(Fetherly 2005) DIST		7 FM 10 2	7	OMB	APPROVE Vo. 1004-013 Varch 31,	37
UNITED STATE OF ARTMENT OF THE OF ARTMENT OF THE	IVITEDI\P	CEIVED MINGTON II	M	5. Lease Serial No. NM-0	03040-	Α
APPLICATION FOR PERMIT TO				6. If Indian, Allotee		
Ia. Type of work: DRILL REENI	TER			7. If Unit or CA Agre	ement, Na	me and No.
lb. Type of Well: Oil Well Gas Well Other	s	ingle Zone Mult	iple Zone	8. Lease Name and V San Juan 29		<i>31326</i> t#68C
2. Name of Operator ConocoPhillips Con	nnany	217817		9. API Well No. 30-03	9-7	9563
3a. Address	, 	Io. (include area code)		10. Field and Pool, or I		
4001 Penbrook, Odessa, TX 79762		432-368-1352		Blanco	Mesave	erde 1231
4. Location of Well (Report location clearly and in accordance with any NESE 2600 FSL - 400		ents, *)		I 1. Sec., T. R. M. or B	lk. and Su	vey or Area
Atsurace	FEL			Sec. 29, T29N, I	R6W, N	IMPM
At proposed prod. zone 14. Distance in miles and direction from nearest town or post office*			·	12. County or Parish		13. State
14. Distance in finites and direction from hearest town of post office				Rio Arriba		NM
15, Distance from proposed* location to nearest propery or lease line, ft. (Also to nearest drig, unit line, if any)		cres in lease	17. Spacing Unit dedicated to this well E/2 - 320.0 acres			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed			BIA Bond No. on file		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6282' GL	22 Approxin	nate date work will star	23. Estimated duration			
	24. Attac	hments			·	
The following, completed in accordance with the requirements of Onshor	e Oil and Gas	Order No. 1, must be at	tached to this	form:		
Well plat certified by a registered surveyor. A Drilling Plan.		Item 20 above).		unless covered by an e	xisting bo	nd on file (see
3 A Surface Use Plan (if the location is on National Forest System I SUPO must be filed with the appropriate Forest Service office).	Lands, the	5. Operator certifica 6. Such other site sp BLM-		nation and/or plans as m	nay be req	uired by the
25. Signature, Westby	Name	Name (Printed/Typed) Vicki Westby Date 6/6				/2005
Title Staff Agent						
Approved by (Signature)	Name	(Printed/Typed)			Date	114/2-
Title Allan AM	Office				<u> </u>	
Application approval descript warrant or certify that the applicant hold conduct operations thereon. Conditions of approval, if any, are attached.	s legal orequita	ble title to those rights	in the subjec	t lease which would enti	itle the app	olicant to
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a States any false, fictitious or fraudulent statements or representations as to	crime for any p	erson knowingly and v thin its juris iction.	villfully to ma	ake to any department or	agency of	the United
*(Instructions on page 2)						
ConocoPhillips Company proposes to drill a vert	ical wellbe	ore to the Blanc	o Mesav	erde formation.	This w	ell 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".

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

'API Number

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

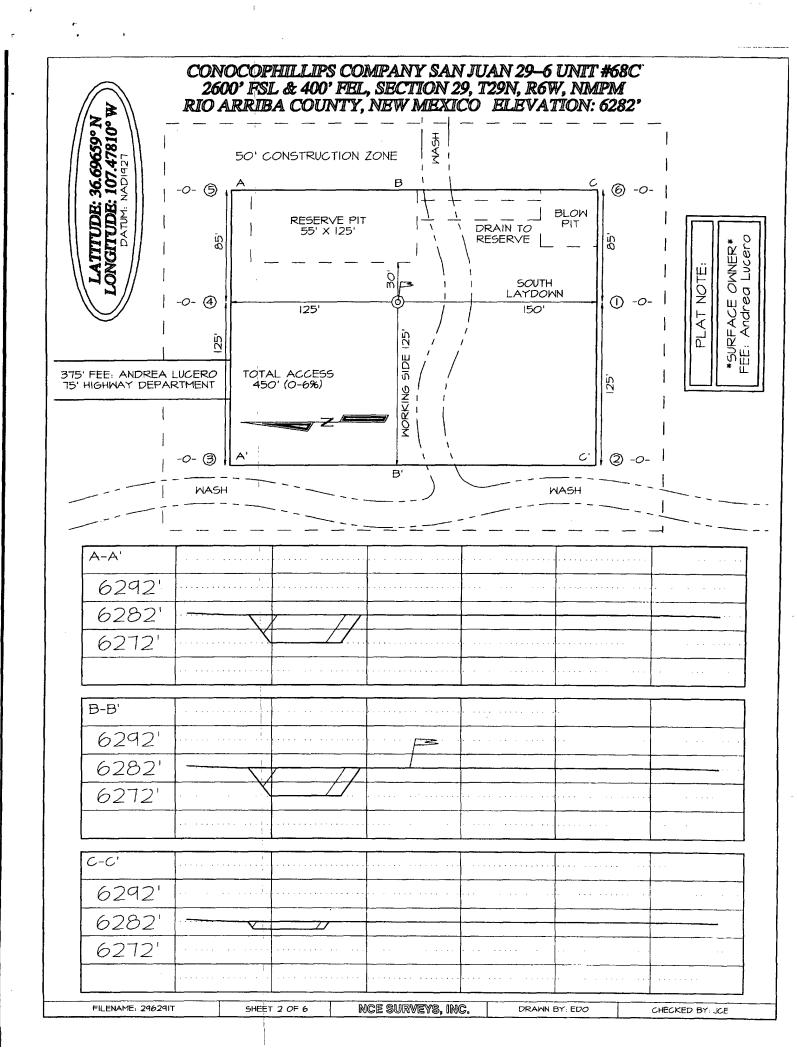
WELL LOCATION AND ACREAGE DEDICATION PLAT

³Pool Name

30-039-20	1563	72	319 v	9 🗸 BLANCO MESAVERDE						
Property Code 31326	°Property Name SAN JUAN 29-6 UNIT								* We	11 Number
70GRID No.				*Operator					•E	levation
217817	•		CC		IPS COMPANY					6585 ,
					Location					
I Section 29	Township 29N	Range 6W	Lot Idn	Feet from the	North/South line SOUTH	1	from the	East/We EA		RIO ARRIBA
UL or lot no. Section	11 Township	Bottom Range	Hole L	ocation I	f Different		m Surf			
UL or lot no. Section	TOMESTID	Hange	COT TON	Feet from the	MORTH/South line	reet	from the	East/We	st line	County
12 Dedicated Acres).O Acr	es - E/	'2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order	No.	L		1
NO ALLOWABLE W	ILL BE OR A	ASSIGNED NON-ST	O TO THI ANDARD	IS COMPLETION OF THE PROPERTY	L ON UNTIL ALL EEN APPROVED	INTE BY T	RESTS H HE DIVIS	IAVE BE	EN CON	ISOL IDATED
			29 29	NM-03 840 ac LAT: 1 LONG:	ASE 040-A 160-41.7952 N 107 28.6860 W 10M: NAD27	1	I hereby containe to the to th	R. We Name Agent YOR (ertify the this plat is stion, and state: (and Seal c	stby Stby Stby CERTIF St the well was plotter eys made plotter eys mad	d from field by me or under lame is true belief. R 20, 2004 conal Surveyor

Submit 3 Copies To Appropriate District Office	State of New 1				Fonn C-103
District I	Energy, Minerals and N	atural Resources	WELLAP	PLNO	May 27, 200-
1625 N. French Dr., Hobbs, NM 88240 District 11	OILCONSERVATIO		300	539-298	563
1301 W. Grand Ave., Artesia, NM 882 1 0 District III	1220 South St. F			Type of Lease	
I 000 Rio Brazos Rd., Aztec, NM 8741 0 District IV	Santa Fe, NM			ATE 1 1 & Gas Lease 1	FEE
1220 S. St. Francis Dr., Santa I e, NM			0. State Of	1 & Gas Lease 1	40.
87505 SUNDRYNOT	ICES AND REPORTS ON WELL	S	7 Lease N	ame or I brit Ao	mement Name
(DONOTUSE THIS FORM FOR PROPC DIFFERENT RESERVOIR, USE 'APPLIC	SALSTODRILLOR TO DEEPEN OR I	LUGBACKTOA	7. Lease Name or Unit Agreement Na		
PROPOSALS)	· · · · · · · · · · · · · · · · · · ·	PORSOCA	O MA UNI	San Juan 29-6	Unit
1. Type of Well: Oil Well	Gas Well Other		8. Well Nu		68C
2. Name of Operator	ConocoPhillips Compar	nv	9.OGRID	Number	217817
3. Address of Operator	conotor immps compar	<u>.</u>	I 0. Pool na	ame or Wildcat	217017
	4001 Penbrook, Odessa, Tx	79762		Blanco Mesa	verde
4. Well Location					
Unit Letter I	2600 feet from the So			eet from the	East line
Section29		Range 6W	NMPM	Rio Arriba	County
	I 1. Elevation (Show whether	DR, RKB, RT, GR, etc.) 282'			
Pit or Below -grade Tank Application X		>6000'		<u> </u>	240
Pit type drill Depth to Groundwa	nter 40' Control of the control of t	water well <0.5 mile	Distance	from nearest surface	e water Well Pad
Liner Thickness: mil	Below-Grade Tank: Volume	bb1s; Con	struction Mate	rial	
12. Check A	appropriate Box to Indicate 1	Nature of Notice, I	Report or C	Other Data	
NOTICE OF IN	TENTION TO:	l cupo	SEO! IENT	REPORT	\
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WORK	-		フト: IGCASING [7]
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRIL		—	
PULL OR ALTER CASING	MULTIPLE COMPL	CASING/CEMENT			ب
OTHER:		OTHER:			
13. Describe proposed or comp	leted operations. (Clearly state all	pertinent details, and	give pertinen	t dates, includin	g estimated date
of starting any proposed wo	rk). SEE RULE I 1 03. For Multip	ole Completions: Atta	ch wellbore o	liagram of prop	osed completion
or recompletion.					
The mit will be constructed and closed in	accomplanted with Daylo 60 and as man	4 NT 1 2004 C 1-	C	1 1.2	
The pit will be constructed and closed in location of the pit in reference to the pro	oosed wellhead. The drill pit will be	ine Nov. 1, 2004 Guide. Llined. The drill pit will	ines. See ine : be closed after	attached diagram r the well has bee	that details the
	, , , , , , , , , , , , , , , , , , , ,			THE TOTAL POL	потрющ
	•				

I hereby certify that the information ab grade tank has been/will be constructed or cle	ove is true and complete to the bes used according to NMOCD guidelines	t of my knowledge and Ⅺ, a general permit ☐ or	l belief. I furtl an (attached) a	her certify that ar Ilternative OCD-an	ıv pit or below- øroved plan □
SIGNATURE Vicki Westby	TITLE Sta			DATE 6/6	
Type or print name	E-mail ad	ldress:		Telephone No	
For State Use Only		2		, Inc	^ 1 @ 200E
APPROVED BY:	inorable area - f	ity uil a jas inspel	102, DIST, 4	DATE	
Conditions of Approval (if any):	Inorable area - F	its must be	closed	according	<i>l</i> y -
·				•	•





PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 29-6 68C

Lease:					AFE #:	<u></u>				AFE \$:
Field Name: hPHIL	LIPS 29-6		Rig:				State:	NM Coun	ity: RIO ARRIBA	API #:
Geoscientist: Glas	er, Terry J		Phone	: (281) 293 -	6538	Prod.	Engineer:	Moody, C	raig E.	Phone: 486-2334
Res. Engineer: Joh	nson, Tom E	3.	Phone	: (832)-486-2	2347	Proj.	Field Lead:			Phone:
Primary Objectiv	re (Zones):				V.				8404	
Zone	Zone Name)	-		7					
RON	BLANCO ME	SAVERDE (P	RORAT	ED GAS)						
Location: Surface		432							, or Marine	Straight Hole
Latitude: 36.70	Longit	ude: -107.48		X:		Y:		Sect	tion: 29	Range: 6W
Footage X: 400 FE	L Footag	e Y: 2600 FS	SL	Elevation: 62	282	(FT)	Township:	29N		
Tolerance:			1							
Location Type: Yea			<u> </u>	ate (Est.):		Con	npletion Da	te:	Date In	n Operation:
Formation Data:	Assume KB =	= 6295 U	Jnits =	FT						
Formation Call & Casing Points		Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	внт			Remarks	s
Surface Casing		213	6082				Possible k	ost circulation	on. 12 1/4" Hole	e. 9 5/8", 32.3 ppf, H-40,
NCMT		995	5300					-		
OJAM		2315	3980				Possible w	vater flows.		
KRLD		2465	3830							
FRLD		2815	3480				Possible g	as.		
PCCF		3165	3130							
LEWS		3365	2930							
Intermediate Casing		3465	2830				8 3/4" Hol surface.	le. 7", 20 p	pf, J-55, STC Ca	asing. Circulate cement to
CHRA		4135	2160							
CLFH		4845	1450				Gas; possi	bly wet		
MENF		4995	1300				Gas.			
PTLK		5335	960				Gas.			
MNCS		5585	710							
Total Depth		5685	610				6 1/4" Hol	e. 4 1/2", 1	10.5 ppf, J-55, S	TC casing. Circulate cemen s casing string. No open
						_	hole logs.	Cased hole	TDT with GR to	surface.
Reference Wells:	*		143	I 0						
Reference Type W	Vell Name			Comments						
Logging Program:										
Intermediate Logs:		if show 🔲 (GR/ILD	☐ Triple (Combo	7576				
			·	· · · · · · · · · · · · · · · · · · ·						
TD Logs:	Triple Co	mbo 🔲 Dip	meter	RFT 🗆	Sonic [☐ VSP[☑ TDT			
Additional Information	on:									
Log Type	Stage	From (Ft)	To (Ft)		Tool T	ype/Name		Remarks	
Printed on: 6/2/200	05 10:16:35	AM								



PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 29-6 68C

Comments: Zones - 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
oints

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

THIS APPROVAL IS CONTINGENT UPON FILING AND APPROVAL OF AN AMENDMENT TO THE 2005 POD

Printed on: 6/2/2005 10:16:35 AM

San Juan 29-6 #68C Halliburton Cement Calculations

SURFACE CASING:

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

12:25 "
9.625 "
32:3 ppf
H-40
230 "
1.21 cuft/sk

125 %

147 sx

Casing Inside Diam. 9.001 "

Casing Inside Diam. 6,456 "

SHOE

230 ', 9.625 ", 32.3 ppf,

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 Excess
Lead Cement Required
Tail Cement Required

8.75 "
7 "
20 ppf
3.465 '
2.88 cuft/sk
150 %
6.693 '
1.33 cuft/sk
150 %
3.45 sx
2.03 sx

SHOE

3465 ',

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

4.5 " 10.5 ppf 1-55 3265 '

Casing Inside Diam. 4.052"

200' inside intermediate casing

/sk

1.45 cuft/sk 50 % 252 sx

SAN JUAN 29-6 #68C

HALLIBURTON OPTION

TIALLIBOTOTOTT					
9-5/8 Surface Casing					
Class C Standard Cement					
+ 3% Calcium Chlori	de				
O O () () () ()					
147 sx					
1.21	cuft/sx				
179.8	cuft				
32.0	bbls				
15.6 ppg					
5.29 gal/sx					
	9-5/8 Surface Casing Class C Standard Co + 3% Calcium Chlor +0.25 lb/sx Flocele 147 1.21 179.8 32.0 15.6				

	7" Intermediate Casin	g			
	Lead Slurry				
Standard Cement					
Cement Recipe	+ 3% Econolite (exte	ender)			
•	+ 10 lb/sx Pheno Se	al			
Cement Required	345	sx			
Cement Yield	2.88	cuft/sx			
	994.2	cuft			
Slurry Volume	177.1	bbls			
Cement Density	11.5	ppg			
Water Required	16.91 gal/sx				

	7" Intermediate Casin	g
	Tail Slurry	
	50 / 50 POZ:Standar	d Cement
Cement Slurry	+ 2% Bentonite	
	+ 6 lb/sx Pheno Sea	l,
Cement Required	203	sx
Cement Yield	1.33	cuft/sx
	270.1	cuft
Slurry Volume	48.1	bbls
Cement Density	13.5	ppg
Water Required	5.52	gal/sx

4-1/2" Production Casing					
	50 / 50 POZ:Standard Cement				
Cement Recipe	+ 3% Bentonite				
	+ 3.5 lb/sx PhenoSeal				
	+ 0.2% CFR-3 Friction Reducer				
	+ 0.1% HR-5 Retarder				
]	+ 0.8% Halad-9 Fluid Loss Additive				
Cement Quantity	252 sx				
Cement Yield	1.45 cuft/sx				
0 ()//.	365.2 cuft				
Cement Volume	65.0				
Cement Density	13.1 ppg				
Water Required	6.47 gal/sx				

SCHLUMBERGER OPTION

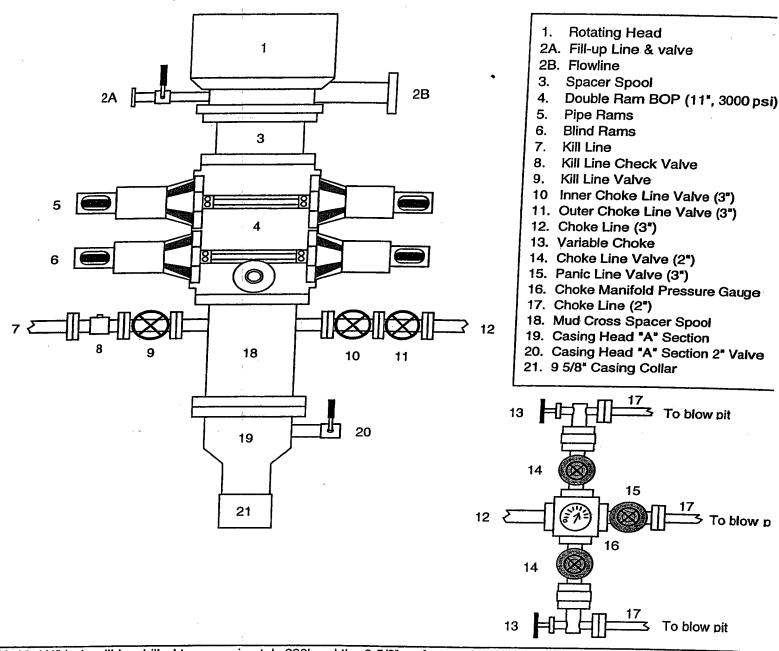
9-5/8 Surface Casing					
Class G Standard Cement					
Cement Recipe	+ 2% S001 Calcium	+ 2% S001 Calcium Chloride			
•	+0.25 lb/sx D029 Cellophane Flakes				
Cement Volume	148	sx			
Cement Yield	1.16	cuft/sx			
Cement Volume	171.5	cuft			
Cement Density	15.8	ppg			
Water Required	4.983	gal/sx			

7" Intermediate Casing					
Lead Slurry					
	Class G Standard Cement				
	+0.25 lb/sx D029 Ce	llophane Flakes			
Cement Recipe	+ 3% D079 Extende	r			
-	+ 0.20% D046 Antifoam				
	+ 10 lb/sx Pheno Seal				
Cement Required	366	sx			
Cement Yield	2.72	cuft/sx			
Chama Malauma	995.5	cuft			
Slurry Volume	177.3	bbls			
Cement Density	11.7 ppg				
Water Required	15.74	gal/sx			

7" Intermediate Casing					
	Tail Slurry				
	50 / 50 POZ:Standard Cement				
	+0.25 lb/sx D029 Ce	llophane Flakes			
	+ 2% D020 Bentonite	e			
Cement Slurry	+ 1.5 lb/sx D024 Gils	sonite Extender			
	+ 2% S001 Calcium Chloride				
4	+ 0.10% D046 Antifoam				
	+ 6 lb/sx Pheno Sea				
Cement Required	206	SX			
Cement Yield	1.31	cuft/sx			
Clumm () / aluma a	270.0	cuft			
Slurry Volume	48.1	bbls			
Cement Density	13.5 ppg				
Water Required	5.317	gal/sx			

0					
0					
4-	1/2" Production Casi	ng			
	50 / 50 POZ:Class G	Standard Cement			
}	+0.25 lb/sx D029 Ce				
	+ 3% D020 Bentonit	е			
	+ 1.0 lb/sx D024 Gils	sonite Extender			
Cement Recipe	+ 0.25% D167 Fluid Loss				
	+ 0.15% D065 Dispersant				
	+ 0.1% D800 Retarder				
	+ 0.1% D046 Antifoamer				
	+ 3.5 lb/sx PhenoSeal				
Cement Quantity	254	sx			
Cement Yield	1.44	cuft/sx			
Coment Volume	365.1	cuft			
Cement Volume	65.0				
Cement Density	13 ppg				
Water Required	6.43	gal/sx			

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



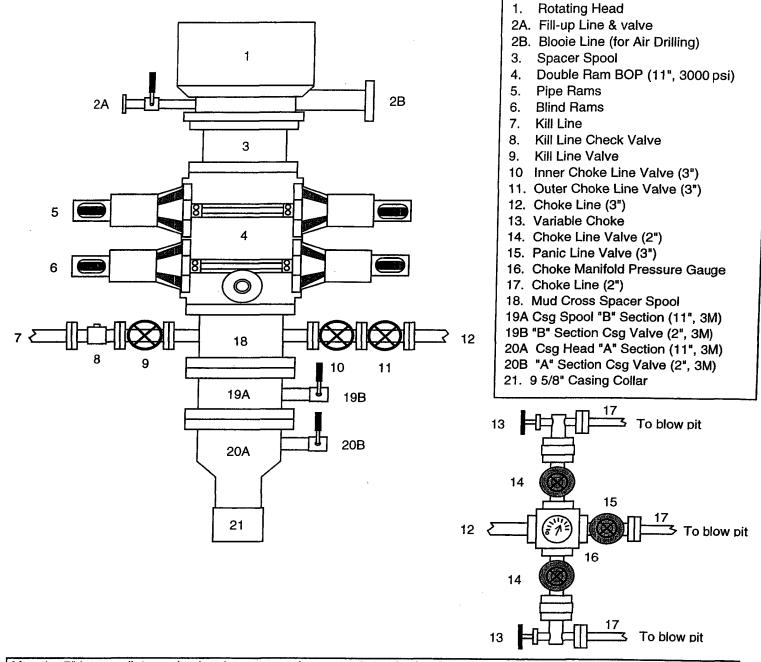
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe 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:

1. Upper Kelly cock Valve with handle

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

Property:	San Juan 29-6 Unit			Well #	:	68C	
Surface Locati	on:						
Unit: I	Section: 29 Tov	vnship:	29N	_Range:	6W		
County: Rio Arriba			State: New Mexico				
Footage: 26	500 from the	South	line	400	from the	East	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.