

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-078642
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 Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conocophillips.com		7. If Unit or CA Agreement, Name and No.
3a. Address 4001 PENBROOK, SUITE 346 ODESSA, TX 79762		8. Lease Name and Well No. SAN JUAN 29-5 UNIT 18B
3b. Phone No. (include area code) Ph: 915.368.1352		9. API Well No. 30-039-27785
4. Location of Well (Report location clearly and in accordance with any State requirements) At surface NWSW 2590FSL 295FWL 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 5 T29N R5W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)		12. County or Parish RIO ARRIBA
16. No. of Acres in Lease		13. State NM
17. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.		14. Spacing Unit dedicated to this well 321.0 Ac WP
18. Proposed Depth 6135 MD		20. BLM/BIA Bond No. on file
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6655 GL		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 06/09/2004
Title AGENT		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 7-30-04
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 #31716 verified by the BLM Well Information System
For CONOCOPHILLIPS COMPANY, sent to the Farmington

DRILLING OPERATIONS AUTHORIZED ARE
IN FULL COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

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

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

Alison

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

District II
PO Drawer DD, 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 30 039-27785		*Pool Code 72319	*Pool Name BLANCO MESAVERDE
*Property Code 31325	*Property Name SAN JUAN 29-5 UNIT		*Well Number 18B
*GRID No. 217817	*Operator Name CONOCOPHILLIPS COMPANY		*Elevation 6655'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	5	29N	5W		2590	SOUTH	295	WEST	RIO ARriba

11 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

12 Dedicated Acres 321.0 Acres - W/2	13 Joint or Infill	14 Consolidation Code	15 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

<p>LOT 4</p> <p>LOT 3</p> <p>LOT 2</p> <p>LOT 1</p> <p>LEASE SF-078642</p> <p>LAT: 36°45.2688' N LONG: 107°23.2905' W DATUM: NAD27</p> <p>5280.00'</p> <p>1334.52'</p> <p>1342.44'</p> <p>1320.00'</p> <p>2640.00'</p> <p>5290.56'</p> <p>2590'</p>	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 Westby</i> Signature Vicki R. Westby Printed Name Sr. Analyst Title Date <u>June 9, 2004</u>
	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. Survey Date: FEBRUARY 13, 2004 Signature and Seal of Professional Surveyor JASON C. EDWARDS 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
March 4, 2004

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

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 29-5 Unit

8. Well Number
18B

9. OGRID Number
217817

10. Pool name or Wildcat
Blanco Mesaverde

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 L : 2590 feet from the South line and 295 feet from the West line

Section 5 Township 29N Range 5W NMPM Rio Arriba County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6655' GL

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL L Sect 5 Twp 29N Rng 5W Pit type Drill Pit Depth to Groundwater >100' Distance from nearest fresh water well >1 000'

Distance from nearest surface water <200' Below-grade Tank Location UL Sect Twp Rng ; feet from the line and feet from the line

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 COMPLETION ☐

OTHER: Drill Pit Notification ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND 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.

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 TITLE Sr. Analyst DATE 6/9/04

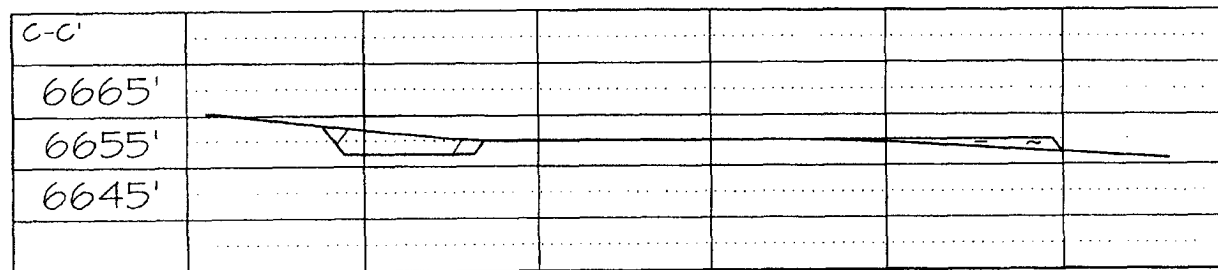
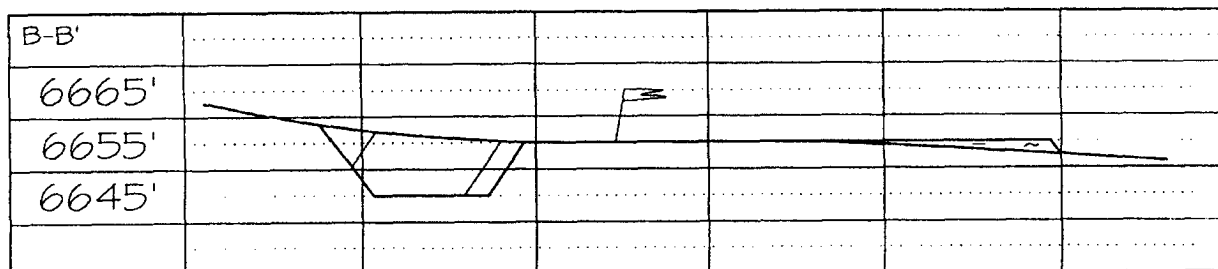
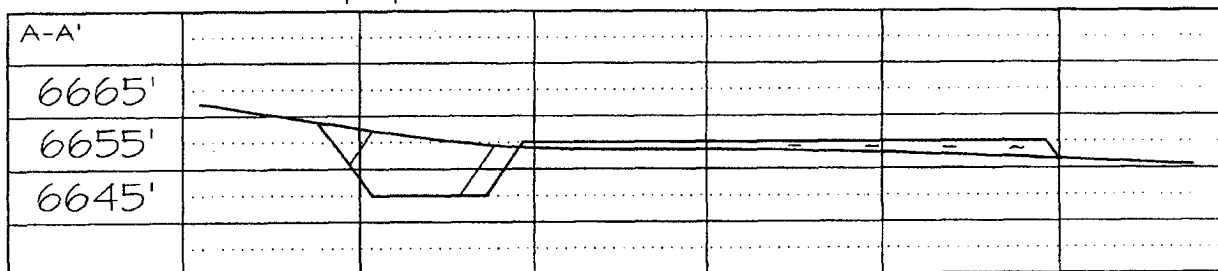
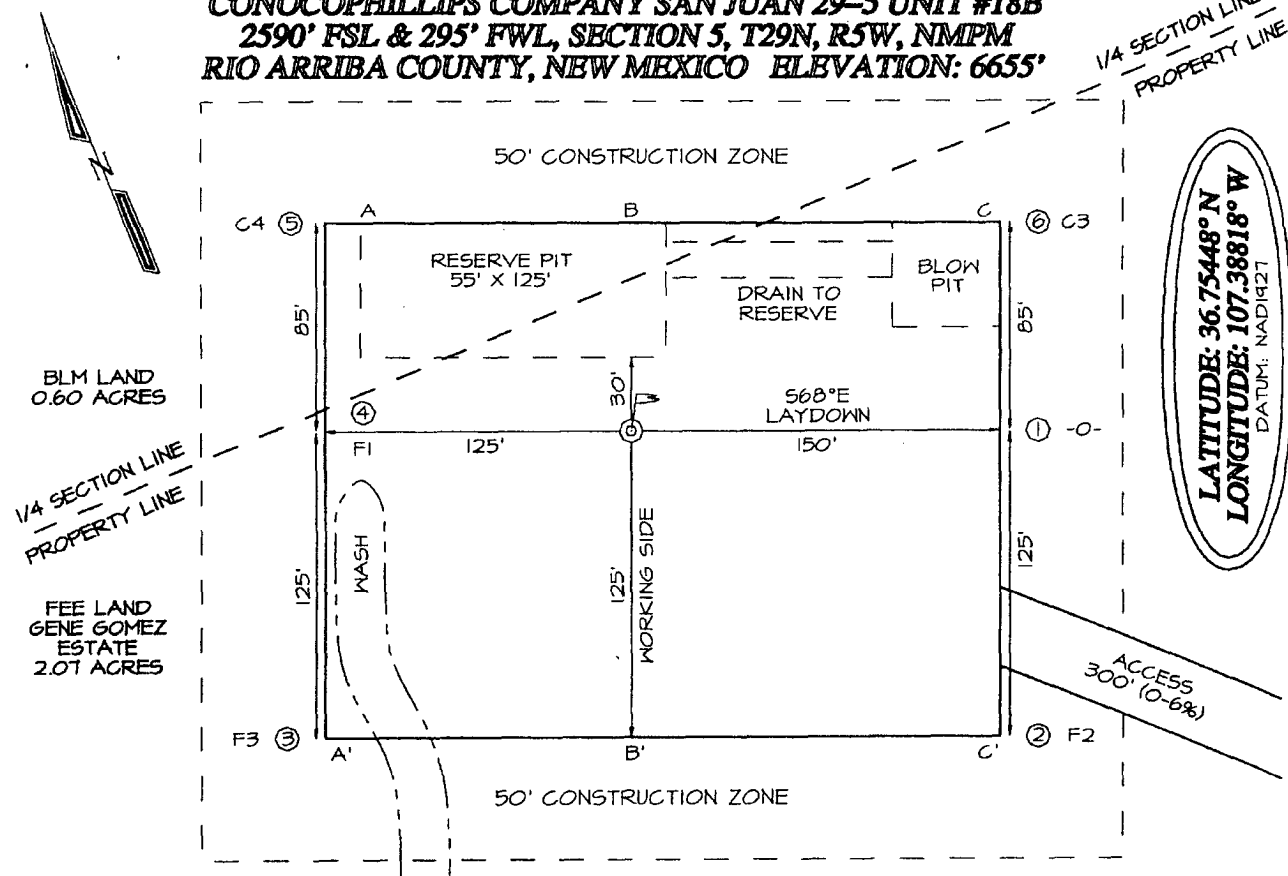
Type or print name Vicki Westby E-mail address: Vicki.R.Westby@conocophillips.com Telephone No. 432-368-1352

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 8 DATE AUG - 2 2004

Conditions of approval, if any:

CONOCOPHILLIPS COMPANY SAN JUAN 29-5 UNIT #18B
2590' FSL & 295' FWL, SECTION 5, T29N, R5W, NMPM
RIO ARriba COUNTY, NEW MEXICO ELEVATION: 6655'



PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 29-5 18B

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: 5	Range: 5W
Footage X: 295 FWL	Footage Y: 2590 FSL	Elevation: 6655	(FT)	Township: 29N	

Tolerance:

Location Type: Summer Only	Start Date (Est.):	Completion Date:	Date In Operation:
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Formation Data: Assume KB = 6655 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
SURFACE CSG	200	6455	<input type="checkbox"/>			Severe Lost Circulation is possible. 12 1/4" Hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface. Test casing to 500 psi.
NCMT	1405	5250	<input type="checkbox"/>			
OJAM	2755	3900	<input type="checkbox"/>			Possible water flows.
KRLD	2910	3745	<input type="checkbox"/>			
FRLD	3255	3400	<input type="checkbox"/>			Possible gas.
PCCF	3605	3050	<input type="checkbox"/>			
LEWS	3805	2850	<input type="checkbox"/>			
Intermediate Casing	3905	2750	<input type="checkbox"/>			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface. Test casing to 1500 psi.
CHRA	4605	2050	<input type="checkbox"/>			
CLFH	5475	1180	<input type="checkbox"/>			Gas; possibly wet
MENF	5505	1150	<input type="checkbox"/>			Gas.
PTLK	5785	870	<input type="checkbox"/>	2000		Gas.
Total Depth	6135	520	<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: ☐ Log only if show ☐ GR/ILD ☐ Triple Combo
 TD Logs: ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☒ 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/mist drilling media with foamer, polymer, & corrosion inhibitor as needed

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San Juan 29-5 # 18B			
	Surf. Csg	Int. Csg	Prod. Csg
OD	9.625	7	4.5
ID	9.001	6.456	4.000
Depth	230	3918	6148
Hole Diam	12.25	8.75	6.25
% Excess Lead		150	
% Excess Tail	150	150	50
Lead Yield		2.88	
Tail Yield	1.21	1.33	1.45
Ft of Tail Slurry	230	783.6	2430
Top of Tail Slurry	0	3134.4	3718
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	2.5	32.1	180.2	148.9
Shoe Track Volume	40	0.078735	1	3.1	17.7	13.3
Total				35.2	197.8	162.2

Intermediate Casing						
	Ft	Cap	XS Factor	bbls	cuft	sx
Lead Open Hole Annulus	2904.4	0.026786	2.5	194.5	1092.0	379.2
Lead Cased Hole Annulus	220	0.031116	1	6.8	38.4	13.3
Lead Total				201.3	1130.4	392.5
Tail Open Hole Annulus	783.6	0.026786	2.5	52.5	294.6	221.5
Tail Shoe Track Volume	42	0.040505	1	1.7	9.6	7.2
Tail Total				54.2	304.2	228.7

Production Casing						
	Ft	Cap	XS Factor	bbls	cuft	sx
Open Hole Annulus	2230	0.018282	1.5	61.2	343.4	236.8
Cased Hole Annulus	200	0.020826	1	4.2	23.4	16.1
Total				65.3	366.7	252.9

San Juan 29-5 #18B		
9-5/8 Surface Casing		
Cement Recipe	Class C Standard Cement	
	+ 3% Calcium Chloride	
	+0.25 lb/sx Flocele	
Cement Volume	162	sx
Cement Yield	1.21	cuft/sx
Slurry Volume	197.8	cuft
	35.2	bbls
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 # 18B

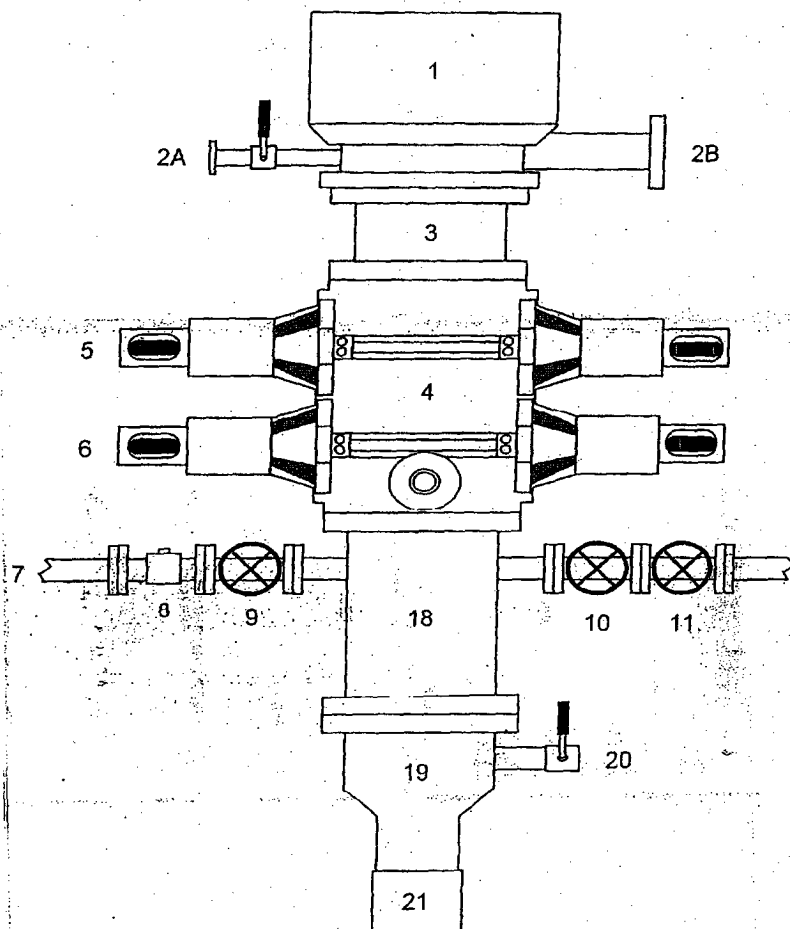
7" Intermediate Casing		
Lead Slurry		
Cement Recipe	Standard Cement	
	+ 3% Econolite (extender)	
	+ 10 lb/sx Pheno Seal	
Cement Required	393	sx
Cement Yield	2.88	cuft/sx
Slurry Volume	1130.4	cuft
	201.3	bbls
Cement Density	11.5	ppg
Water Required	16.91	gal/sx
Compressive Strength		
Sample cured at 130 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	229	sx
Cement Yield	1.33	cuft/sx
Slurry Volume	304.2	cuft
	54.2	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

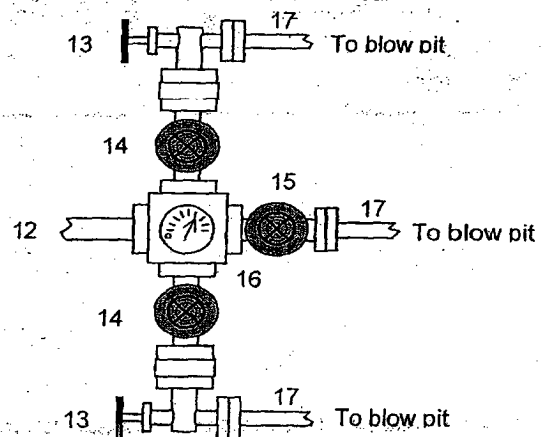
San Juan 29-5 # 18B	
4-1/2" Production Casing	
Cement Recipe	50 / 50 POZ: Standard Cement
	+ 3% Bentonite
	+ 3.5 lb/sx PhenoSeal
	+ 0.2% CFR-3 Friction Reducer
	+ 0.1% HR-5 Retarder
Cement Quantity	+ 0.8% Halad-9 Fluid Loss Additive
Cement Yield	253 sx
Cement Volume	1.45 cuft/sx
Cement Density	366.7 cuft
Water Required	65.3
	13.1 ppg
	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



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

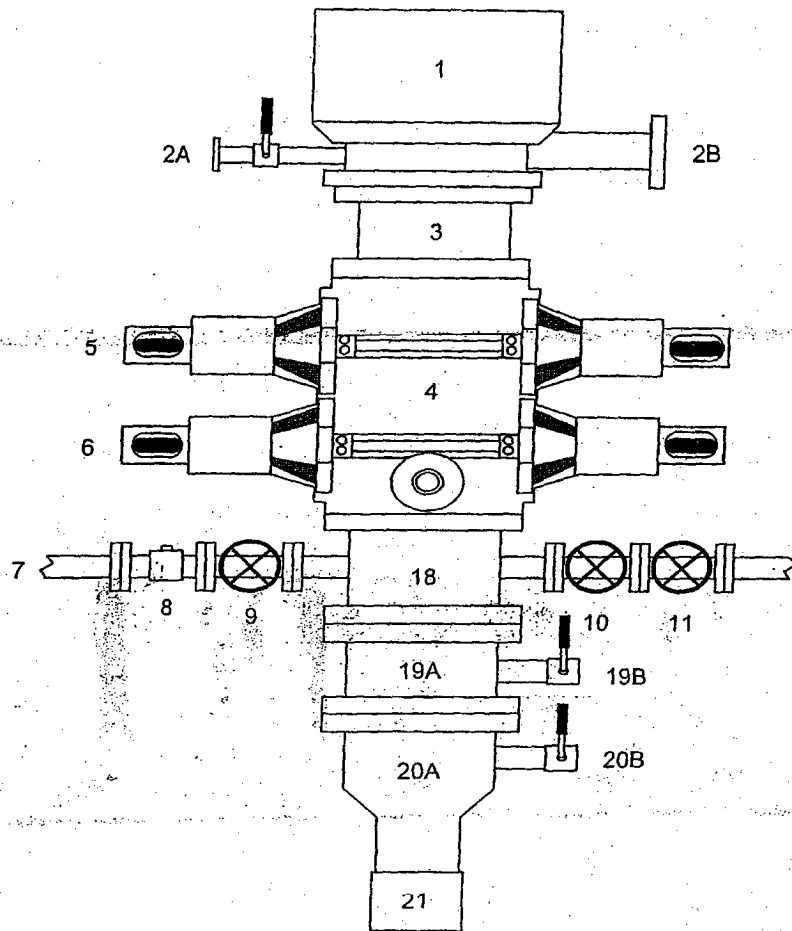


A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" section. A test plug will be set in the wellhead and the pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 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). An 8-3/4" hole will be drilled to intermediate casing point and 7" casing will be run and cemented.

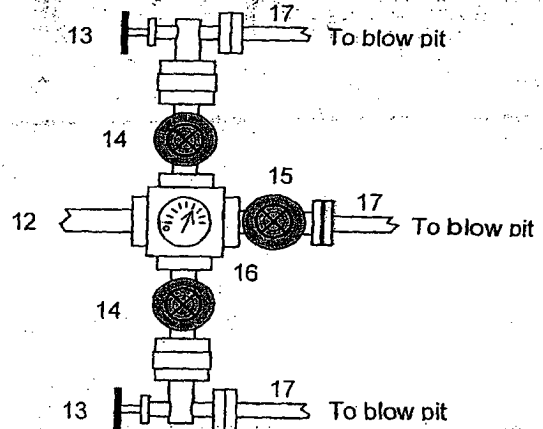
In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

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

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