| Submit 3 Copies .ppropriate Dist Office District I   | State  | of New Mexico  | Form C-103<br>March 4, 2004  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|
| 1625 N. French Dr., Hobbs, NM 8824<br>District II  | 40   |  | WELL API NO. 30-039-27809  |  |  |  |  |  |
| 1301 W. Grand Ave., Artesia, NM 88<br>District III   | — - <del>-</del>   | RVATION DIVISION   | 5. Indicate Type of Lease  |  |  |  |  |  |
| 1000 Rio Brazos Rd., Aztec, NM 874<br>District IV  | 10   | th St. Francis Dr./<br>Fe, NM 87505  | STATE FEE X  6. State Oil & Gas Lease No.  |  |  |  |  |  |
| 1220 S. St. Francis Dr., Santa Fe, NM<br>87505   |  |  | o. State on & Gas Lease No.  |  |  |  |  |  |
| SUNDRY I  (DO NOT USE THIS FORM FOR PI  DIFFERENT RESERVOIR. USE "A  PROPOSALS.)  1. Type of Well:  Oil Well  Gas Well   | NOTICES AND REPORTS ROPOSALS TO DRILL OR TO D LPPLICATION FOR PERMIT" (FO  | ON WELLS STATE OF THE CONTROL OF THE | 2. Lease Name or Unit Agreement Name 6 AN JUAN 30-5 UNIT  8. Well Number 217A  |  |  |  |  |  |
| 2. Name of Operator  |  | 10 3 W   | 9 GRID Number<br>217817  |  |  |  |  |  |
| 2 4 11 60  | Phillips Company   |  | 10. Pool name or Wildcat   |  |  |  |  |  |
| - 332.   | 5 Highway 64 Farmington N  | M 87401  | BASIN FRUITLAND COAL   |  |  |  |  |  |
| 4. Well Location   |  |  |  |  |  |  |  |  |
| Unit Letter_F  | : 1750feet from the  | he NORTH line and 16   | feet from the WEST line  |  |  |  |  |  |
| Section 21   |  | 30N Range 5W   | NMPM County RIO ARRIBA   |  |  |  |  |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6389  Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)   |  |  |  |  |  |  |  |  |
|  |  |  | Distance from nearest fresh water well   |  |  |  |  |  |
| Distance from nearest surface wa   | ter Below-grade Tank l   | Location ULSectTw  | pRng;  |  |  |  |  |  |
| feet from the line   | andfeet from the   | line   |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| 12. Che  | eck Appropriate Box to   | Indicate Nature of Notice,   |  |  |  |  |  |  |
| 12. Che  | eck Appropriate Box to F INTENTION TO:   | Indicate Nature of Notice,   | SEQUENT REPORT OF:   |  |  |  |  |  |
| 12. Che<br>NOTICE O  | eck Appropriate Box to F INTENTION TO: K  PLUG AND ABANDO  | Indicate Nature of Notice, SUB ON □ REMEDIAL WOR   | SSEQUENT REPORT OF:  RK  |  |  |  |  |  |
| 12. Che<br>NOTICE O<br>PERFORM REMEDIAL WOR  | eck Appropriate Box to F INTENTION TO: K  PLUG AND ABANDO  | Indicate Nature of Notice, SUB ON □ REMEDIAL WOR   | SEQUENT REPORT OF:  RK   |  |  |  |  |  |
| 12. Che<br>NOTICE O<br>PERFORM REMEDIAL WOR<br>TEMPORARILY ABANDON   | eck Appropriate Box to F INTENTION TO: K PLUG AND ABANDO CHANGE PLANS MULTIPLE   | Indicate Nature of Notice, SUB ON  | SSEQUENT REPORT OF:  RK  |  |  |  |  |  |
| 12. Che NOTICE O PERFORM REMEDIAL WOR TEMPORARILY ABANDON PULL OR ALTER CASING  OTHER:  13. Describe proposed or   | eck Appropriate Box to F INTENTION TO:  K PLUG AND ABANDO  CHANGE PLANS  MULTIPLE COMPLETION  Completed operations. (Clean   | Indicate Nature of Notice, SUB ON  | SSEQUENT REPORT OF:  RK  |  |  |  |  |  |
| 12. Che NOTICE O PERFORM REMEDIAL WOR TEMPORARILY ABANDON PULL OR ALTER CASING  OTHER:  13. Describe proposed or   | eck Appropriate Box to F INTENTION TO:  K PLUG AND ABANDO  CHANGE PLANS  MULTIPLE COMPLETION  Completed operations. (Clean   | Indicate Nature of Notice, SUB ON  | SSEQUENT REPORT OF:  RK  |  |  |  |  |  |
| 12. Che NOTICE O PERFORM REMEDIAL WOR TEMPORARILY ABANDON PULL OR ALTER CASING  OTHER:  13. Describe proposed or of starting any propos or recompletion.   | CHANGE PLANS  MULTIPLE COMPLETION  COMPLET | Indicate Nature of Notice, SUB ON  | SSEQUENT REPORT OF:  RK ALTERING CASING ALTERING CASING ABANDONMENT  ND ABANDONMENT  Report Ad give pertinent dates, including estimated date ttach wellbore diagram of proposed completion  |  |  |  |  |  |
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| 12. Che NOTICE O PERFORM REMEDIAL WOR TEMPORARILY ABANDON PULL OR ALTER CASING  OTHER:  13. Describe proposed or of starting any propos or recompletion.  CASING WAS SET IN THE  | CECK Appropriate Box to FINTENTION TO:  K PLUG AND ABANDO  CHANGE PLANS  MULTIPLE COMPLETION  COMPLETI | Indicate Nature of Notice, SUB ON  | SEQUENT REPORT OF:  RK   |  |  |  |  |  |
| 12. Che NOTICE O PERFORM REMEDIAL WOR TEMPORARILY ABANDON PULL OR ALTER CASING  OTHER:  13. Describe proposed or of starting any propos or recompletion.  CASING WAS SET IN THE TEMPORAL PROPERTY OF THE PROPE | CCK Appropriate Box to FINTENTION TO:  K PLUG AND ABANDO  CHANGE PLANS  MULTIPLE COMPLETION  Completed operations. (Cleated work). SEE RULE 1103  HIS WELL AS PER ATTACATION   | Indicate Nature of Notice, SUB ON  | SSEQUENT REPORT OF:  RK ALTERING CASING ALTERING CASING ABANDONMENT  ND ABANDONMENT  Report Ad give pertinent dates, including estimated date ttach wellbore diagram of proposed completion  |  |  |  |  |  |
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| 12. Che NOTICE O PERFORM REMEDIAL WOR TEMPORARILY ABANDON PULL OR ALTER CASING  OTHER:  13. Describe proposed or of starting any propos or recompletion.  CASING WAS SET IN THE Interest of the construction o | CHANGE PLANS  CHANGE PLANS  CHANGE PLANS  MULTIPLE COMPLETION  Completed operations. (Cleated work). SEE RULE 1103  HIS WELL AS PER ATTACK  attion above is true and completed or closed according to NMOC   | Indicate Nature of Notice, SUB ON  | ALTERING CASING ALTERING CASIN |  |  |  |  |  |

## ConocoP

7" Intermediate DISPLACED W/ 119 BBLS. FRESH WATER.

TURBOLIZERS @ 2514', 2473', & 2432'.

CENTRALIZERS @ 2974', 2898', 2822', 2737', 2656', 2571', 193', 66' & 29'.

## END OF WELL SCHEMATIC

| Well Name:      | San Juan 30-5 #217A               |                      |               |               |                | S                           | pud:      | 29-Jul-04               |
|-----------------|-----------------------------------|----------------------|---------------|---------------|----------------|-----------------------------|-----------|-------------------------|
| API#:           | 30-039-27809                      |                      |               |               |                | Spud 1                      | Time:     | 16:30 hrs               |
| Location:       | 1750' FNL & 1622' FWL             |                      |               |               |                | Release Dri                 | Rig:      | 2-Aug-04                |
|                 | Sec. 21 - T30N - R5W              |                      |               |               |                |                             |           |                         |
|                 | Rio Arriba County, NM             |                      |               |               |                |                             |           |                         |
| Elevation:      | 6389' GL (above MSL)              |                      |               | RD x 11" 3M C | •              |                             | g         |                         |
|                 | 13' above Ground Level            |                      | 3-3/0 01<br>Γ | T SM O        | asing ricad    |                             |           |                         |
|                 | Drl Rig RKB = 13' above GL        |                      |               |               | 6.             | urfacaComont                |           |                         |
| Datum.          | DIT NIG RRB - 13 above GL         | Γ,                   | 7 l           |               | 2              | urfaceCement                |           |                         |
|                 | <b>.</b>                          | Ľ                    | New           |               |                | Date cmt'd:                 |           | -Jul-04                 |
| Surface Casing  |                                   | L                    | Used          | }             |                | Lead: 150 sx Class A Ce     | ment      |                         |
| Size            |                                   |                      |               | -             |                | + 3% Calcium Chloride       |           |                         |
| Set at          | 235 ft # Jnts: 5                  |                      |               |               |                | + 0.25 lb/sx Flocele        |           |                         |
| Wt.             | 32.3 ppf Grade H-40               |                      |               | İ             |                | 1.21 cuft/sx, 181 cuft slu  | rry at 15 | 5.6 ppg                 |
| Hole Size       | 12 1/4 in Conn STC                |                      |               |               |                | Displacement: _             | 15.0 bt   | ols fresh wtr           |
| Excess Cmt      | 125%                              |                      | 4             |               |                | Bumped Plug at: _           | 00:00     | hrs w/ 415 psi          |
| T.O.C.          | SURFACE Csg                       | Shoe 235 ff          | İ             |               |                | Final Circ Press:           | 85 p      | si @ 2 bpm              |
|                 | TD of 12-1/4'                     | hole 245 f           | t             |               |                | Returns during job:         |           | YES                     |
|                 |                                   |                      |               |               |                | CMT Returns to surface:     |           |                         |
| Noti            | fied BLM @ hrs on                 |                      |               |               |                | Floats Held:                |           |                         |
|                 | NMOCD @ 13:30 hrs on              |                      |               |               | l w            | -<br>O.C. for 6.00 hrs (plu | a bump t  | o start NU BOP)         |
|                 |                                   |                      |               |               | 1              | 7.O.C. for 10.00 hrs (plu   |           |                         |
|                 |                                   |                      |               |               |                |                             | <b>9</b>  |                         |
| Intermediate Ca | asing Date set: 1-Aug-04          | Г                    | New           |               | In             | termediate Cement           |           |                         |
| Size            |                                   | its 2                | Used          |               |                |                             | 1         | Aug-04                  |
| Set at          |                                   |                      |               |               |                | Lead : 340 sx Class A Ce    | _         | <del>-</del>            |
|                 |                                   | pups                 |               |               |                |                             | IIICIIL   | <del></del>             |
|                 | 20 ppf Grade J-55                 |                      |               |               |                | + 3% Econolite              |           |                         |
|                 | 8 3/4 in Conn STC                 |                      |               |               |                | + 10.00 lb/sx Gilsonite     |           |                         |
| Excess Cmt      | <del></del>                       | Collar <u>2942</u> f |               |               |                | + 0.25 lb/sx Flocele        |           |                         |
|                 | SURFACE Bottom of Casing          |                      |               |               |                |                             |           |                         |
|                 |                                   | ' Hole <u>2990</u> f | t             |               |                | 2.91cuft/sx, 992 cuft slur  |           |                         |
|                 | ft                                |                      |               |               |                | Tail: 100 sx 50/50 POZ      | : Class   | s A cement              |
|                 | fied BLM @hrs on                  |                      |               |               |                | + 2% Bentonite              |           |                         |
| Notified        | NMOCD @ 11:15 hrs on              | 31-Jul-04            |               |               |                | + 5 lb/sx Gilsonite         |           | <del> </del>            |
|                 |                                   |                      |               |               |                | + 0.25 lb/sx Flocele        |           |                         |
|                 |                                   |                      |               |               |                | + 2% Calcium Chloride       |           |                         |
|                 |                                   |                      |               |               |                |                             |           |                         |
|                 |                                   |                      |               |               |                | 1.33 cuft/sx, 133 cuft slu  | rry at 1  | 3.5 ppg                 |
|                 |                                   |                      |               |               |                | Displacement:               |           | 119 bbls                |
|                 |                                   |                      |               |               |                | Bumped Plug at: _           | 16:45 l   | ırs w/ 1 <u>400 psi</u> |
|                 |                                   |                      |               |               |                | Final Circ Press:           | 700psi    | @ 2 bbls/min            |
|                 |                                   |                      |               |               |                | Returns during job:         |           | YES                     |
|                 |                                   |                      |               |               | (              | CMT Returns to surface:     |           | 28 bbls                 |
|                 |                                   |                      |               |               |                | Floats Held:                | X Yes     | No                      |
|                 |                                   |                      |               |               |                | -                           | _         | _                       |
|                 |                                   |                      |               |               |                |                             |           |                         |
|                 |                                   |                      |               |               |                |                             |           |                         |
|                 |                                   |                      |               |               |                |                             |           |                         |
|                 |                                   |                      |               |               |                |                             |           |                         |
|                 |                                   |                      |               |               |                | Schematic prepared by:      |           |                         |
|                 |                                   |                      |               |               |                | Ashley G. Price, Develor    |           | Engineer                |
| COMMENTO        |                                   |                      |               |               |                | 2-August-2004               | F         | g                       |
| COMMENTS:       | No floot on imment                | o guido ches         | nd on -!      | minum heffi-  | loto 1 it -L - |                             |           |                         |
| 9-5/8" Surf:    | No float equipment was run. Rar   |                      |               | •             |                |                             | •         |                         |
|                 | Displaced top wiper plug with wat |                      | ing head a    | ind WOC befor | re backing o   | out landing jt.             |           | _                       |
|                 | CENTRALIZERS @ 225', 147', 1      | U3 & 59'.            |               |               |                |                             | Total:    | : 4                     |

9

3

Total:

Total: