UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

a.	7/117 JAM Type of Work	8 PM 14 22
	OPTI.T.	5. Lease Number
	R	ECEIVED NM-011350-A
	OTO FA	EMES FOR THE Unit Reporting Number
b.	Type of Weil GAS	6. If Indian, All. or Tribe
 !.	Operator -	7. Unit Agreement Name
	ConocoPhillips	San Juan 29-5 Unit
	Address & Phone No. of Operator	8. Farm or Lease Name
	PO Box 4289, Farmington, NM 87	499 San Juan 29-5 Unit
		9. Well Number
	(505) 326-3700	#35м
٠.	Location of Well	10. Field, Pool, Wildcat
	Unit D (NWNW), 610' PNL & 755' PO	WL. Blanco MV/Basin Dakota
	Latitude 360 41.2592'N	11. Sec., Twn. Rge, Mer. (NMPM)
	Latitude 360 21.2352 W	Sec. 34, 729M, R5W
		API# 30-039-30/55
4.	Distance in Miles from Nearest Town	12. County 13. State
	7 Miles from Gobernador	Rio Arriba NM
5.	Distance from Proposed Location to Nearest Pr 610'	reperty or Lease Line
6.	Acres in Lease	17. Acres Assigned to Well MV/DR- 320 acres W/2
₹.	Distance from Proposed Location to Nearest W	ell, Drig, Compl. or Applied for on this Lease
€.	Proposed Depth	
•	8120'	20. Rotary or Cable Tools Rotary
ì.	Elevations (DF, FT, GR, Etc.)	22. Approx. Date Work will Start
	6792∮* GL	- Approx. Ode Hate we graft
<u>, </u>	Proposed Casing and Cementing Program	
	See Operations Plan attached	
.	Authorized by: Manager Technician	d //5/07
riVi)	T NO.	APPROVAL DATE
PRO	EVED BY AMERICA CON TITLE	E ATT DATE 3/23/G-
	ological Report attached	
reate	ened and Endangered Species Report attached This format is issued in lieu of U.S. BLM Form 3160-3	NOTIFY AZTEC OCO 1244 VS IN TIME TO WITNESS & SY & CEMEN

3/28/07

NMOCD

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

District II 90 Drawer OB, Artesia, NM 88211-0719

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

District IV PO 80x 2088, Santa Fe, NM 87504-2088 State of New Mexico Energy, Minerals & Natural Resources Department Form C-102 Revised February 21, 1994 Instructions on back

Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

OIL CONSERVATION DIVISION PO Box 2088
Santa Fe/ NMV 87504/2088

IMV B 7504 COPP

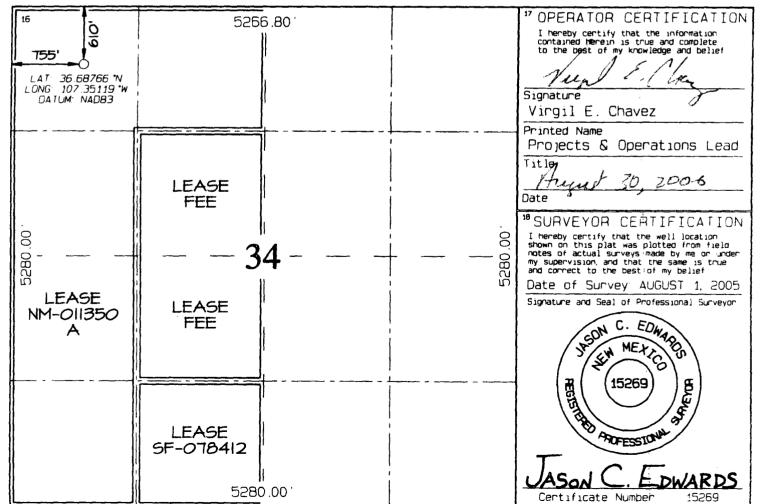
] AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

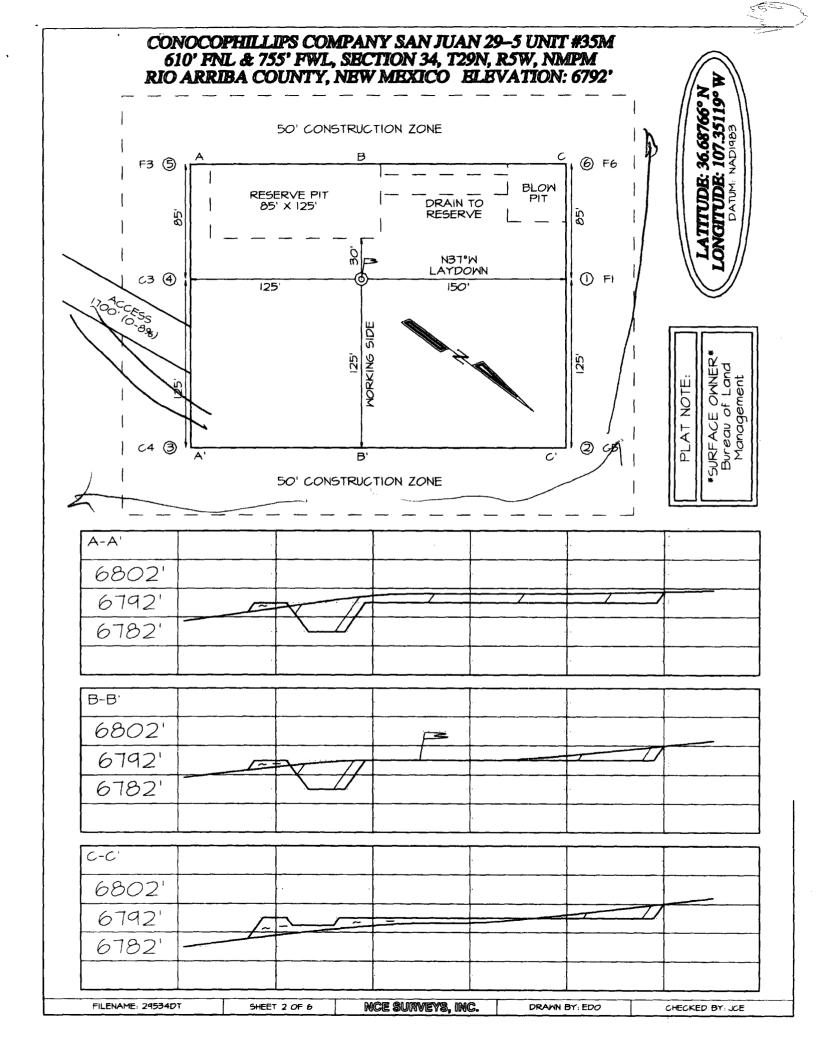
'API Number			'Pool	Pool Code Pool Name							
30-039-30155 72319 / 7159						BLANCO MESAVERDE / BASIN DAKOTA					
*Property Code						Property Name					
31325 SAN JUA						JUAN 29-5 UNIT			35M		
'DCRID No.			*Operator Name						*Elevation		
217817			CONOCOPHILLIPS COMPANY						6792		
		· 	·	1	^o Surface	Location		······································			
UL or lot no 5	ect ion	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West: line	Coun		
_	~ ·					LICOTIL		1	1 1		

34 610 D 29N 5W NORTH 755 **WES**(T ARRIBA 11 Bottom Hole Location If Different From Surface UL or lot no North/South line Feet from the Section Feet from the County East/West line RCVD MAR27'07 12 Dedicated Acres ¹³Joint or Infill 14 Consolidation Code ¹⁵ Order No. OIL CONS. DIV. 320.0 Acres - W/2DIST 3

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



Submit 3 Copies To Appropriate District Office	State of New Mexico	Form C-103
District I	Energy, Minerals and Natural Resources	May 27, 2004
1625 N. French Dr., Hobbs, NM 88240		WELL API NO. 30-039- 30155
District II 1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION DIVISION	5. Indicate Type of Lease
District III	1220 South St. Francis Dr.	STATE FEE
1000 Rio Brazos Rd., Aztec, NM 87410	Santa Fe, NM 87505	6. State Oil & Gas Lease No.
District IV 1220 S. St. Francis Dr., Santa Fe, NM 8750:	5	NM-011350
	ES AND REPORTS ON WELLS	7. Lease Name or Unit Agreement Name
	TO DRILL OR TO DEEPEN OR PLUG BACK TO A	
DIFFERENT RESERVOIR. USE "APPLICATION PROPOSALS.)	N FOR PERMIT" (FORM C-101) FOR SUCH	San Juan 29-5 Unit
1. Type of Well:		8. Well Number
Oil Well Gas Well X	Other	#35M
2. Name of Operator	DL'H's Comme	9. OGRID Number
3. Address of Operator	coPhillips Company	217817
	EET, FARMINGTON, NM 87402	Blanco Mesaverde/Basin Dakota
4. Well Location	101	777
Unit Letter D : 6 Section 34	10' feet from the North line and Township 29N Rng 5W	755' feet from the West line NMPM County Rio Arriba
	Elevation (Show whether DR, RKB, RT, GR, etc.)	
	6792'	
Pit or Below-grade Tank Application	or Closure	
Pit type New Drill Depth to Groundwa		>1000' Distance from nearest surface water >1000'
Pit Liner Thickness: N/A	mil Below-Grade Tank: Volume	bbls; Construction Material
	appropriate Box to Indicate Nature of Not	
NOTICE OF IN		SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK TEMPORARILY ABANDON	PLUG AND ABANDON REMEDIAL COMMEN	L WORK ALTERING CASING DE DRILLING OPNS. P AND A
PULL OR ALTER CASING		EMENT JOB
OTHER: New I		
	d operations. (Clearly state all pertinent details, and g SEE RULE 1103. For Multiple Completions: Attac	
or recompletion.		
New Drill, Unlined:		
New Diffi, Offined.		
ConocoPhillips proposes to construct	a new drilling pit, an associated vent/flare pit and a p	re-set mud pit (if required). Based on ConocoPhillips'
interpretation of the Ecosphere's risk	ranking criteria, the new drilling pit and pre-set mud	pit will be unlined pits as detailed in ConocoPhillips'
		will be designed to manage fluids and that portion will
be unlined as per the risk ranking crit	eria. ConocoPhillips anticipates closing these pits ac	cording to the November 1, 2004 Guidelines.
	ve is true and complete to the best of my knowledge a	
grade tank has been/will be constructed or close	d according to NMOCD guidelines, a general permitX	or an (attached) alternative OCD-approved plan
SIGNATURE TANAMO	Talana TITLE Reg	ulatory Technician DATE 1/8/2007
** *	Roland E-mail address: kburns@	br-inc.com Telephone No. 505-326-9518
For State Use Only	′ \/	ለለልኩ ዓ ው ዓለል
APPPROVED BY	TITLE TITLE	CAS IRSPECIOL CISI. (> DATE MAR 2 8 200
7/	THEE	DATE
Conditions of Approval (if any):		DATE





PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 29-5 35M

Lease:					AFE #: WA	N.CNV.6	165		AFE \$:	
Field Name: 29-5			Rig: A	ztec Rig 18	4		State: NM	County: RIO ARRIBA	API #:	
Geoscientist: Glas	er, Terry J		Phone:	(832)486	-2332	Prod. E	ingineer:		Phone: 486-2	2334
Res. Engineer:			Phone	832-486-	2385	Proj. Fi	eld Lead: Fra	ansen, Eric E.	Phone:	
Primary Objectiv	re (Zones);									
Zone	Zone Name			.=-=-=-	1					
R20002	MESAVERDE	(R20002)								
R20076	DAKOTA(R20	076)								
	·		<u> </u>							
Location Surface		Statistic (Val	es Na	0.27					Steals	nt Hole
Latitude: 36.68765		de: -107.35		X:		Y:		Section: 34	Range:	<u> </u>
Footage X: 755 FV		Y: 610 FN		Elevation:	6792	- γ	Township: 29N		i i i i i i i i i i i i i i i i i i i	
Tolerance:				Licration		(,,)	Ottiding: 231			· · · · · · · · · · · · · · · · · · ·
Location Type: Yea	ar Round		Start [Date (Est.):	· · · · · · · · ·	Com	pletion Date:	Date In (Operation:	
Formation Data:	Assume KB =	6808	Units =	<u>`</u>						
Formation Call &	7	Depth	SS	Depletio	n BHP					
Casing Points	ľ	(TVD in Ft)		(Yes/No		BHT		Remarks		
NCMT		1633	5175							
MALC		2908	3900				Possible wate	r flows.		
KRLD		3108	3700							
FRLD		3478	3330				Possible gas.			
PCCF		3768	3040	000000						
LEWS		3968	2840							
CHRA		4728	2080							
CLFH		5628	1180				Gas; possibly	wet		
MENF		5668	1140				Gas.			
PTLK		5938	870				Gas.			
GLLP		7198	-390				Gas. Possibly	wet.		
GRHN		7876	-1068				Gas possible,	highly fractured		
GRRS		7936	-1128							
TWLS		8003	-1195				Gas			
СВВО		8054	-1246				Gas			
CBRL		8065	-1257							
TD		8120	-1312							
Reference Wells										
Reference Type	Well Name			Comme	nts					

28-29N-5W-SW, KB = 6662

Printed on: 12/15/2006 12:44:37 PM

SJ 29-5 70M

Intermediate

EXCESS: DEPTH:	HOLE: CSG OD: CSG ID: WGT: WGT.	HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS: TAIL: DEPTH:	HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS: DEPTH:
8120·	6.25 " 4.5 " 4.5 " 10.5/11.6 ppf	8.75 7 6.456 23/20 ppf 50 %	12.25 * 9.625 * 9.001 * 32.3 ppf H-40 125 %
	INTERMEDIATE TAIL: Option 1 147 sx Option 1 147 sx 3:53 5 39.1 sum 1.31 ft ³ /sx 24 hrs 3 1.31 ft ³ /sx 24 hrs 3 1.35 ppg 48 hrs 5 5.317 gal/sx 50/50 Poz: Class G Cement 1.0.25 lb/sx D029 Cellophane Flakes + 3% S001 Calcium Chloride + 2% D020 Bentonite + 1.5 lb/sx D024 Glisorite Extender + 0.1% D046 Antifoamer + 0.1% D046 Antifoamer + 6 lb/sx Phenoseal	INTERMEDIATE LEAD: Option 1 268 sx 129.7 bbls 728.0 cuft 2.72 ft ³ sx 11.7 ppg 15.74 gal/sx Class G Cement + 3% D079 Extender + 0.20% D046 Antifoam + 10 lb/sx Phenoseal	SURFACE: Option 1 79 sx Comp. 16.4 bbls 6 hrs 2 91.9 cuft 8 hrs 5 1.17 ft/sx 1.18 ppg 4.973 gal/sx Class G Cement + 3% S001 Calcium Chloride + 0.25 lb/sx D029 Cellophane Flakes
Comp. Strength 7 hrs 500 psi 24 hrs 2100 psi mert pphane Flakes ant er	Comp. Strength 3:53 500 psi 8:22 1000 psi 24 hrs 3170 psi 48 hrs 5399 psi ment phane Flakes itoride er	Comp. Strength 9 hrs 300 psi 48 hrs 525 psi	Comp. Strength 6 hrs 250 psi 8 hrs 500 psi psi psi Idoride
389 sx Com 100.5 bbls 9:32 564.1 cuft 12 hrs 1.45 ft ³ /sx 13:29 13.1 ppg 24 hrs 6.55 gallsx 50/50 Poz: Standard Cement + 3% Benttonits + 0.2% CFR-3 Friction Reducer + 0.1% HR-5 Retarder + 0.1% HR-5 Retarder + 0.1% Halad-9 Fluid Loss Additive + 3.5 lb/sx Phenoseal	Option 2 145 sx 34.4 bbls 193.1 cuft 1.33 ft ³ /sx 11 13.5 pgl/sx 50/50 Poz: Standard Cement + 2% Bentonite + 6.0 lb/sx Phenoseal	Option 2 280 sx 129.7 bbls 728.0 cuft 2.60 ft³/sx 11.5 ppg 14.62 gal/sx Type III Ashgrove Cement + 30 lb/sx San Juan Poz + 3% Bentonite + 5.0 lb/sx Phenoseal	Option 2 76 sx 16.4 bbls 91.9 cuth 1.21 ft ³ /sx 15.6 ppg 5.29 gal/sx Standard Cement + 3% Calcium Chloride + 0.25 lb/sx Flocele
Corr 9:32 12 hrs 13:29 24 hrs lent sducer	Com 2:05 4:06 12 hrs 24hrs	1:4 12 24	6 hrs 8 hrs
Comp. Strength 32 50 psi 2 hrs 500 psi 3:29 1026 psi 4 hrs 2300 psi 4 drive	Comp. Strength 2:05 50 psi 4:06 500 psi 12 hrs 1250 psi 24hrs 1819 psi ent	Comp. Strength 7 hrs 50 psi hrs 350 psi hrs 450 psi	Comp Strength ns 250 psi ns 500 psi
	Option 3 151 sx 24 hrs 193.1 cuft 1.28 ft ³ /sx 13.5 ppg 5.255 gal/sx 50/50 Poz: Class G Cement + 2% D020 Bentonite + 5.0 lb/sx D024 Gilsonite Extender + 2% S001 Calcium Chloride + 0.1% D046 Antifoamer + 0.15% D065 Dispersant + 1.0 lb/bbl CemNet	Option 3 277 sx 129.7 bbls 728.0 cuft 2.63 ft ³ /sx 11.7 ppg 15.92 gal/sx Class G Cement + 3% D079 Extender + 0.20% D046 Antitioam + 1.0 lb/bbl CemNet	Option 3 37 sx 10.6 bbls 59.3 cuft 1.61 ft ³ /sx 14.5 pog 7.41 gal/sx Type I-II Ready Mix + 20% Fly Ash
	Comp. Strength 24 hrs 1850 psi 48 hrs 3411 psi ent tent tent	Comp. Strength 3 hrs 100 psi 24 hrs 443 psi	Comp. Strength 8 hrs 475 psi 24 hrs 1375 psi

M3-1/5/06

HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS: DEPTH:	HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS: TAIL: DEPTH:	HOLE: CSG OD: CSG ID: WGT: GRADE: EXCESS: DEPTH:
6.25 " 4.5 " 10.5/11.6 ppf J-55 30 %	8.75 7 7 6.456 Ppf J-55 50 %	12.25 " 9.625 " 9.001 " 32.3 ppf 14.40 125 %
PRODUCTION:	Option 4 253 sx Comp. Strength 129.7 bbls 1:47 50 psi 728.0 cuft 12 hrs 350 psi 2.88 ft³/sx 24 hrs 450 psi 11.5 ppg 16.85 gal/sx Standard Cement + 3% Econolite (Extender) + 10 lb/sx Phenoseal	SURFACE:
	Option 5 347 sx Comp. Strength 129.7 bbls 10:56 500 psi 728.0 cuft 2.10 ft ³ /sx 11.7 ppg 11.724 gal/sx 75% Type XI / 25% Class G Cement + 0.25 lbysx 0029 Cellophane Flakes + 3% D079 Extender + 0.20% D046 Antifoam	

If the 9 5/8" surface casing is preset drilled (MOTE) will cement w/75 sx Type I-II cement w/20% Flyash mixed @ 1.61 cf/sx. Will bring cement to surface. Wait on cement for 24 hours for pre-set hole before pressure testing or drilling out. If H&P rig is used to drill the well will use 13 1/2" surface hole then will adjust cement to insure cement reaches surface.

TOPSET FRUITLAND COAL Wells: (topset casing above coal to prepare for cavitation/DO/UR)

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

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, &

Turbolizers placed one per joint from the top of the Oio Alamo to the top of the Kirtland Shale Below Intermediate: no centralizers used in air holes. In mud holes centralizers are spaced out appropriately

CASE & FRAC FRUITLAND COAL Wells: (casing set below coal to prepare for frac completion)

Drilling Mud Program:

Surface: spud mud

Production: fresh water mud with bentonite and polymer as needed

Centralizer Program:

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

MESA VERDE Wells:

Drilling Mud Program:

Surface: spud mud

Intermediate: fresh water mud with bentonite and polymer as needed

Below Intermediate: air/mist 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 2rd, 3rd, & 4th joints Intermediate: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2rd, 4th, 6th, 8th, 8th

10th ioints

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

DAKOTA Wells:

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:

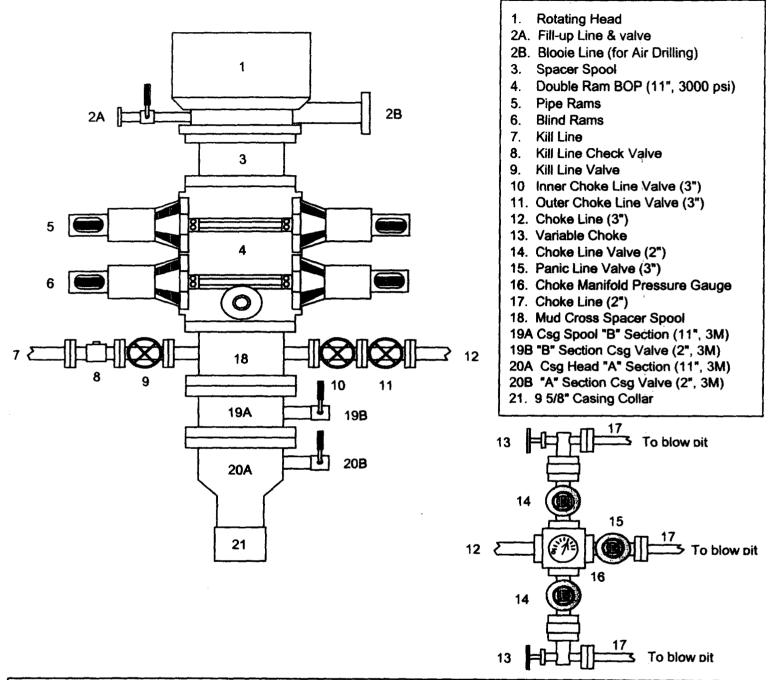
Surface: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 3rd, & 4th joints Intermediate: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 4th, 6th, 8th, &

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

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to TD and Setting 4.5 inch Casing



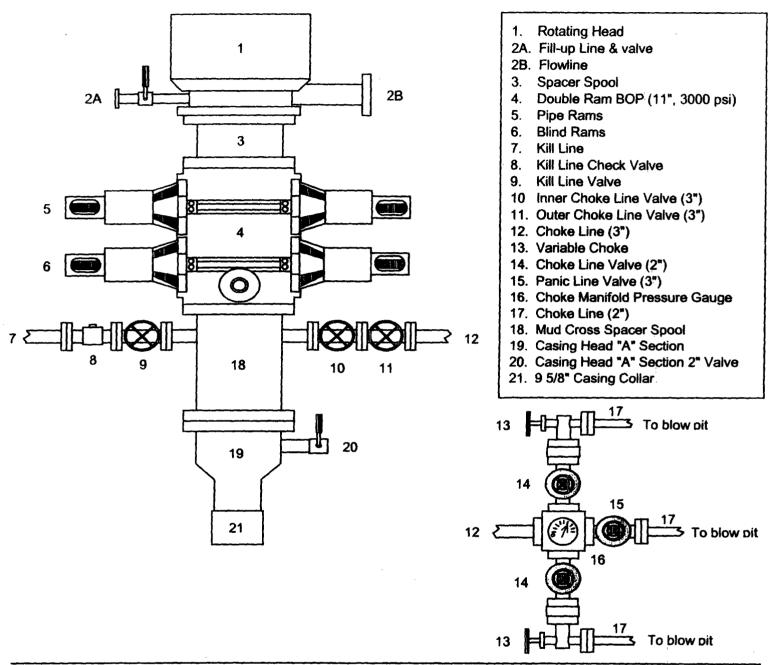
After the 7" intermediate casing has been run and cemented, the Casing Spool ("B" Section) will be installed on the wellhead ("A" Section) and the BOP will be installed on the Casing Spool. A test plug will be set in the wellhead and the pipe rams, blind rams, and choke manifold will be tested to 200 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

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

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



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. It 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 est) 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" asing will be pressure tested against closed blind rams to 200 psi to 300 psi for 10 minutes and to 1000 psi for 30 ninutes (this value is one 44% of the minimum internal yield pressure of the 9-5/8" casing). (Note: per regulatory equirements we will wait on cement at least 8 hrs after placement before testing the 9-5/8" surface casing). Then an 8-3/4" ole will be drilled to intermediate casing point and 7" intermediate casing will be run and cemented.

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

Upper Kelly cock Valve with handle

Stab-in TIW valve for all drillstrings in use