Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: November 30, 2000

5. Lease Serial No.

| ٥. | Louis Soria 110. |
|----|------------------|
| | NINACEOZOGOE |
| | NMSF078305 |
| | |

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to driff or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals

| abandoned we | 6. If Indian, Allottee | 6. If Indian, Allottee or Tribe Name | | |
|--|--|---|---|----------------------------|
| SUBMIT IN TRI | PLICATE - Other instruction | ons on reverse side. | 7. If Unit or CA/Ag NMNM78415A | reement, Name and/or No. |
| 1. Type of Well ☐ Oil Well ☐ Gas Well ☐ Otl | her | Ball an | 8. Well Name and No. SAN JUAN 29-5 | |
| Name of Operator CONOCOPHILLIPS COMPAN | Contact: VI | CKI WESTBY Mail: VICKI.R.WESTBY@CO | 9. API Well No. NOCOPHILLIPS.C50M039-27784 | -00-X1 |
| 3a. Address P O BOX 2197 WL 6106 HOUSTON, TX 77252 | | b. Phone No. (include area code Ph: 432.368.1352 | 10. Field and Pool, of BLANCO MES | or Exploratory SAVERDE |
| 4. Location of Well (Footage, Sec., 1 | T., R., M., or Survey Description) | | 11. County or Parish | , and State |
| Sec 8 T29N R5W NWSE 222 | 0FSL 2555FEL | | RIO ARRIBA (| COUNTY, NM |
| 12. CHECK APP | ROPRIATE BOX(ES) TO I | NDICATE NATURE OF | NOTICE, REPORT, OR OTH | ER DATA |
| TYPE OF SUBMISSION | | ТҮРЕ О | F ACTION | |
| Notice of Intent | Acidize | Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| _ | Alter Casing | Fracture Treat | Reclamation | ☐ Well Integrity |
| ☐ Subsequent Report | ☐ Casing Repair | ☐ New Construction | Recomplete | Other |
| ☐ Final Abandonment Notice | Change Plans | Plug and Abandon | ☐ Temporarily Abandon | Change to Original A PD |
| | Convert to Injection | ☐ Plug Back | ☐ Water Disposal | |
| ConocoPhillips Company requestion 8, T29N Revised plats for this location | I, R5W, 2010 FSL - 2325 FE | | | |
| 14. Thereby certify that the foregoing is | | | | |
| | Electronic Submission #54 For CONOCOPHILI | 290 verified by the BLM We LIPS COMPANY, sent to the | Il Information System Farmington | |
| | nitted to AFMSS for processin | g by ADRIENNE BRUMLEY | on 02/22/2005 (05AXB0815SE) | |
| Name (Printed/Typed) VICKI WE | SIBY | Title AGEN | | |
| Signature (Electronic | Submission) | Date 02/18/2 | 2005 | |
| | THIS SPACE FOR | FEDERAL OR STATE | OFFICE USE | <u> </u> |
| Approved By Pies | ness | Title EPS | | Date 2/22/05 |
| Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conditions. | uitable title to those rights in the su uct operations thereon. | Office F | | |
| Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent | U.S.C. Section 1212, make it a cri | me for any person knowingly an | d willfully to make to any department | or agency of the United |

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 PD Box 2088, Santa Fe, NM 87504-2088 State of New Mexico Energy, Minerals & Natural Resources Department

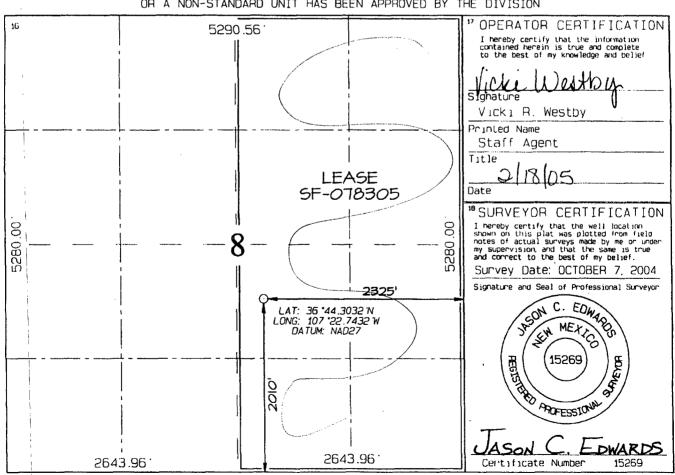
OIL CONSERVATION DIVISION PO Box 2088 Santa Fe. NM 87504-2088 Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

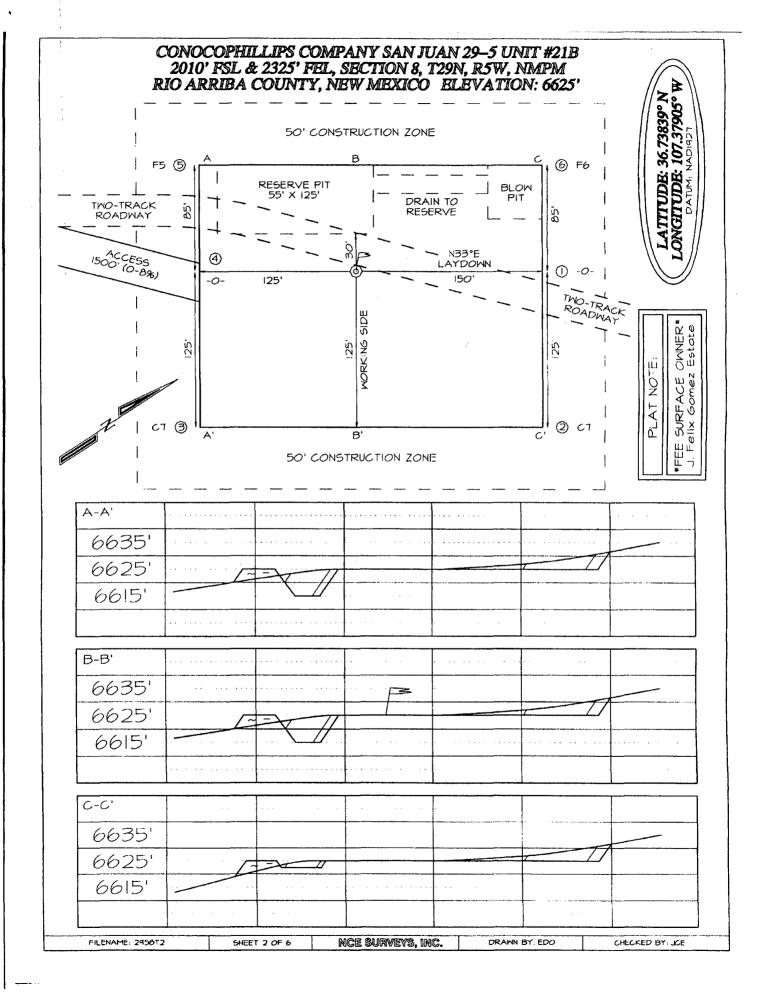
AMENDED REPORT

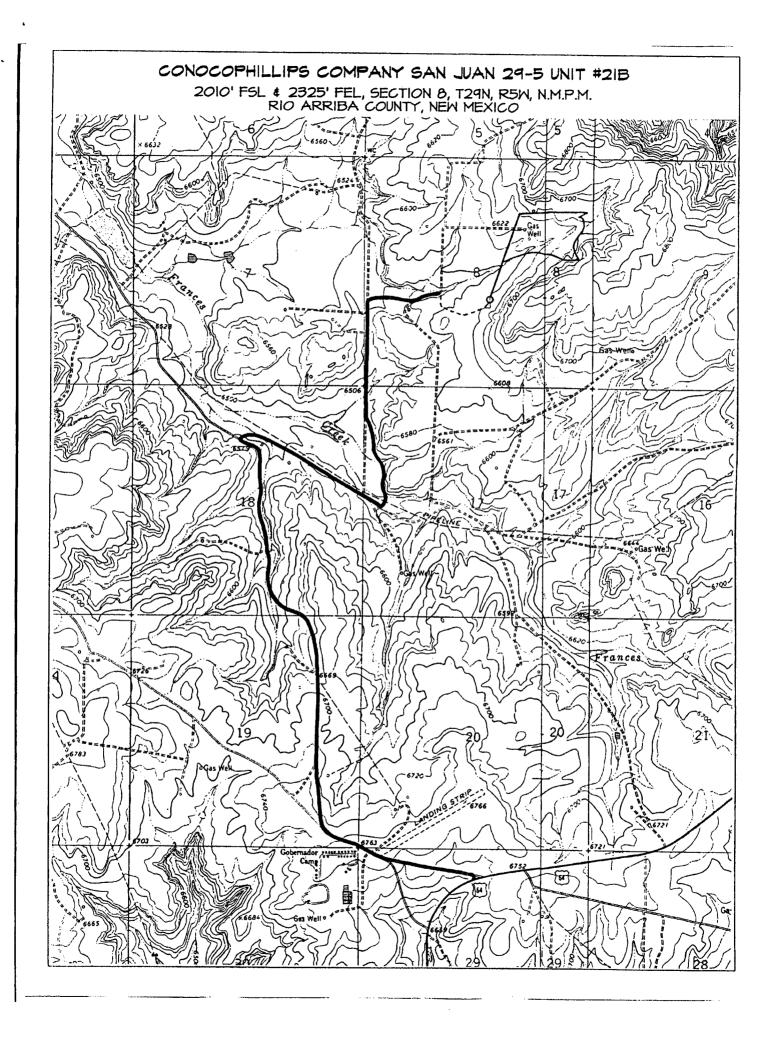
WELL LOCATION AND ACREAGE DEDICATION PLAT

| 'API Number 'Pool Code 72319 | | | | 'Pool Name BLANCO MESAVERDE | | | | | | |
|-------------------------------------|----------|----------|-------------------------------|----------------------------------|--------------------------------------|------------------|------------------|----------------|---------------------|--|
| Property 3132 | | | | (| *Property Name SAN JUAN 29-5 UNIT | | | | *Well Number 218 | |
| '0GRID N 21781 | | | | | | | levation 6625 | | | |
| | | | | | ^{lo} Surface | Location | | | | |
| UL ar lot no. | Sect ion | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
| J | 8 | 29N | 5W | | 2010 | SOUTH | 2325 | EAST | RIO AHRIBA | |
| | | 11 E | ottom | Hole L | ocation I | f Different | From Surf | ace | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
| | | | | | | | | | | |
| P Dedicated Acres 320.0 Acres - E/2 | | | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. | | | | | |

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







Directions from the Intersection of US Hwy 64 & US Hwy 550 in Bloomfield, NM to ConocoPhillips Company San Juan 29-5 Unit #21B

2010' FSL & 2325' FEL, Section 8, T29N, R5W, NMPM, Rio Arriba County, NM

From the intersection of US Hwy 64 & US Hwy 550 in Bloomfield, NM, travel Easterly on US Hwy 64 for 38.0 miles to State Hwy 527 (Simms Hwy);

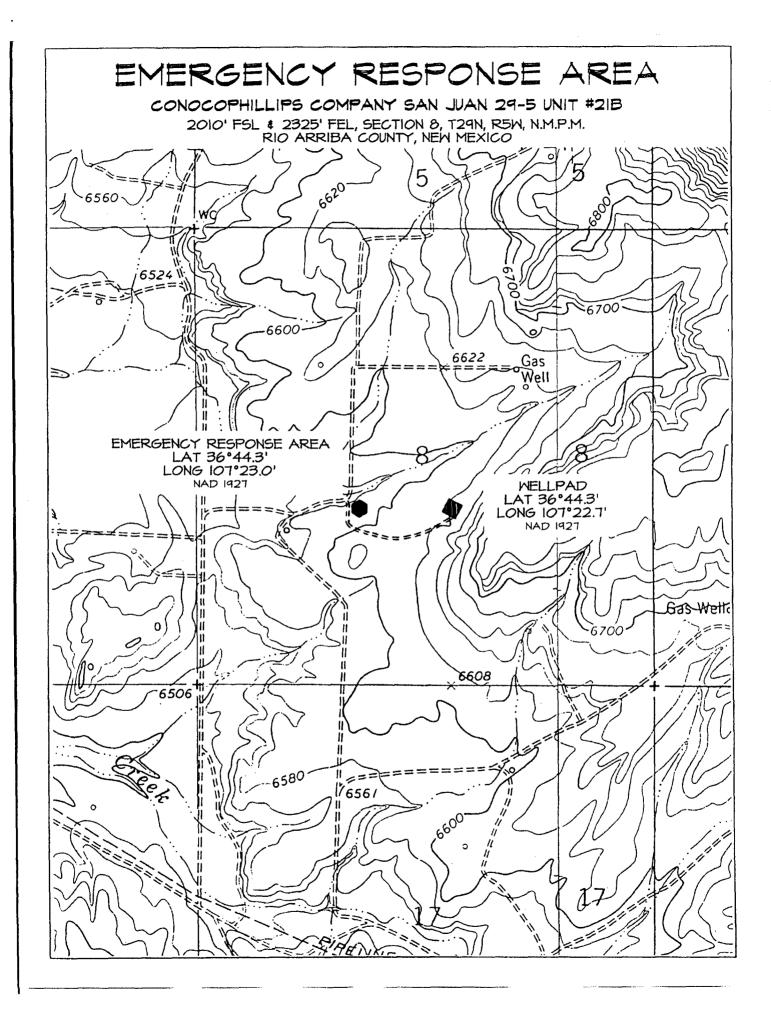
Go left (North-westerly) on State Hwy 527 (Simms Hwy) for 2.6 miles;

Go right (North-easterly) for 0.6 miles to fork in road;

Go left (Northerly) for 1.0 miles to fork in road;

Go right (Easterly) for 0.2 miles to fork in road;

Go left which is straight (Easterly) for 0.2 miles to new access on right-hand side of existing roadway which continues for 1500' to staked location.



PROPOSED PIPELINE ROUTE CONOCOPHILLIPS COMPANY SAN JUAN 29-5 UNIT #218 2010' FSL & 2325' FEL, SECTION &, T29N, R5W, N.M.P.M. RIO ARRIBA COUNTY, NEW MEXICO 6620 6560 6700 -6600-6622 Gas SURVEY FOLLOWS PROPOSED ROADWAY AND TIES-IN TO WILLIAMS FIELD SERVICES PIPELINE LOCATED IN NE/4 SW/4 SECTION 8, T29N, R5W 11 0 l II Gas-Wetto In 6700 TOTAL FOOTAGE 1375' FEE: J. Fellx Gomez Estate 6506 -65⁸⁰ 16561 ,6⁶⁰⁰



CATHODIC PROTECTION PLAN FOR NEW WELL

| WELL NAME: 5.J.29-5 #21B | LEGALS: J-8-29-5 | COUNTY: R.A. | |
|--|---------------------------|--|-------|
| PURPOSED C.P. SYSTEM: TAP WIO U | WERGERNIO A.C. @ RORD IER | DALG TO WELL & TRENCHE 950'2-W | IRE |
| A.L. TO EDGE OF LOCATION. THEN | SET RECT W/ STUBPOLE &) | PRILL G.B. ON SOUTH DENER OF LOS | ATTON |
| NUO RENCHO 189' 48 NEG FROM | U RECT TO WELLMAND | | |
| WASH WASH | 5/1. | RECEIVE PH BOTH | |
| EXISISTING WELLHEAD METER HOUSE G. | .B. POWER SOURCE CABL | E NEW WELL OVERHEAD A.C | |
| COMMENTS: | | | |
| | | | |
| NEAREST POWER SOURCE: BURLED OF PIPELINES IN THE AREA: 2 - W.F.S | | DISTANCE: <u>@ 450′</u> - TO C8055 THEM | |
| TECHNICIAN: | DATE: 5-20 04 | | |
| Rocky Mountain Regional Headquarters | | | |

1608 Schofield Lane • Farmington, New Mexico 87401 Office: 505-326-0272 • Fax: 505-326-6755

| Property: | | SAN JUAN 29-5 | 5 UNIT | | Well # | : | 21B | | |
|--------------------|---------|------------------|----------|-------------------|----------|----------|------|------|--|
| Surface Lo | cation: | | | | | | | | |
| Unit: | Section | on: <u>8</u> Tov | vnship:_ | 29N | _ Range: | 5W | | | |
| County: Rio Arriba | | | | State: New Mexico | | | | | |
| Footogo | 2010 | from the | South | lina | 2325 | from the | Fact | 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.

MULTI-POINT SURFACE USE PLAN

ConocoPhillips Company San Juan 29-5 Unit #21B

The following is required information concerning the possible effect, which the drilling of this well may have on the environment, existing road sites, and surrounding acreage. A copy will be posted on the derrick floor so all contractors and sub-contractors will be aware of all items on this plan.

1. Existing Roads and Well Location

- A. The proposed Blanco Mesaverde well location site is located at 2010' FSL & 2325' FEL, Section 8, T29N, R5W, Rio Arriba County, New Mexico. All existing roads used to access the location shall be maintained in the same or better condition than presently maintained.
- B. Directions to the location are as follows:
 From the intersection of US Hwy 64 & US Hwy 550 in Bloomfield, NM, travel Easterly on US Hwy 64 for 38.0 miles to State Hwy 527 (Simms Hwy); Go left (North-westerly) on State Hwy 527 (Simms Hwy) for 2.6 miles; Go right (North-easterly) for 0.6 miles to fork in road; Go left (Northerly) for 1.0 miles to fork in road; Go right (Easterly) for 0.2 miles to fork in road; Go left which is straight (Easterly) for 0.2 miles to new access on right-hand side of existing roadway which continues for 1500' to staked location.

2. Planned Access Road

- A. 1500' of new access road will need to be constructed to reach the proposed well pad. This portion of new roadway, as well as high maintenance areas of the existing roadway, will be plated with sandstone from the well pad if suitable material is available.
- B. Turnouts as specified by Bureau of Land Management (BLM).
- C. Culverts as specified by BLM; one of which was specifically mentioned during field on-site inspection. This culvert shall be a minimum of 18" in diameter and placed across the proposed roadway at the point at which it enters the proposed well pad. Furthermore, 18" minimum diameter culverts will be placed across the proposed roadway at all low spots and natural drainage-ways. Any additional culverts deemed necessary by dirt contractor during construction shall also be a minimum of 18" in diameter, brought to the attention of the BLM lead, and placed accordingly.
- D. Gates, cattleguards, or fences as specified by the BLM. Furthermore, any and all existing gates in the project area will remained closed at all times.

3. Topographic Map and Well Location

A 7.5' quadrangle topographic map was filed with the Notice of Staking. The proposed project is located on the Fourmile Canyon topographic map located in T29N, R5W, NW/4 SE/4, Section 8, 2010' FSL & 2325' FEL. The general terrain is sloping to the West at an average 6% grade or less. The proposed well pad is located in the valley bottom amongst rolling hills approximately 500' to the South and East of a drainage-way which flows into Frances Creek. Furthermore, the proposed well pad is located less than 1-¼ miles to the North and East of State Highway #527. The primary vegetation in the project area consists of Sagebrush, Rabbitbrush, Pinon/Juniper trees, and a variety of grasses. Approximately four (4) existing natural gas wells are located within a 0.5 mile radius of the proposed project. Pipelines and access roads associated with these facilities represent further disturbance within the area.

4. Wellsite Layout and Cross Sections

See Cut & Fill plat for details. The proposed project will require 3:1 cut and fill slopes during the clean-up phase of the project. Drainage will be diverted along the South and East sides of the well pad above the cut slope, draining to the West and North respectively. Furthermore, a silt trap will be constructed in the Northerly construction zone to the North and East of corner stake #1. During the clean-up phase, a series of small trenches will be incorporated into the cut slope in order to limit erosion, thus allowing for effective revegetation of the project area.

5. Water Supply

Due to the presence of adequate clay material on the location site, produced water will be utilized in the drilling operations of this well according to the terms of the Beneficial Use Permit on file with the BLM. Produced water that is suitable for drilling operations and meets the established requirements will be trucked from the nearest existing ConocoPhillips gas well in the area or a two-inch (2") poly line will be installed on the surface along the new and existing access roadway to the well location. Said poly line, if utilized, will tie-in to the existing ConocoPhillips produced water gathering system at an existing riser along said system. In the event that an adequate amount of produced water is not available then water will trucked to the location from one of the following sources;

- a) San Juan River at Blanco Bridge, NWSESE of Section 18, T29N, R9W
- b) 29-6 Waterhole in Unit L, Section 28, T29N, R6W
- c) Navajo Reservoir, SWNWSE of Section 14, T30N, R7W
- d) Sims Mesa (SJ #14) NWSW Section 35, T31N, R7W
- e) La Jara Water Hole, Unit M, section 11, T30N, R6W
- f) Pine River
- g) City of Ignacio, CO
- h) City of Aztec, NM

6. Source of Construction Materials

Construction materials will be obtained from the location site.

7. Methods of Handling Waste Disposal

- A. The drill cuttings, fluids and completion fluids will be placed in the reserve pit that will be lined. The reserve pit will be fenced on three sides away from the pad during drilling and the fourth side fenced as soon as the rig moves out. The reserve pit will be allowed to dry, and materials remaining in the reserve pit shall be capped with a 4" minimum of suitable clay material. The reserve pit will then be backfilled, leveled and contoured so as to prevent any materials being carried into the watershed. Upon completion, the pad will be leveled, contoured, and reseeded with the appropriate seed mixture as specified by the BLM. The BLM seed mix for this project is a special test mixture for areas receiving more than 10" of annual precipitation. The information mentioned in this section is in accordance with ConocoPhillips' NMOCD approved "General Plan" to construct and close drill pits which is in compliance with Rule 19.15.2.50(B)(2).
- B. All garbage and trash will be hauled away to a landfill designated by ConocoPhillips.
- C. Chemical toilets will be provided and maintained during drilling operations.
- D. Any trees greater than 6" in diameter shall be limbed and placed at an accessible location as designated by fee surface owner.
- E. Any brush, small trees, and limbs will either be chopped and spread throughout the project area or pushed to the West side of the proposed well pad and partially buried in the fill material to act as a sediment filter in an attempt to minimize soil erosion.

8. Ancillary Facilities

There is a slight possibility for the placement of a compressor unit on location during some stage in the life of this well. If and when a compressor is placed on location, it will abide by any noise restrictions in affect at the time.

9. Production Facility Layout

- A. See attachment to this plan. Production equipment will be painted the color designated by the BLM. Color: Juniper Green.
- B. Any production equipment encompassed by a dirt berm or one in which potentially hazardous fluids are present shall be adequately fenced and properly maintained in order to safeguard both livestock and wildlife.
- C. Location of Proposed New Facilities A 4-1/2" OD buried steel pipeline that is 1375 feet in length will be constructed along the proposed roadway and tied-in to Williams Field Services gas pipeline located in the NE/4 of SW/4 of Section 8, T29N, R5W. The pipe-wall thickness is .156 and the pipe-wall strength is 42,000# yield. The pipeline has the potential to be used to transport gas to drill the well. After the well is spudded, the pipeline will be authorized by a right-of-way issued to Williams Field Services. Please refer to the attached proposed pipeline map for additional information.

10. Plans for Restoration of Surface

Topsoil (6") will be stockpiled in the construction zone for later use in restoration. When the well is abandoned; the location and access road will be cleaned and restored to the original topographical contours as much as possible. The area will be reseeded with the appropriate seed mixture. If the well is productive, areas not used in production will be contoured and seeded with stipulated mixture.

11. Surface Ownership

The surface ownership is FEE Land: J. Felix Gomez Estate. The BLM/Farmington Field Office has mineral jurisdiction only on this project.

12. Other Information

The onsite for the proposed project was conducted on October 12, 2004 with Bill Liess as BLM lead.

No invasive weeds were identified in the proposed project area.

La Plata Archaeological Consultants in Dolores, Colorado has submitted the Cultural Resources Survey Report to the BLM under Report Number LAC 2004-3E#2.

The construction contractor for the proposed project is Aztec Excavation Company.

This proposed project is located within the Big Game Winter Closure SMA in effect from December 1st through March 31st. No additional recreational areas, Special Management Areas (SMAs), Areas of Critical Environmental Concern (ACECs), or wilderness areas are located within the project area.

The proposed action would impact no floodplains or stock ponds.

13. Operator's Representative and Certification

The person who can be contacted concerning compliance of this Surface Use Plan is:

Mike L. Mankin
Coordinator / Right of Way and Claims
ConocoPhillips Company
4001 Penbrook, Suite 313
Odessa, Texas 79762
(432) 368-1293

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drilling site; that I am familiar with the conditions which currently exist; that the statements made in this plan, are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by ConocoPhillips Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Mike L. Mankin
Coordinator / Right of Way and Claims

Date