

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Otherb. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other _____2. Name of Operator
ConocoPhillips Co.3. Address
P.O. Box 2197, WL3-6085 Houston Tx 772523.a Phone No. (Include area code)
(832) 486-2463

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At Surface Sec 19 T28N R7W NESE 2610FSL 1135FEL

At top prod. interval reported below

At total depth

14. Date Spudded

02/06/2006

15. Date T.D. Reached

02/14/2006

16. Date Completed

☐ D & A ☒ Ready to Prod.
04/11/200618. Total Depth: MD 7842
TVD19. Plug Back T.D.: MD 7836
TVD20. Depth Bridge Plug Set: MD
TVD21. Type of Electric & Other Mechanical Logs Run (Submit copy of each)
CBL; TDT; GR/CCL22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.25	9.625 H40	32.3	0	235		150		0	
8.75	7 J-55	20	0	3644		625		0	
6.25	4.5 N-80	11.6	0	7839		470		2980	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7604							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Blanco Mesaverde	4965	5630	4965' - 5630'	.34	57	Open
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
4965' - 5630'	Frac'd w/200,000# 20/40 Brady Sand; 2,236,741 SCF N2 and 2255 bbls. clean fluid

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
4/11/06	3/31/06	24	→	1	2739	5			Flowing
Choice Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
1/2	415	700	→					GSI	

Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on page 2)

5. Lease Serial No.
NMSF078497

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and no.

8. Lease Name and Well No.

San Juan 28-7 Unit 257F

9. API Well No.

30-039-27291

10. Field and Pool, or Exploratory

Blanco Mesaverde/Basin Dakota

11. Sec., T., R., M., on Block and Survey or Area Sec 19 T28N R7W

12. County or Parish

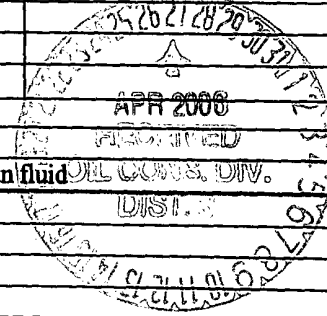
Rio Arriba

13. State

NM

17. Elevations (DF, RKB, RT, GL)*

6737' GL



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APR 25 2006

FARMINGTON FIELD OFFICE

NMSF078497

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Vented

30. Summary of Porous Zones (Include Aquifers):

Show all important zones or porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
				Ojo Alamo	2443.6
				Kirtland	2542.1
				Fruitland	2915.5
				Pictured Cliff	3334.8
				Otero Chacra	4272.3
				Cliffhouse	4954.6
				Menefee	5089.1
				Pt. Lookout	5521.9
				Gallup	6803.2
				Greenhorn	7490.9
				Cubero	7724.5

32. Additional remarks (include plugging procedure):

Downhole commingled well producing from the Blanco Mesaverde and Basin Dakota. Daily summary report is attached.

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geological Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Christina Gustartis Title Regulatory Specialist

Signature Chris Gustartis Date 04/21/2006

Title 18 U.S.C. Section 101 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 and false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. NMSF078497							
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resv.		6. If Indian, Allottee or Tribe Name							
2. Name of Operator ConocoPhillips Co.		7. Unit or CA Agreement Name and no.							
3. Address P.O. Box 2197, WL3-6085 Houston Tx 77252		8. Lease Name and Well No. San Juan 28-7 Unit 257F							
3.a Phone No. (Include area code) (832)486-2463		9. API Well No. 30-039-27291							
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At Surface Sec 19 T28N R7W NESE 2610FSL 1135FEL At top prod. interval reported below At total depth		10. Field and Pool, or Exploratory Blanco Mesaverde/Basin Dakota							
14. Date Spudded 02/06/2006		11. Sec., T., R., M., on Block and Survey or Area Sec 19 T28N R7W							
15. Date T.D. Reached 02/14/2006		12. County or Parish Rio Arriba							
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 04/11/2006		13. State NM							
17. Elevations (DF, RKB, RT, GL)* 6737' GL									
18. Total Depth: MD 7842 TVD		19. Plug Back T.D.: MD 7836 TVD							
20. Depth Bridge Plug Set: MD TVD									
21. Type of Electric & Other Mechanical Logs Run (Submit copy of each) CBL; TDT; GR/CCL		22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)							
23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.25	9.625 H40	32.3	0	235		150		0	
8.75	7 J-55	20	0	3644		625		0	
6.25	4.5 N-80	11.6	0	7839		470		2980	
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2.375	7604								
25. Producing Intervals					26. Perforation Record				
Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status			
A) Basin Dakota	7599	7784	7599' - 7784'	.34	66	Open			
B)									
C)									
D)									
27. Acid, Fracture, Treatment, Cement Squeeze, Etc.									
Depth Interval		Amount and Type of Material							
7599' - 7784'		Frac'd w/65Q Slickfoam; 16,000# 20/40 EconoProp sand; 1650 Foam bbls.; 1,286,700 SCF N2 & 1000 bbls fluid.							
28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
4/11/06	4/07/06	24	→	0	1983	4.2			Flowing
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. 300	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
1/2		700	→					GSI	
Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on page 2)

ACCEPTED FOR RECORD

APR 25 2006

FARMINGTON FIELD OFFICE

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

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				Cliffhouse	4954.6
				Menefee	5089.1
				Pt. Lookout	5521.9
				Gallup	6803.2
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 ☐ Core Analysis
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34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Christina GustartisTitle Regulatory Specialist

Signature

Chris Gustartis

Date

04/21/2006

Title 18 U.S.C. Section 101 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 and false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

INITIAL COMPLETION, 2/20/2006 00:00

API/Bottom UWI	County	State/Province	Surface Legal Location	N/S Dist (ft)	N/S Ref	E/W Dist (ft)	E/W Ref
300392729100	RIO ARRIBA	NEW MEXICO	NMPM-28N-07W-19-I	2,610.00	S	1,135.00	E
Ground Elevation (ft)	Latitude (DMS)	Longitude (DMS)	Spud Date	Rig Release Date			
6,739.00	36° 38' 48.0012" N	107° 36' 33.0012" W	2/6/2006	2/15/2006			

2/20/2006 08:00 - 2/20/2006 10:00

Last 24hr Summary

PJSM w/ L&R roustabout crew. Fill in mouse-rat holes. Pull tin horn. Prep well head area for Loggers.

2/21/2006 07:00 - 2/21/2006 10:00

Last 24hr Summary

PJSM w/ crews. RU Schlumberger and Wood group test unit. Pressured up on 4 1/2" CSG to 1500 #. Ran CBL log from 7806' to 2730'. Top of cement @ 2980'. POOH w/ tools. PJSM w/ Stinger. RU Isolation tool. Pressure tested 4 1/2" csg to 6500 # for 15 min. Held Good. BWD. RD Isolation tool. Ran TDT log from 7806' to 2200'. Ran GR/CCL log from 7806' to surface. RD Schlumberger.

2/22/2006 08:00 - 2/22/2006 12:00

Last 24hr Summary

PJSM w/ crews. Hauled in Dawn Trucking frac tanks.

2/23/2006 08:00 - 2/23/2006 12:00

Last 24hr Summary

PJSM w/ crews. Hauled in Dawn Trucking frac tanks.

2/24/2006 07:00 - 2/24/2006 14:00

Last 24hr Summary

PJSM w/ crews. Hauled in Dawn Trucking frac tanks.

2/25/2006 08:00 - 2/25/2006 14:00

Last 24hr Summary

PJSM w/ crews. Haul frac water to fill tanks.

2/26/2006 14:00 - 2/26/2006 14:00

Last 24hr Summary

PJSM w/ crews. Haul frac water to fill tanks.

2/27/2006 07:00 - 2/27/2006 14:00

Last 24hr Summary

PJSM w/ crews. Haul frac water to fill tanks.

2/28/2006 07:00 - 2/28/2006 20:00

Last 24hr Summary

PJSM w/ crews. RU Mote, Heat frac water to 80°. RD and release Mote.

3/1/2006 14:15 - 3/1/2006 17:30

Last 24hr Summary

PJSA meeting on location. Crew held PJSA on location. Talked about conducting safe job operations. Rig up Computalog unit and perforating tools with pressure lubricator. Rig up and run in the well with 3 1/8" HSC PP 120 Degree phase with 12 g 306 Owen charges .34" diameter guns. Correlated off of TDT/GR/CCL log. Perforated from 7,599' to 7,618' with 2 SPF, 7,728' to 7,738' with 2 SPF and 7,780' to 7,784' with 2 SPF for a total of 66 holes. Made 2 perforating gun runs. Verified all perforations were shot. Rig down perf guns and tools from wellhead. Shut in and secured well. Will leave wireline unit and tools on location for Frac job. Secured lease. Shutdown operations for the day.

3/2/2006 06:00 - 3/2/2006 18:00

Last 24hr Summary

PJSM w/ Stinger. RU Isolation tool. Wait for BJ Services frac equipment to arrive on location. Muddy roads to location caused delays. Held safety meeting w/ BJ Services, Stinger, Computalog and Dawn tkg.

RU BJ Services. Pressure Tested lines to 8400 #. Set pop off @ 6300 #. Broke down formation @ 6 bpm & 1637 psi. Pumped pre pad @ 36 bpm & 3088 psi. Stepped to 29 bpm & 4800 psi. Stepped to 21 bpm & 2899 psi. Step to 10 bpm & 1950 psi. S/D ISDP= 1290 psi. 5 min= 811 psi, 10 min= 467 psi, 15 min= 240 psi. Pumped 1000 gals of 15% HCL acid @ 9 bpm & 1660 psi. Frac'd the Dakota w/ 65Q Slick Foam. w/ 16,000 # 20/40 Econo prop sand & 1650 Foam bbl. Total N2= 1,286,700 scf, FTR=1000 bbls fluid. Avg rate 48.4 bpm. Avg pressure 4609 psi. Max pressure 5791 psi. Max sand cons .75 ppg. ISDP, 2810 psi. Frac gradient .61. Tagged well w/ 3 isotope. Tagged pad w/ Scandium. Tagged the .25# - 1.25 # sand w/ Iridium. Tagged the 1.50 # & 1.50 # PN w/ Antimony. Well pressured up on .75# sand. Flushed well w/ 115 Foam BBLs. Contacted engineering. Displaced another 90 bbl @ 5 bpm & 5800#. Decided to re-perf and re-frac in the AM. SWI.

3/3/2006 07:00 - 3/3/2006 12:00

Last 24hr Summary

PJSM w/ crews. Discussed days events and ways to prevent incident. Filled out and reviewed JSA.

RU BJ Services and Computalog. MU & Rih w/ 19' x 31/8" gun and tag sand @ 7604'. Contacted Engineering (L.Bazan) and decided to shoot a 4' gun w/ 8 shots and Re- Stimulate DK. Pooh and LD 19' gun. RIH w/ 4' gun. and tag @ 7298'. Spud on fill 6-7 times. Unable to get deeper than 7298'. POOH w/ gun. and LD. Contacted Engineering (L.Bazan). RD Service companys. Wait for Service Rig to C/O .

3/8/2006 07:00 - 3/8/2006 17:00

Last 24hr Summary

Held meeting w/ rig crew & trucking outfit - discussed potential hazards & how to avoid them: (Trucks backing; rig repair; Rig move in the snow & mud; chaining up; Spotting equipment on loc.). Wait on mechanic, replace broken spring on front right axle; chain up. Move rig to San Juan 28-7 #257F out across Munoz wash & back up to ridge road - Gould's too slick for rig driver & trucking outfit; mud chains broke on the way & took out fuel tank - stop & pump fuel over to crew truck; isolate empty fuel tank & proceed w/ caution. Move in, spot rig & dog house; SIFN.

3/9/2006 07:00 - 3/9/2006 17:15

Last 24hr Summary

Held meeting w/ rig crew & air hand - discussed potential hazards & how to avoid them: (Trucks backing; Spotting pipe trailer; NU/ND; Picking up tubing). Start rig; raise derrick; lay iron to pump/flowback; spot pipe trailer; blow down casing. ND Frac Stack/NU BOP's; RU Floor. Strap & Tally tubing, prepare to RIH. Well unloading - water & N2, some gas; EAT while waiting for well to blow down. Kill w/ 30 bbl; TIH w/ tubing & string float; well coming back; wind & snow blowing from flowback - hands getting dizzy, taking breaks for well to blow down & wind to change; proceeding w/ caution. Secure well; lock rams; SIFN.

3/10/2006 07:00 - 3/10/2006 12:00

Last 24hr Summary

Held meeting w/ rig crew & air hand - discussed potential hazards & how to avoid them: (Picking up tubing; Cleaning out w/ air). Attempt to pick up remainder of tubing, winds too severe - cross threading tubing. wait on wind to subside; Try again, still too windy. Wait on wind to subside; winds increasing w/ blowing snow - Secure well; lock rams; SIFN.

3/13/2006 07:00 - 3/13/2006 17:00

Last 24hr Summary

Held meeting w/ rig crew & air hand - discussed potential hazards & how to avoid them: (Picking up tubing; Cleaning out w/ air). Warm up rig; Sweep snow; Blow down casing - 1760 psi. Continue in hole picking up singles; Install string float @ 241 joints & unload hole w/ air; Run in to 21' down on #249 (7765' - 19' perms covered) Start air & clean out sand; Tag PBDT @ 6' down on #251 (7824' by tubing tally); Pump two sweeps & dry up. Kill tubing w/ 5 bbl & TOH sideways. Secure well; Lock rams; Drain up pumps & lines; SIFN.

3/14/2006 07:00 - 3/14/2006 17:15

Last 24hr Summary

Held meeting w/ rig crew & air hand - discussed potential hazards & how to avoid them: (Laying down tubing; ND/NU; Rig Down.). Warm up rig; Note Spill under Fuel Tank - less than 10 gallons diesel; Spread absorbant from spill kit & notify Monica @ COPC; Blow down casing - 1520 psi. Continue Laying down tubing. Out w/ tubing; Pull stripping rubber; Kill w/ 30 bbl & install dummied tubing hanger; ND BOP's; NU Frac Stack; Remove tubing hanger; Close Frac valve & secure well. Rig down all equipment; Slip guys & lay down derrick; Prepare to move in morning. Move rig off & let mechanics weld diesel tank on driver's side. Clean up contaminated dirt from diesel spill & load in truck to haul to Envirotech; grease & general service on rig. Secure well site; pick up trash; SIFN; Head to Envirotech w/ contaminated dirt. Ready to move off in a.m.

3/15/2006 11:45 - 3/15/2006 15:30

Last 24hr Summary

SICP- 1,550 Psi Held PJSA on location with Computalog crew. Talked about conducting safe wireline operations. Rig up Computalog unit and perforating tools with pressure lubricator. Start into the well with 3 1/8" HSC PP 120 Degree phase with 12 g 306 Owen charges .34" diameter guns. Correlated off of TDT/GR/CCL log to put perforating guns on depth. (Log date 2-21-06) Perforated from 7,599' to 7,618' with 2 SPF, 7,728' to 7,738' with 2 SPF and 7,780' to 7,784' with 2 SPF for a total of 66 holes. Made 2 perforating gun runs. Verified all perforations were shot. Rig down perforating guns and tools from wellhead. Shut in and secured well. Will leave wireline unit and tools on location for Frac job on 3-16-06. Secured lease. Shutdown operations for the day.

3/16/2006 10:00 - 3/16/2006 17:15

Last 24hr Summary

PJSM w/ BJ Services, Stinger, Dawn Trucking. Discussed days events and ways to prevent incident. Filled out and reviewed JSA. RU Stinger WH Isolation tool. RU BJ Services frac iron. RE-FRAC Dakota w/ 52 k 20/40 Econoprop, 1,813,541 scf N2 and 1339 bbl clean fluid. SEE STIMULATION REPORT FOR DETAILS. SWI w/ 2065#. Sting OOH w/ isolation tool. Prep to Set RFP and Perforate MV in the AM. SDFN.

3/17/2006 08:00 - 3/17/2006 15:30

Last 24hr Summary

PJSM w/ crews. Discussed days events and ways to prevent incident. Filled out and reviewed JSA. MU and RIH w/ Argonaut 4.5" RFP and 3 1/8" SF 90° PP guns w/ 10g Owen 302 charges w/ 0.34" diameter shots. Get on depth w/ TDT/GR/CCL log. Set RFP @ 5700'. PUH and perforate MV as follows: 4965'-4975', 5003'-5011', 5033'-5041', 5059'-5081', 5525'-5539', 5558'-5574', 5591'-5595,, 5606'-5610', 5615'-5619', 5626'-5630'. All shots are 1/2 SPF for a total of 57 holes. RU Stinger WH Isolation tool. RU BJ Services frac iron. FRAC MESAVERDE w/ 200,001# 20/40 Bradyand , 2,236,741 scf N2 and 2255 bbl clean fluid. SEE STIMULATION REPORT FOR DETAILS SWI w/ 1000#. Sting OOH w/ isolation tool. RD Equipment. RU and START FLOWBACK.

3/18/2006 00:00 - 3/18/2006 16:00

Last 24hr Summary

FLOWBACK DK/MV

3/23/2006 07:00 - 3/23/2006 17:00

Last 24hr Summary

PJSM w/ crews, Dawn Trucking, & L&R Services. Discussed days events and ways to prevent incidents. Filled out and reviewed JSA. Discussed hazards that could be encountered while moving rig & equipment in muddy conditions. Load rig equipment, road rig & equipment to SJ 28-7 #257F. Rig slid off road, wait on blade to work road, & help rig up hill. Continue rig move, equipment spotted on new location. Rig shutdown approx. 8 miles from location. Key personnel made decision to wait overnight to finish moving rig into location. SDFN.

3/24/2006 07:00 - 3/24/2006 17:00

Last 24hr Summary

SICP= 790#

PJSM w/ crews. Discussed days events and ways to prevent incidents. Filled out and reviewed JSA. Discussed hazards during RU and PT. Finish roading rig to location on freeze. Check location for hazards, monitor wellhead for LELS. Spot & RU unit, rig pump, & flowline. BWD. thru 1/2" choke to 250# Kill well w/ 30 bbls 2% KCL. Set tbq. test hanger thru lower frac valve. Secure all lockdown pins. ND frac valve. NU BOPE. Check and replace ram o-rings. Load BOPE w/ water. RU Key Energy pressure pump. PT Blinds & Pipe Rams to 200# low & 3000# high. Test was good. Charted & witnessed by M. Pantojas w/Key Energy. RU floor & tbq. tools. Tally & PU 2-3/8" Prod. tbq. MU FTFP retrieving tool. TIH w/tool & 40jts tbq. Secure well. SDFWE.

3/27/2006 07:00 - 3/27/2006 17:00

Last 24hr Summary

SLT

3/28/2006 07:00 - 3/28/2006 17:00

Last 24hr Summary

SLT

3/29/2006 07:00 - 3/29/2006 17:00

Last 24hr Summary

SICP= 900#

PJSM w/ Crews. Discussed days events and ways to prevent incidents. Filled out and reviewed JSA. BWD. Kill well w/ 30 bbls 2% KCL. Changed out Flowline connections due to washout. TIH PU and tally off float to retrieve FTFP @ 5700'. Brk circ. w/ air-mist. C/O w/ 1150 cfm air-8 bph mist & Cl. Latch onto FTFP. Worked tool free by circ. w/air-mist. POOH w/ 28 jts tbq to 4862'. 100' above top perf. Secure well. Drain equipment. SDFN.

3/30/2006 07:00 - 3/30/2006 17:00

Last 24hr Summary

SICP= 750#

PJSM w/ crews. Discussed days events and ways to prevent incidents. Fill out and review JSA BWD. Kill well w/ 30 bbls 2% KCL. POOH w/ 155 jts 2-3/8" tbq. & FTFP. SD rig due to wind blowing gas from F/B tank towards rig. Potential fire hazard. Kill well w/ 2% KCL, & cont. to kill well as needed. Couldn't pull tool & tbq. after S/D. Brk circ. w/ 1150 cfm air-10bph mist & Cl.to circ. fill of plug. S/D air unit, Continue POOH w/ tbq & plug. PJSM w/ Bluejet & crews. RU, RIH set CBP @ 5700'. POOH w/ wireline. RD service company. Kill well w/ 2% KCL. MU BHA w/ 1/2 MS re-entry guide, FN, & 181 jts. 2-3/8" tbq. Tgd fill @ 5,657'. RU Air Mist Unit. CO to 5,672' w/1150cfm air-10bph mist & Cl. S/D air unit due to wash out of Flowline connections. Had used up spare connections during tour. POOH w/ 26 jts tbq. EOT@ 4,862'. Secure well. Drain & blowdown equipment. SDFN.

3/31/2006 07:00 - 3/31/2006 17:00

Last 24hr Summary

SICP=800#

PJSM w/ crews. Discussed days events and ways to prevent incidents. Filled out and reviewed JSA. C/O various flowline connections. TIH w/ 26 jts 2-3/8" tbq. Tag fill @ 5670' (0' covering perms., 30' on CBP @ 5700'. CO fill w/1150 cfm air-10 bph mist & Cl. SD air unit. Kill well w/20 bbls water. PUH to EOT @ 5528'.RU flowline. Unload hole w/ air. Open up PLO, Flowing up tbq. w/ 1/2" choke on surf. (MV PRODUCTION TEST(FOR ALLOCATION)

TBG set @ 5528'.

MV perms. 5525'-5630'.

1/2" choke coef.= 6.6.

SICP= 700#.

FTP= 415#.

MV Production= 2739 MCFPD

5 BWPD.

1 BOPD.

Lt. Sand.

MV Flow Test witnessed by M Pantojas w/ Key Energy.

S/D flow test. RD Flowline. Kill well w/ 2% KCL. PUH, LD 1jt tbq., Stand back 20 jts. in derrick to 4870'. Secure well. Drain and blowdown equipment. SDFWE.

4/1/2006 07:00 - 4/2/2006 17:00

Last 24hr Summary

No Activity

4/3/2006 07:00 - 4/3/2006 17:00

Last 24hr Summary

SICP=800 psi

PJSM w/crews. Discussed days events and how to prevent incidents. Filled out and reviewed JSA. BWD. Kill well w/20 bbls 2% KCL. TIH w/27jts 2-3/8" tbg. Tag fill in MV, no fill on CBP @5700'. Brk circ. w/air-mist. Determine fluid volume w/1150 cfm air-4 bph mist & CI. Unload hole w/air. Kill tbg. w/water. PUH to 5528', stand back 6 jts tbg. R/U 2" flowline w/1/2" choke on surf. Unload hole w/water. Open MV flowing up tbg. w/ 1/2" choke on surf. (Re-Test MV Interval for ALLOCATION) TEST IS AS FOLLOWS:

2-3/8" Prod. TBG. Set @ 5528"

MV Perfs- 5525'-5630'

SICP= 720 psi

FTP= 415 psi

MV Production-2739 MCFPD

5 BWPD

0 BOPD

No Sand

Test witnessed by M. Pantojas w/Key Energy.

Kill well w/water. RD Flowline. PUH to 4870', LD 1 jt. & stand back 20 jts tbg. RU Flowline. Unload well w/air. Open up well flowing up tbg. w/ 1/2" choke on surf. (EOT is 4870') (FLOW OBSERVATION-FOR ENGINEERING PURPOSES ONLY)

2-3/8" Prod. Tbg. Set @ 4870'

MV perfs. 4965'-5630'

SICP= 310 psi

FTP= 700 psi

10 BWPD

1 BOPD

No Sand

Observation witnessed by M. Pantojas w/ Key Energy.

Secure well. Drain & blowdown equipment. SDFN.

4/4/2006 06:00 - 4/4/2006 17:00

Last 24hr Summary

SICP=800 psi.

Monthly rig safety meeting @ Key yard & travel to location.

PJSM w/crews. Discussed days events & ways to prevent incidents. Filled out & reviewed JSA.

BWD & KW w/30 Bbls 2% KCL. POOH 155 jts 2-3/8" tbg & BHA. KW w/2% KCl as needed. MU BHA consisting of 3-7/8" Baker junk mill, 2-3/8" 8rnd X 2-3/8" reg bit sub & 2-3/8" 4.7# J-55 prod tbg. TIH w/ tbg & BHA. Tag fill @ 5,690' (0' covering perfs, 10' on CBP). RU power swivel. Break circ w/air-mist. CO sand & DO CBP @ 5,700' w/1,150 cfm air w/12 bbl/hr mist & CI. Circ debris clean. SD air unit. PUH to 4,870' w/27 jts tbg (100' above MV perfs). Secure well. Drain & blow down equipment. SDFN.

4/5/2006 07:00 - 4/5/2006 17:00

Last 24hr Summary

SICP= 800 psi

PJSM w/ crews. Discuss days events & ways to prevent incidents. Filled out & reviewed JSA. BWD. Kill well w/ 30 bbls 2% KCL. TIH w/ tbg. Tally & PU off float. Tag fill in Dak. Tag fill @ 7730' (54' covering Perfs. 7599'-7784', 86' on PBTD @ 7820'). Break circ. w/ air-mist. CO fill w/1150cfm air-12 bph mist & CI to PBTD @ 7820'. Circ. clean. SD air unit. RD power swivel. POOH w/ 90 jts tbg. SD due to high winds & rain. LD 5 jts. (4870', 100' above MV perfs.) Secure well. SDFN.

4/6/2006 07:00 - 4/6/2006 15:00

Last 24hr Summary

SICP= 800 psi

PJSM w/crews. Discussed days events & ways to prevent incidents. Discussed working & driving in winter conditions. Filled out & reviewed JSA. BWD. Cont. POOH w/Mill, Bit Sub & 2-3/8" tbg. MU BHA consisting of 1/2 MS re-entry guide w/exp. choke, FN, & 155 jts 2-3/8" 4.7# J-55 Prod. Tbg. TIH w/BHA & tbg. drifting to 4870'(100' above MV perfs). WOCPL crews. No slickline until next day. Secure well. Drain & blowdown equipment. SDFN

4/7/2006 07:00 - 4/7/2006 19:30

Last 24hr Summary

SICP= 800 psig.
PJSM w/crews. Discussed days events & ways to prevent incidents. Filled out & reviewed JSA. BWD. KW w/30 bbls 2% KCl.
Cont TIH w/BHA & 250 jts 2-3/8" production tbg to PBDT @ 7,820'. Tag fill @ 7,810' (0' covering perms., 10' on PBDT). Break circ. w/ air-mist. C/O fill w/1150 cfm air-4bph mist & Cl. SD air unit. PUH to land EOT @ 7488'. RU 2" flowline. Unload hole w/ air. PJSM w/Protechnics, H&H Wireline, & crews. RU, RIH w/H&H Wireline EOT locator. EOT @ 7488'. Fluid level @ 7200'. POOH w/ SL Tool. RU, RIH w/ Protechnics CPL tool out EOT to 7549". Record SBHP & SBHT. SBHP= #, SBHT= . Drop tool to 7810'. Open Dak. flowing up tbg w/ 1/2" choke on surf. Stabilize psi. Log Dak interval from 7549'-7796' in 8 passes @ set speeds. (TEST IS FOR ALLOCATION). Test is as follows:
2-3/8" Production Tbg. set @ 7488"
Dakota Perfs.- 7599'-7784'
1/2" choke coef= 6.6
FTP= 300#
SICP= 700#
Dakota Production-TO BE DETERMINED BY PROCESSED CPL LOG
BWPD-TO BE DETERMINED BY PROCESSED CPL LOG
BOPD- TO BE DETERMINED BY PROCESSED CPL LOG
Lite Sand
Test witnessed by G. Hammond w/ProTechnics
POOH w/ wireline & tools. RU, RIH w/Protechnics Spectra Scan Tool on SL. Log across Dak. interval(7599'-7784'). POOH w/Protechnics. Retrieve Data. Data good. RD & release service comp Secure well. Drain & blowdown equipment. SDWE.

SEE FINAL REPORT FOR PROCESSED LOG INFORMATION.

4/8/2006 07:00 - 4/9/2006 17:00

Last 24hr Summary

No Activity

4/10/2006 07:00 - 4/10/2006 17:00

Last 24hr Summary

SICP= 790 psi
PJSM w/ crews. Discussed days events & ways to prevent incidents. Filled out & reviewed JSA. BWD. Kill well w/ 30 bbls 2% KCL. TIH w/tbg, tag fill on PBDT @ 7820'. Tag fill @ 7815'. PUH to 4870' (95' above top perf @ 4965'). RU 2" flowline w/ 1/2" choke on surf. PJSM w/ H&H Wireline, Protechnics, & crews. RU,RIH w/Slickline EOT/locator. Find EOT @ '. POOH w/locator. SWI, Equalize psi. (tbg. & csg.) RU, RIH w/Protechnics CPL tool. Drop tool out EOT to 5680'(50' below BP @ 5630'. Record BHSP & BHST for 15 min. BHSP= psi, BHST= . Open MV flowing up tbg. w/1/2" choke on surf. Stabilize pressure. Log MV interval from 5680' to 4915' (50' above & below MV) w/8 passes @ set speeds. (TEST IS FOR ENGINEERING PURPOSES ONLY) Test is as follows: 2-3/8" Production tbg set @ 4870'
MV Perfs= 4965'-5630'
1/2" choke coef= 6.6
FTP= 385 psi
SICP= 720 psi
MV Production= TO BE DETERMINED BY PROCESSED CPL DATA
BWPD= TO BE DETERMINED BY PROCESSED CPL DATA
BOPD= TO BE DETERMINED BY PROCESSED CPL DATA
No Sand
Test witnessed by w/ Protechnics. POOH w/ Protechnics CPL Tools & Slickline. Retrieve Data. Data is . RD service companies. Secure well. Drain & Blow down equipment. SDFN.

4/11/2006 08:00 - 4/11/2006 17:00

Last 24hr Summary

SICP= 790#

PJSM w/crews. Discussed days events & ways to prevent incidents. Filled out & reviewed JSA. TIH w/ production tbg. Tag fill @ 7819' (0' on perms, 5' on PBDT). Brk circ. w/air-mist @ 1150 cfm air-8bph mist & Cl. CO fill, Circ. clean. Land well w/ 1/2 MS re-entry guide, FN, 241 jts 2-3/8" 4.7 J-55 Production Tbg., (2-6' pups, 1-10' pup), 1-jt 2-3/8" 4.7 J-55 Production Tbg. Land tbg. @ 7604' (FN @ 7602'). Unload hole w/ air. Purge O2 from tubulars. RD Key 15. Prepare to move to SJ 29-5 #62F

RESULTS FROM DK PRODUCTION LOG DATA .
LOG RAN ON 4/7/06 IS AS FOLLOWS :

DK PROD.= 1,983 Mscf/d
Oil= 0 Bpd
Water= 4.2 Bpd

Well Name: San Juan 28-7 #257F
API #: 30-039-27291-00-X1
Location: 2610' FSL & 1135' FEL
Sec. 19 - T28N - R7W
Rio Arriba County, NM
Elevation: 6737' GL (above MSL)
Drl Rig RKB: 13' above Ground Level
Datum: Drl Rig RKB = 13' above GL

Patterson Rig: #749
Spud: 6-Feb-06
Spud Time: 15:30
Date TD Reached: 14-Feb-06
Release Drl Rig: 15-Feb-06
Release Time: 8:00

Surface Casing Date set: 6-Feb-06
Size 9 5/8 in
Set at 235 ft # Jnts: 5
Wt. 32.3 ppf Grade H-40
Hole Size 12 1/4 in Conn STC
Excess Cmt 125 %
T.O.C. SURFACE Csg Shoe 235 ft
TD of 12-1/4" hole 240 ft

☒ New
☐ Used

Notified BLM @ 17:00 hrs on 04-Feb-06
Notified NMOCD @ 17:00 hrs on 04-Feb-06
30 min Casing Test at 1000 psi on 07-Feb-06

Intermediate Casing Date set: 11-Feb-06
Size 7 in 88 jts
Set at 3644 ft 0 pups
Wt. 20 ppf Grade J-55
Hole Size 8 3/4 in Conn STC
Excess Cmt 150 % Top of Float Collar 3600 ft
T.O.C. SURFACE Bottom of Casing Shoe 3644 ft
Pup @ ft TD of 8-3/4" Hole 3655 ft
Pup @ ft

☒ New
☐ Used

Notified BLM @ 08:00 hrs on 07-Feb-06
Notified NMOCD @ 08:00 hrs on 07-Feb-06
30 min Casing Test at 1800 psi on 12-Feb-06

Production Casing: Date set: 14-Feb-06
Size 4 1/2 in 182 jts
Set at 7839 ft 2 pups
Wt. 11.6 ppf Grade N-80
Hole Size 6 1/4 in Conn LTC
Excess Cmt 50 % Top of Float Collar 7836 ft
T.O.C. (est) 3250 Bottom of Casing Shoe 7839 ft
Marker Jt @ 7428 ft TD of 8-3/4" Hole 7842 ft
Marker Jt @ 4816 ft
Marker Jt @ ft
Marker Jt @ ft

☒ New
☐ Used

Notified BLM @ 20:40 hrs on 13-Feb-06
Notified NMOCD @ 20:45 hrs on 13-Feb-06

Top of Float Collar 7836 ft
Bottom of Casing Shoe 7839 ft

TD of 8-3/4" Hole: 7842 ft

SurfaceCement

Date cmt'd: 6-Feb-06
Lead : 150 sx Class G Cement
+ 3% S001 Calcium Chloride
+ 0.25 lb/sx D029 Cellophane Flakes
1.16 cuft/sx, 174.0 cuft slurry at 15.8 ppg
Displacement: 15.0 bbls fresh wtr
Bumped Plug at: 00:00 hrs
Final Circ Press:
Returns during job: YES
CMT Returns to surface: 15 bbls
Floats Held: No floats used
W.O.C. for 6.00 hrs (plug bump to start NU BOP)
W.O.C. for 12.00 hrs (plug bump to test csg)

Intermediate Cement

Date cmt'd: 11-Dec-05
Lead : 400 sx Class G Cement
+ 3% D079 Extender
+ 0.20% D046 Antifoam
+ 1.0 lb/bbl CemNet
(CemNet in 1st 30 bbls & last 75 bbls)
2.63 cuft/sx, 1052.0 cuft slurry at 11.7 ppg
Tail : 225 sx 50/50 POZ : Class G Cement
+ 2% D020 Bentonite
+ 5.0 lb/sx D024 Gilonite Extender
+ 2% S001 Calcium Chloride
+ 0.15% D065 Dispersant
+ 0.10% D046 Antifoam
+ 1.0 lb/bbl CemNet
1.28 cuft/sx, 288.0 cuft slurry at 13.5 ppg
Displacement: 145.8 bbls
Bumped Plug at: 18:00 hrs w/ 1600 psi
Final Circ Press: 1100 psi @ 2.0 bpm
Returns during job: YES
CMT Returns to surface: 40 bbls
Floats Held: ☒ Yes ☐ No
W.O.C. for NA hrs (plug bump to start NU BOP)
W.O.C. for 11.00 hrs (plug bump to test csg)

Production Cement

Date cmt'd: 14-Feb-06
Cement : 470 sx 50/50 POZ : Class G Cement
+ 0.25 lb/sx D130 Polyester Flakes
+ 3% D020 Bentonite
+ 1.00 lb/sx D024 Gilonite Extender
+ 0.25% D167 Fluid Loss
+ 0.15% D065 Dispersant
+ 0.10% D800 Retarder
+ 0.10% D046 Antifoam
+ 3.5 lb/sx Phenoseal
1.44 cuft/sx, 676.8 cuft slurry at 13.0 ppg
Displacement: 121.5 bbls
Bumped Plug: 21:50 hrs w/ 2500 psi
Final Circ Press: 1350 psi @ 2.0 bpm
Returns during job: None Planned
CMT Returns to surface: None Planned
Floats Held: ☒ Yes ☐ No

Schematic prepared by:
Michael P. Neuschafer, Drilling Engineer
17-February-2006

COMMENTS:

9-5/8" Surf: No float equipment was run. Ran a guide shoe.
Displaced top wiper plug with water. Shut in casing head and WOC before backing out landing jt.

7" Intermediate DISPLACED W/ 145.8 BBLs. FRESH WATER.
CENTRALIZERS @ 3634', 3559', 3476', 3394', 3311', 3229', 224', 100', 60'.
TURBOLIZERS @ 2530', 2489', 2448', 2406', 2364'.

4-1/2" Prod. NONE.

Total:

Total: 9

Total: 5