North line, 495 from the West 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.