Fonn 3160 -3 (February 2005)

2006 JAN 17

15

RECEIVED

5. Lease Serial No.

6. If Indian, Allotee or Tribe

NM-030

FORM APPROVED

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

UNITED STATES

APPLICATION FOR PERMIT TO DRILL OR REENTER

Ia. Type of work: DRILL REENTH	 ER			7. If Unit or CA Agree	ment, Name and No.
Ia. Type of work: DRILL REENTI				NMNM-	578416A
	_			8. Lease Name and W	ell No.
lb. Type of Well: Oil Well Gas Well Other	Sin	ngle ZoneMultip	ole Zone	SAN JUAN 2	9-6 UNIT #6B 3/326
2. Name of Operator	0017			9. API Well No.	· · · · · · · · · · · · · · · · · · ·
ConocoPhillips Company 2/	78/7			30-039-	79753 /
3a. Address		(include area code)		10. Field and Pool, or E	
4001 Penbrook, Odessa, TX 79762	432-3	68-1230			MESAVERDE
4. Location of Well (Report location clearly and in accordance with any S	-	nts, *)		I 1. Sec., T. R. M. or Bli	k. and Survey or Area
At surface NWNW 500 FNL - 400 FV	VL			SECTION 21, T29N,	R6W NMPM
At proposed prod. zone				D	
14. Distance in miles and direction from nearest town or post office*				12. County or Parish	13. State
				RIO ARRIBA	A NM
15, Distance from proposed* location to nearest propery or lease line, ft.	16. No. of ac	cres in lease	17. Spacing	g Unit dedicated to this w	ell
(Also to nearest drig. unit line, if any)	321	0 ACRES		320.0 ACRES	- W/2
18. Distance from proposed location*	19. Proposed		20. BLM/F	BIA Bond No. on file	1112
to nearest well, drilling, completed.	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			_	
applied for, on this lease, ft.	1	5782'	l E	ES0085	
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22 Approxim	ate date work will star	t*	23. Estimated duration	
6391' GL					
	24. Attac	hments			
The following, completed in accordance with the requirements of Onshore	e Oil and Gas (Order No. 1, must be at	tached to thi	s form:	
1 Wall also seed & ad have resistant assume		l 4 Dand to source th	tion.	. unless servered by an ex	xisting bond on file (see
Well plat certified by a registered surveyor. A Drilling Plan.		Item 20 above).	e operations	uniess covered by an ex	xisting bond on the (see
3 A Surface Use Plan (if the location is on National Forest System I	ands the	5. Operator certific	ation		
SUPO must be filed with the appropriate Forest Service office).	Junes, are	6. Such other site sp	ecific infor	mation and/or plans as n	nay be required by the
		BLM~			
25 Signature	Name ((Printed/Typed)	· ·	1	Date
Tlank box		Pegg	y James		1/16/2006
Title Sr. Associate					
Approved by (Signature)	Name	(Printed/Typed)		T	Date 1
hu ladalo					1 25 06
Title A.C. AAU	Office			·	
Application approval does not warrant or cartify that the applicant hold	s legal orequita	able title to those rights	in the subje	ect lease which would ent	title the applicant to

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 juris iction.

*(Instructions on page 2)

conduct operations thereon. Conditions of approval, if any, are attached.

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

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

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 45 CFR 3165.4

NMOCD

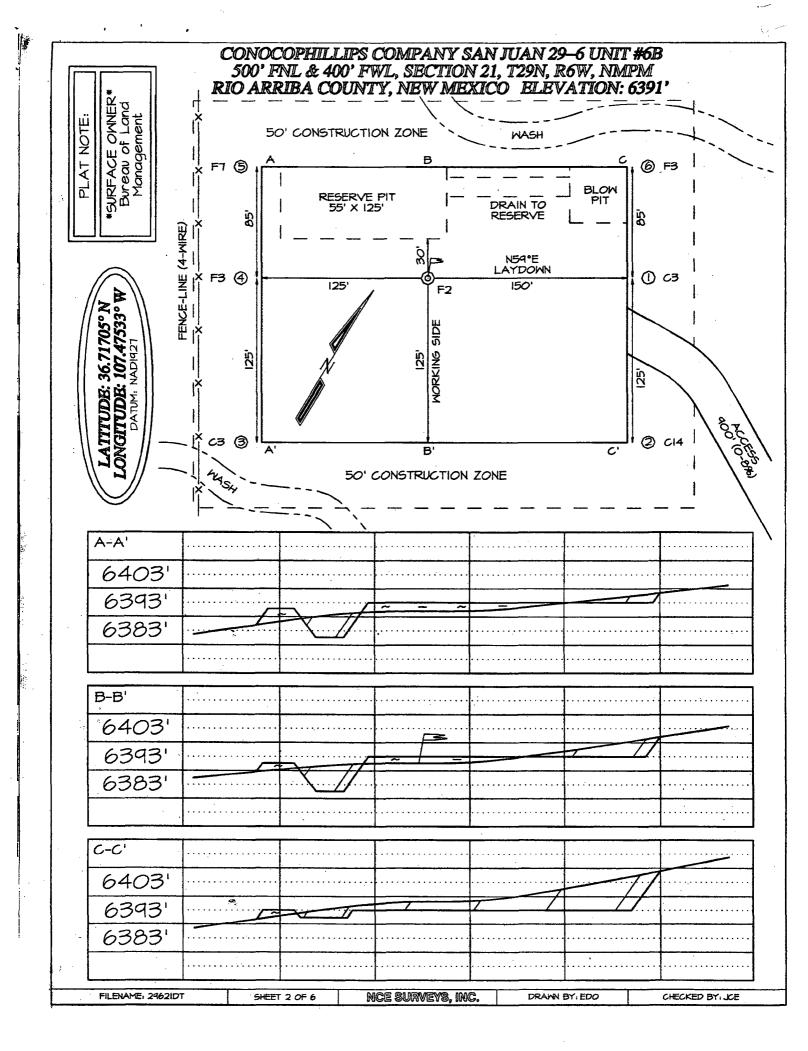
-District I Form C-102 State of New Mexico PO Box, 1980, Hobbs, NM 88241-1980 Revised February 21, 1994 Energy, Minerals & Natural Resources Department Instructions on back Submit to Appropriate District Office "PO Drawer DD, Artesia, NM 88211-0719 State Lease - 4 Copies Fee Lease - 3 Copies OIL CONSERVATION DIVISION PO Box 2088 District III 1000 Rio Brazos Rd., Aztec, NM 87410 2006 JAN 17 PM 3 15 Santa Fe, NM 87504-2088 AMENDED REPORT District IV PO Box 2088, Santa Fe, NM 87504-2088 RECEIVED WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Name API Number *Pool Code BLANCO-MESAVERDE/ Horated Gas, 72319 30-039-29753 Well Number Property Code Property Name 31326 SAN JUAN 29-6 UNIT 6B 'OGRID No. Elevation *Operator Name 217817 CONOCOPHILLIPS COMPANY 6391 ¹⁰ Surface Location UL or lot no. Feet from the Township Lot Idn North/South line Range Feet from the East/West line RIO 29N WEST D 21 500 NORTH 400 6W ARRIBA ¹¹ Bottom Hole Location If From Surface Different UL or lot no. North/South line East/West line County Sect ion Feet from the 12 Dedicated Acres ¹³Joint or Infill ¹⁴ Consolidation Code 55 Order No. 320.0 Acres - W/2NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION OPERATOR CERTIFICATION 2639.34 2639.34 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief DAT: 36 43.0230 N LONG: 107 28.5200 W DATUM: NAD27 Signature Virgil E. Chavez *:* Printed Name Projects & Operations Lead Title 2005 Date *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. 8 Date of Survey: MAY 16, 2005 LEASE Signature and Seal of Professional Surveyor NM-03040 SEON C. EDWARD 320 Acres MEXICO SEW PESTONIA PROFESSIONAL <u>.</u> 4

Certificate Number

15269

5280.00

Submit 3 Copies To Appropriate District Office	State of	f New Mexico		Fonn C- 1 03
District I	Energy, Minerals	s and Natural Resources		May 27, 2004
1625 N. French Dr., Hobbs, NM 88240 District 11			WELL AP	30-039-29753
1301 W. Grand Ave., Artesia, NM 882 1 0		VATION DIVISION	5. Indicate	Type of Lease
<u>District III</u> I 000 Rio Brazos Rd., Aztec, NM 8741 0		h St. Francis Dr.	STA	
District IV	Santa F	Fe, NM 87505	6. State Oi	l & Gas Lease No.
1220 S. St. Francis Dr., Santa I e, NM 87505				
	ICES AND REPORTS O	N WELLS	7. Lease N	ame or Unit Agreement Name
(DO NOT USE THIS FORM FOR PROPODIFFERENT RESERVOIR, USE "APPLIC	SALS TO DRILL OR TO DEF	EPEN OR PLUG BACK TO A		
PROPOSALS.)				SAN JUAN 29-6 UNIT
1. Type of Well: Oil Well	Gas Well Other		8. Well Nu	0В
2. Name of Operator Conoc	coPhillips Company		9. OGRID	Number 217817
3. Address of Operator			I 0. Pool na	ame or Wildcat
	Penbrook, Odessa, TX 79	9762) E	BLANCO MESAVERDE
4. Well Location				
Unit Letter D	feet from the	NORTH line and	400 f	eet from the WEST line
Section 21	Township	29N Range 6W	NMPM	RIO ARRIBA County
	I 1. Elevation (Show w	hether DR, RKB, RT, GR, etc., 6391 GL)	
Pit or Below -grade Tank Application	Closure	>100	70'	1100
	- , - : -	arest fresh water well-58541		from nearest surface water
Liner Thickness: 12 mil	•			erial SYNTHETIC
		adicate Nature of Notice,		
12. CHECK P	appropriate box to in	idicale Ivaluie of Ivolice,	report or e	Juici Data
NOTICE OF IN	ITENTION TO:	SUB	SEQUENT	Γ REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON	_		☐ ALTERING CASING ☐
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRI		. P AND A
PULL OR ALTER CASING	MULTIPLE COMPL	CASING/CEMEN	I JOB	
OTHER:		OTHER:		
				nt dates, including estimated date
of starting any proposed work). SEE RULE I 1 03. For Multiple Completions: Attach wellbore diagram of proposed completion				
or recompletion.				
		with Rule 50 and as per COPO		
		tails the location of the pit in r after the well has been comple		e proposed wellhead.
The drift pit will be filled. T	ne aim pit win de closed	after the wen has been compre	-icu	
I hereby certify that the information a grade tank has been/will be constructed or	bove is true and complete closed according to NMOCD	to the best of rny knowledge ar guidelines , a general permit	nd belief. I fur or an (attached)	ther certify that any pit or below- alternative OCD-approved plan
SIGNATURE Peggy James		TITLE Sr. Associate		DATE 01/16/2006
Type or print name		l address peggy.s.james@conocoph	illine com:	Tolonhono No . /42222/0 1020
Type or print name For State Use Only	E-man	address beggy.s.james@conocopn	mps.com:	Telephone No.: (432)368-1230
- Suite Coll Chart			emma niet	
APPROVED BY: Conditions of Approval (if any):	- Tyl-	TITLE BUTY OR & GAS INCO	ECTOR, DIST.	DATE JAN 3 0 2006





PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 29-6 6B

Lease:				A	FE #: WAN	v.CNV.	5194		AFE \$:
Field Name: 29-6		Rig	H&P 2	83			State: NM	County: RIO ARRIBA	A API #:
Geoscientist: Glas	ser, Terry J	Pho	ne: (83	32)486-23	332	Prod. I	Engineer: Mo	ody, Craig E.	Phone: 486-2334
Res. Engineer: Jo		Pho	ne: (83	32)-486-2	347	Proj. F	ield Lead: Fra	nsen, Eric E.	Phone:
Primary Objecti									
Zone	Zone Name								
RON	BLANCO MESAVE	RDE (PROR	ATED C	iAS)					
					_				
Nocation Suite	e								Straightstole
Latitude: 36.72	Longitude:	-107.48	X:			Y:		Section: 21	Range: 6W
Footage X: 400 F	WL Footage Y:	500 FNL	Elev	ation: 63	91 ((FT)	Township: 29N		
Tolerance:					-				
Location Type: Ye	ear Round	Sta	t Date (Est.):		Con	pletion Date:	Date :	In Operation:
Formation Data:	Assume KB = 640	7 Units	= FT					3456	
Formation Call & Casing Points		epth S O in Ft) (F		epletion Yes/No)	BHP (PSIG)	BHT		Remar	ks
Surface Casing	2	216 61	91		•		12-1/4 hole. to surface.	9 5/8" 32.3 ppf, H-40,	STC casing. Circulate cemer
NCMT	1	.207 52	.00	П			to surface.		
CJAM			80				Possible wate	r flows.	
(RLD	2	557 38	50						
RLD	2	982 34	25				Possible gas.		
PCCF	3	282 31	25						
.EWS	3	482 29	25						
Intermediate Casin	g 3	582 28	25				8 3/4" Hole. surface.	7", 20 ppf, J-55, STC	Casing. Circulate cement to
CHRA	4	257 21	50				surface.		
CLFH	4	957 14					Gas; possibly	wet	
MENF	5	137 12	70				Gas.		
PTLK	5	432 97	75				Gas.		
MNCS	. 5	682 72	25						
TOTAL DEPTH MV	5	782 62	25				a minimum of	100' inside the previo	STC casing. Circulate cemen ous casing string. No open ho
Reference Wells	¥						logs, Cased n	ole TDT with GR to su	пасе.
Reference Type	AND DESCRIPTION OF THE PROPERTY OF THE PROPERT		Co	mments					
ú~~h~G~~									
Logging Program	:: Log only if sh	ow □ GR/	זור ר	7 Triple	Combo				
	. Log only it sit	OW [] GK	11D [7 mpie	COITIBU	-			
TD Logs:	☐ Triple Combo	☐ Dipme	ter	RFT [Sonic [VSP	✓ TDT		· · · · · · · · · · · · · · · · · · ·
A J J242 1 × .C									
Additional Informa	ation:								
Log Type	Stage	From (Ft)		To (Ft)		Tool '	Гуре/Name	Remarks	

Printed on: 1/16/2006 10:25:15 AM

San Juan 29-6 #6B Halliburton Cementing Program

SURFACE CASING:

Drill Bit Diameter
Casing Outside Diameter
Casing Weight
Casing Grade
Shoe Depth
Cement Yield
Excess Cement
Cement Required

| Casing Inside Diam. | 9001 | 9625 | Casing Inside Diam. | 9001 | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | | 9001 | |

SHOE

235 ', 9.625 ",

32.3 ppf,

H-40 STC

INTERMEDIATE CASING:

Drill Bit Diameter
Casing Outside Diameter
Casing Weight
Casing Grade
Shoe Depth
Lead Cement Yield
Lead Cement Excess
Tail Cement Length
Tail Cement Yield
Tail Cement Excess
Lead Cement Required
Tail Cement Required

SHOE

3582 ',

7 ",

20 ppf,

J-55 STC

PRODUCTION CASING:

Drill Bit Diameter
Casing Outside Diameter
Casing Weight
Casing Grade
Top of Cement
Shoe Depth
Cement Yield
Cement Excess
Cement Required

SAN JUAN 29-6 #6B

HALLIBURTON OPTION

9-5/8 Surface Casing				
	Class C Standard Cement			
Cement Recipe	+ 3% Calcium Chloride			
	+0.25 lb/sx Flocele			
Cement Volume	141	SX		
Cement Yield	1.21	cuft/sx		
Slurry Volume	172.1	cuft		
Siding volume	30.6			
Cement Density	15.6			
Water Required	5.29	gal/sx		

7" Intermediate Casing				
	Lead Slurry			
Standard Cement				
Cement Recipe	+ 3% Econol	ite (extender)		
	+ 10 lb/sx Pheno Seal			
Cement Required	357	sx		
Cement Yield	2.88	cuft/sx		
Slurn/ Volumo	1027.5	cuft		
Slurry Volume	183.0	bbls		
Cement Density	11.5	ppg		
Water Required	16.91	gal/sx		

7" Intermediate Casing			
	Tail Slurry		
	50 / 50 POZ:Standard Cemen		
Cement Slurry	+ 2% Benton	ite	
	+ 6 lb/sx Pheno Seal		
Cement Required	210	SX	
Cement Yield	1.33	cuft/sx	
Slurry Volume	278.9	cuft	
Sidily volume	49.7	bbls	
Cement Density	13.5	ppg	
Water Required	5.52	gal/sx	

4-1/2" Production Casing			
	50 / 50 POZ:Standard Cement		
	+ 3% Benton	ite	
Cement Recipe	+ 3.5 lb/sx Pheno	henoSeal	
Cement Recipe	+ 0.2% CFR-3	Friction Reducer	
	+ 0.1% HR-5 Retarder		
	+ 0.8% Halad-9 Fluid Loss Additive		
Cement Quantity	250	sx	
Cement Yield	1.45	cuft/sx	
Cement Volume	362.1	cuft	
Cement volume	64.5		
Cement Density	13.1	ppg	
Water Required	6.47	gal/sx	

SCHLUMBERGER OPTION 1

<u> </u>				
9-5/8 Surface Casing				
Class G Standard Cement				
+ 2% S001 Ca	lcium Chloride			
+0.25 lb/sx D029 Cellophane Flake				
141	sx			
1.16	cuft/sx			
163.8	cuft			
15.8	ppg			
4.983	gal/sx			
	Class G Stan + 2% S001 Ca +0.25 lb/sx D029 C 141 1.16 163.8 15.8			

7" Intermediate Casing			
	Lead Slurry		
	Class G Stan	dard Cement	
ļ	+0.25 lb/sx D029 0	Cellophane Flakes	
Cement Recipe	+ 3% D079 E	xtender	
	+ 0.20% D046 Antifoam		
	+ 10 lb/sx Pheno Seal		
Cement Required	378	sx	
Cement Yield	2.72	cuft/sx	
Slurry Volume	1028.8	cuft	
Siding volume	183.2	bbls	
Cement Density	11.7	ppg	
Water Required	15.74	gal/sx	

7" Intermediate Casing				
	Tail Slurry			
	50 / 50 POZ:St	50 / 50 POZ:Standard Cement		
	+0.25 lb/sx D029 0	Cellophane Flakes		
	+ 2% D020 E	Bentonite		
Cement Slurry	+ 1.5 lb/sx D024 0	Gilsonite Extender		
·	+ 2% S001 Calcium Chloride			
	+ 0.10% D046 Antifoam			
	+ 6 lb/sx Pheno Seal			
Cement Required	213	sx		
Cement Yield	1.31	cuft/sx		
Slurry Volume	278.8	cuft		
Siding volume	49.7	bbls		
Cement Density	13.5	ppg		
Water Required	5.317	gal/sx		

4-1/2" Production Casing				
	50 / 50 POZ:Class G Standard Cement			
	+0.25 lb/sx D029 Cellophane Flakes			
	+ 3% D020 E	Bentonite		
	+ 1.0 lb/sx D024 (Silsonite Extender		
Cement Recipe	+ 0.25% D16	7 Fluid Loss		
	+ 0.15% D06	5 Dispersant		
	+ 0.1% D800 Retarder			
	+ 0.1% D046 Antifoamer			
	+ 3.5 lb/sx P	henoSeal		
Cement Quantity	251	sx		
Cement Yield	1.44	cuft/sx		
Cement Volume	362.0	cuft		
Cement volume	64.5			
Cement Density	13	ppg		
Water Required	6.43	gal/sx		

SCHLUMBERGER OPTION 2

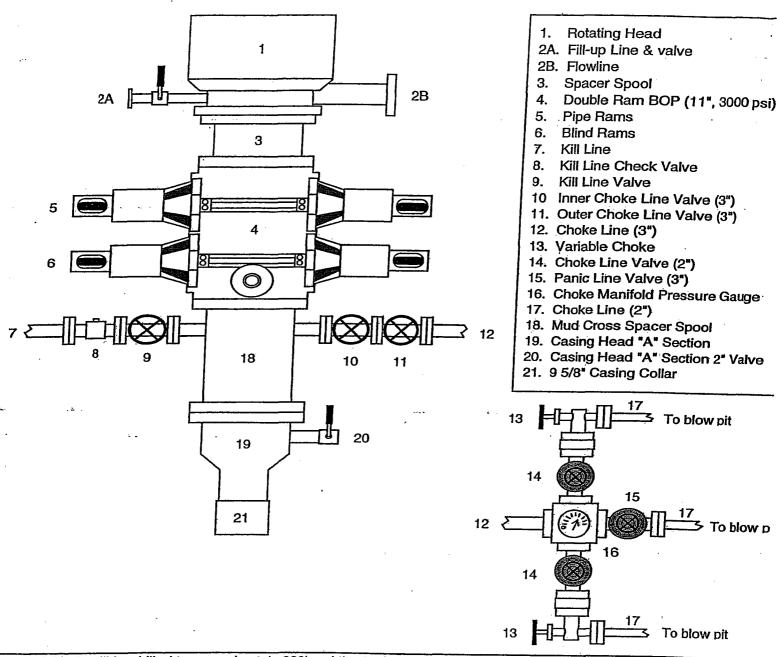
0.5/0.0 (0 ;				
9-5/	9-5/8 Surface Casing			
	Type III Cement + 2% S001 Calcium Chloride			
Cement Recipe				
	+ 0.25 lb/sx D029	Cellophane Flakes		
	+ 0.20% D046 Antifoam			
Cement Volume	130	sx		
Cement Yield	1.33	cuft/sx		
Cement Volume	172.9	cuft		
Cement Density	14.8	ppg		
Water Required	6.095	gal/sx		

7" Intermediate Casing					
Lead Slurry					
Cement Recipe	75% Type XI / 25% Class G Cement				
	+ 0.25 lb/sx D029 Cellophane Flakes				
	+ 3% D079 Extender				
	+ 0.20% D046 Antifoam				
Cement Required	491	sx			
Cement Yield	2.1	cuft/sx			
Slurry Volume	1030.1	cuft			
	183.5	bbls			
Cement Density	11.7	ppg			
Water Required	11.724	gal/sx			

7" Intermediate Casing				
Tail Slurry				
Cement Slurry	50 / 50 POZ: Class G 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	213	sx		
Cement Yield	1.31	cuft/sx		
Slurry Volume	278.9	cuft		
	49.7	bbls		
Cement Density	13.5	ppg		
Water Required	5.317	gal/sx		

4-1/2" Production Casing					
Cement Recipe	50 / 50 POZ:Class G 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	251	sx			
Cement Yield	1.44	cuft/sx			
Cement Volume	362.1	cuft			
	64.5				
Cement Density	13	ppg			
Water Required		gal/sx			

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM For Drilling to Intermediate Casing Point & Setting 7" Intermediate Casing

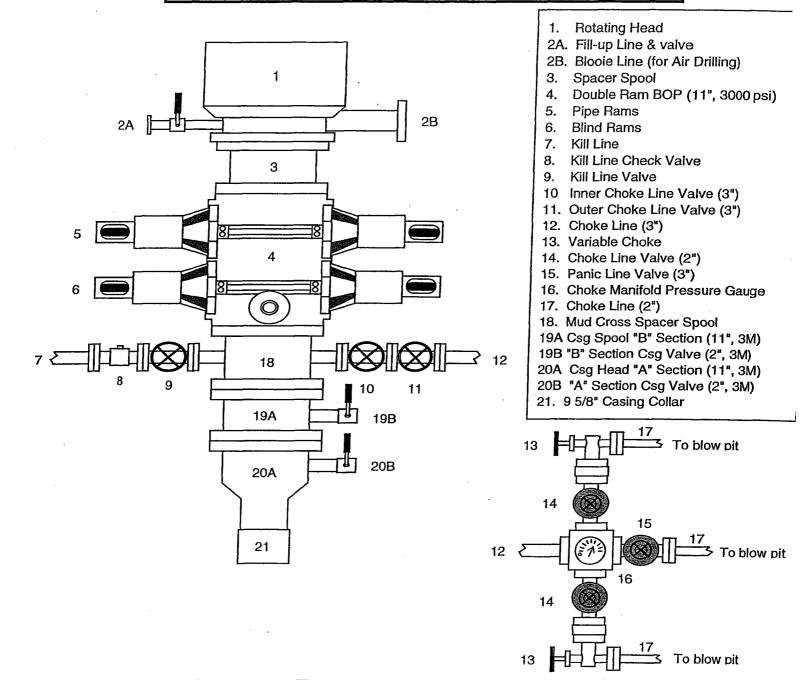


A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe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

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

Davidation District 1 1 1 4 444

Property:	roperty: SAN JUAN 29-6 UNIT			_	Well #	•	<u>6B</u>	
Surface Loc	ation:							
Unit: D	Section	on: 21 To	wnship:	29N	_Range:	6W		
County: RI	O ARR	IBA		States	: New Mo	exico		
Footage:	500	from the	NORTH	line	400	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.