Regulatory Summary

SAN JUAN 29 6 UNIT #074C

INITIAL COMPLETION, 3/9/2006 00:00

API/Bottom UWICountyState/ProvinceSurface Legal LocationN/S Dist (ft)N/S RefE/W Dist (ft)E/W Ref300392969400Rio ArribaNEW MEXICONMPM-29N-06W-20-B500.00N1,600.00E

 Ground Elevation (ft)
 Latitude (DMS)
 Longitude (DMS)
 Spud Date
 Rig Release Date

 6,367.00
 36° 43' 1.416" N
 107° 28' 55.776" W
 2/11/2006
 2/22/2006

2/24/2006 08:00 - 2/24/2006 12:00

Last 24hr Summary

PJSM w/ L&R. Remove tin horn, Fill mouse & rat holes. Fill ditches.

2/25/2006 08:00 - 2/25/2006 12:00

Last 24hr Summary

PJSM w/ Aztec excavtion. Blade location.

2/26/2006 07:00 - 2/26/2006 15:00

Last 24hr Summary

Held safety meeting. RU Slumberger. Pressured up on 4 1/2" CSG to 1500 #. Ran CBL log from 5710' to 2150'. Top of cernent @ 2400'. Ran TDT log from 5710' to 2200'. Ran GR/CCL log from 5710' TO surface. RD Schlumberger. Tested 4 1/2" csg to 4300 # for 30 min. Held ok. SWI. RD Woodgroup

2/27/2006 08:00 - 2/27/2006 15:00

Last 24hr Summary

PJSM w/ Dawn trucking. Haul in and set frac tanks.

2/28/2006 08:00 - 2/28/2006 15:00

Last 24hr Summary

PJSM w/ Dawn trucking. Haul in and set frac tanks.

3/1/2006 08:00 - 3/1/2006 15:00

Last 24hr Summary

PJSM w/ Dawn trucking. Haul in and fill frac tanks.

3/2/2006 08:00 - 3/2/2006 15:00

Last 24hr Summary

PJSM w/ Dawn trucking. Haul in and set frac tanks.

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

Last 24hr Summary

PJSM w/ Dawn trucking. Haul in and set frac tanks.

3/4/2006 08:00 - 3/4/2006 15:00

Last 24hr Summary

PJSM w/ crew. RU Mote and heat 8 tanks frac water to 100*

3/5/2006 08:00 - 3/5/2006 15:00

Last 24hr Summary

PJSM w/ crew. RU Mote and heat 8 tanks frac water to 100*

3/6/2006 07:00 - 3/6/2006 13:00

Last 24hr Summary

PJSM w/ Computalog .Discussed days events and ways to prevent incident. Filled out and reviewed JSA. Discussed perforating and setting plugs.

MU and RIH w/ 19' x 3 1/8" Csd hole gun w/ Owen 302g 90* PP w/ .34" dia charges and stacked out w/ CL @ 2480' WLM. Worked to get gun through tight spot and was unsuccesful. Pooh to run guage ring. Pulled out of rope socket & dropped gun from surface. Re-head line and RIH w/ sinker bar to find top of gun. Tagged gun @ 2471' WLM. Pooh and LD sinker bar.

Discussed w/ E.Fransen possibility of fishing gun w/ wireline. Decided to MI workover unit and pull gun w/ tbg. and then repair tight spot before trying to perforate.

RD Service companys and release. SWI and wait for W/O unit.

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

Last 24hr Summary

PJSM w/crews.Discussed days events and ways to prevent incident.Filled out and reviewed JSA. SICP=0# PU 3-7/8" overshot w/3-1/8" spiral grapple,bumper sub,jar. RIH w/ (6) drill collars,74 jts 2-3/8" tbg. Wait on bad weather.Continue to RIH picking up tbg off of float 102 jts 2-3/8" tbg.Tag top of fish @ 5686'.Bottom out overshot holding right hand torque,pick up slight over pull.Lay down 1jt. Secure well. Shut down due to snow and high wind.

3/11/2006 07:00 - 3/11/2006 17:00

Last 24hr Summary

PJSM w/crews.Discussed days events and ways to prevent incident.Filled out and reviewed JSA. SICP=0# POOH w 175 jts 2-3/8"tbg, (6) drill collars.jar,bumper sub,overshot,fish recovered.PJSM w/crews discussed laying down armed perforating gun.Lay down gun,disarm and disassemble. Test 4-1/2" csg @1000# for 15_min, w/ 7" open to atmosphere, test good. Bled well down. PU 3-7/8" csg swedge,bumper sub.jar, (6) drill collars and 76 jts 2-3/8" tbg. Work csg swedge from 2465' to 2590'.CSG ok. POOH laying down 76 jts 2-3/8" tbg. (6) drill collars, and BHA. Secure well. SIWFWE.

3/13/2006 07:00 - 3/13/2006 16:00

Last 24hr Summary

PJSM w/crews.Discussed days events and ways to prevent incident.Filled out and reviewed JSA. SICP=0# Service rig.RIH w/99 jts 2-3/8" tbg.POOH laying down 99 jts 2-3/8" tbg on float. RD tbg equipment and rig floor.ND BOPE. NU frac stack.PJSA w/Mote.Discussed heating water in frac tanks. Pump 15 bbls 2% kcl down 4-1/2" csg to fill.Test frac stack and 4-1/2" csg to 2000# for 15 min. Test good.Test witnessed by S.Serna w/Key Energy Services. RD well service unit and park on location. secure well.SDFD.

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Report Printed: 4/17/2006

Regulatory Summary

SAN JUAN 29 6 UNIT #074C

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

Last 24hr Summary

PJSA meeting on location. Held PJSA on location. Talked about conducting safe wireline, perforating operations. Rig up Computalog unit and perforating tools with pressure lubricator. Rig up and run in the well with 3.75" gauge ring. Trip to 3,000' with no problems. Trip gauge ring out of well. Rig up 3 1/8" SF PP 90 Degree phase with Owen 302g charges .34" diameter guns. Trip perf gun assembly into well and tagged obstruction at 2,505' to 2,515'. Correlated off collars of TDT/GR/CCL log (2-26-06) to determine depths. Trip out of well with perforating guns. Rig up 10' perforating gun assembly. Trip into well and run gun thru bad area at 2,505' to 2,515'. Had resistance, drag thru this area. Call operations (J.Woosley) for course of action. Notify engineering staff (L. Bazan). Rig down perf guns and tools from wellhead. Shut in and secured well. Secured lease. Shutdown operations for the day. Standby wait on frac.

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

Last 24hr Summary

PJSM w/ crews.Discussed days events and ways to prevent incident.Filled out and reviewed JSA. SICP=0#

Spot and rig up well service unit.ND Frac Stack.NU BOPE. Load BOP w/water.RU Key Energy pressure pump.Pressure test blind and pipe rams to 200# low and 3000# high.Test was good. Charted and witnessed by S.Serna w/ Key Energy.
PU 3-7/8" taperd mill, (1) 3-1/16 DC, 3-7/8" string mill, (1) 3-1/8" DC, 3-7/8" stabilizer mill, (2) 3-1/8" DC and 74 jts 2-3/8" tbg.RU swivel.

Work mill from 2461' to 2618'. Slight drag from 2484' to 2555'. Secure well. SIWFN.

3/16/2006 07:00 - 3/16/2006 17:00

Last 24hr Summary

PJSM w/crews.Discussed days events and ways to prevent incidet.Filled out and reviewed JSA. SICP=0#

Work mill from 2512' to 2522' w/slight drag,850# torque on swivel.Rd swivel.Lay down 5 jts 2-3/8" tbg. POOH standing back 74 jts 2-3/8" tbg, 4 jts 3-1/8" drill collars, 3 mills 3-7/8". RIH w/3-7/8" tapered mill, 3-1/8" drill collar, (2) 3-7/8" string mills, 3-1/8" drill collar, 3-7/8" stabilizer mill, (2) 3-1/8 drill collars and 74 jts 2-3/8" tbg. RU swivel. Work 3-7/8" mills from 2458' to 2615' w/slight drag from 2512' to 2522'.Work on tight spot for 1 hour.RD swivel. POOH w/tbg and BHA.Test csg @ 2000#.Test was good.Witnessed by S.Serna w/ Key Energy. Secure well .SIWFN.

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

Last 24hr Summary

PJSM w/crews.Discussed days events and ways to prevent incident.Filled out and reviewed JSA. SICP=0#

RU wire line.RIH w/ MSC (caliper tool) and log from 2506' to 1500'.POOH and lay down MSC tool.

RIH w/ bridge plug and went past 2504' w/no drag.POOH CBP and lay down.RIH w/27' gun would not go past 2504'.POOH and lay down gun.RIH w/13' gun. Gun would go past 2504' w/slight drag.POOH and lay down gun.RD wire line and release.RIH w/4 drill collars,74 jts 2-3/8" tbg.

Lay down 74 jts 2-3/8" tbg and 4 jts 3-1/8" drill collars.ND BOPE.NU Frac Stack.Test frack valves

@ 2000# for 15 min. Test was good. Witnessed by S.Serna w/Key Energy.RD well service unit and park on location. Secure well.SDFWE.

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

Last 24hr Summary

RE-HEAT FRAC WATER

3/19/2006 00:00 - 3/19/2006 00:00

Last 24hr Summary

RE-HEAT FRAC WATER

3/20/2006 00:00 - 3/20/2006 00:00

Last 24hr Summary

WAIT ON SPECIALTY PERF GUNS

3/21/2006 07:00 - 3/21/2006 17:00

Last 24hr Summary

PJSM w/ Schlumberger, Computalog & Dawn Trucking. Discussed days events and ways to prevent incident. Filled out and reviewed JSA. RU Computalog E-line and mast truck. MU and RIH w/ 2" HSC 6g TITAN charges, Correlate and get on depth w/ GR/CCL/TDT log dated 2/26/06. Perforate PLO as follows: 5361'-5372', 5388'-5406', 5430'-5452', 5467'-5489'. All shots are 1 SPF for a total of 77 0.26" Dia holes. RU Schlumberger frac iron. FRAC PLO w/ 150,000# 20/40 Brady, 1,499,000 scf N2 and 1821bbl clean fluid. SEE STIMULATION REPORT FOR DETAILS SWI.

3/22/2006 07:30 - 3/22/2006 19:30

Last 24hr Summary

PJSM w/ Schlumberger, Computalog & Dawn Trucking. Discussed days events and ways to prevent incident. Filled out and reviewed JSA. PJSM w/ Computalog. MU and RIH w/ Magnum 4" CBP and Correlate from Schlumberger GR/CCL/TDT log and marker jts @ 4864' to get on depth. Set CBP @ 5231'.

MU and rih w/ 2 1/8" HSC guns w/ Titan 6g charges w/ 60* PP and Perforate MEN/CH as follows: 4997'-5004', 5046'-5065', 5095'-5107', 5176'-5181. All shots are 1 SPF for a total of 47 0.26" holes. RU Schlumberger frac iron. FRAC MEN/CH w/ 100,000# 20/40 Brady, 1,227,300 scf N2 and 1441 bbl clean fluid. SEE STIMULATION REPORT FOR DETAILS PJSM w/ Computalog. MU and RIH w/ Magnum 4" CBP and Correlate from Schlumberger GR/CCL/TDT log and marker jts @ 4864' to get on depth. Set CBP @ 4493'. MU and RIH w/ 2 1/8" HSC guns w/ Titan 6g charges w/ 60* PP and Perforate MEN/CH as follows: 4232'-4244', 4255'-4258', 4367'-4375', 4386'-4393', All shots are 1 SPF for a total of 34 0.26" holes. FRAC LWS w/ 125,000# 16/30 Brady sand, 1,200,300 SCF N2 and 1100 clean bbl Slick foam. SEE STIMULATION REPORT FOR DETAILS RD Service companys. Secure well SDFN.

4997: 4232-5181

Regulatory Summary

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

Last 24hr Summary

PJSM w/crews.Discussed days events and ways to prevent incident.Filled out and reviewed JSA. SICP= 1200#

Check location for hazards and LEL,s.Spot Key rig #11.RU unit,pump and blow down lines. Flow back well w/1/8" choke for 4 hrs.Replace w/1/2" choke flow back well for 2 hrs @ 500# Recovered 75 bbls water/foam, N2. No sand or oil. Secure well.SIWFN.

3/24/2006 07:00 - 3/24/2006 18:00

Last 24hr Summary

PJSM w/crews.Discussed days events and ways to prevent incident.Filled out and reviewed JSA SICP=1200#

Bled well down to 300#, kill w/30 bbls 2% kcl.Install test hanger and secured lock down pins. ND frac stack.NU BOPE. Load BOP w/ water.RU Key Energy pressure pump.Pressure test blind and pipe rams to 250# low and 2500# high. Test was good. Charted and witnessed by S. Serna w/ Key Energy.RU floor and tbg tools.Release and POOH w/ test hanger.RIH w/ 3-7/8" mill.

2-3/8" x 2' pup jt, 1.81" FN and 138 jts 2-3/8" tbg.Unload well @ 4325 w/ 1150 cfm and 6 bph mist. Continue picking up tbg. Tag fill @ 4419'. C/O 74' of fill w/ 1150 cfm and 8-10 bph mist .

Tag CBP @ 4493'.Circulate well clean. RETURNS,medium sand, heavy foam and no oil. RD air.POOH w/ 12 jts 2-3/8" tbg above perfs. Secure well. SDFWE.

3/27/2006 07:00 - 3/27/2006 13:00

Last 24hr Summary

Shut down for Conoco Phillips Safety Leadership Seminar.

3/28/2006 07:00 - 3/28/2006 13:00

Last 24hr Summary

Shut down for Conoco Phillips Safety Leadership Seminar.

3/29/2006 07:00 - 3/29/2006 18:00

Last 24hr Summary

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

SICP=420# Intermediate=0# Surface=0# Bled well down.RIH w/ 12-jts 2-3/8" tbg.Tag fill @ 4478'.RU air.C/O fill from 4478' to CBP @ 4493' w/ air 1150 cfm,9-10 bph mist.Circulate well clean.Cut mist and dry up hole.S/D air unit. POOH w/ 6 its 2-3/8" tbg. EOT @ 4313'. RU hard line w/ 1/2" choke @ surface. Open well flowing up tbg to atmosphere. Flow test Lewis formation 4 hrs. TEST IS AS FOLLOWS:

LWS perfs 4232' - 4393' 2-3/8" tbg set @ 4313' KB

FTP=35#

SICP=145#

LWS PROD=231 MCFPD

0 BOPD

90 BWPD

NO SAND. Witnessed by S. Serna w/ Key Energy. Secure well. SIWFN.

3/30/2006 07:00 - 3/30/2006 18:00

Last 24hr Summary

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

SICP=290#

Bled well down.Kill tbg w/ 8 bbls 2% kcl.RIH w/ 6 jts 2-3/8" tbg.RU air. Establish circulation. C/O from 4489' to 4493' w/ air 1150 cfm and 9-10 bph mist.Well returning light sand and light fluid. Circulate remainder of day @ 4493' and fluid slowing.POOH w/ 12 jts 2-3/8" tbg.

Secure well.SIWFN.

3/31/2006 07:00 - 3/31/2006 18:00

Last 24hr Summary

SICP=260#

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

BWD, TIH and tag no fill. Start air unit. Establish circulation w/ air. Unload hole @ 4493' (Returned 2-3 bbl) Circulate clean. PUH to 4114'.

PJSM w/ logging crews. RU H&H wireline unit. MU and Rih w/ EOT locator. Find PBTD @ 4493'. Find EOT @ 4114'. Pooh. Mu Protechnics Completion Profile logging tool. Rih w/ logging tool. Tool would not go thru BHA,POOH and lay down logging tool. RD service companys. BWD, kill tbq

w/ 10 bbls 2%kcl,POOH w/ 131 jts 2-3/8" tbg, remove 3-7/8" mill. RIH w/ mule shoe collar,

FN 1.81" and 144 jts 2-3/8" tbg.RU air. Establish circulation w/ air. Unload hole @ 4493'. Circulate clean. PUH to 4114'. Secure well. SIWFWE,

4/1/2006 00:00 - 4/2/2006 23:45

Last 24hr Summary

Shut down for weekend



Regulatory Summary

SAN JUAN 29 6 UNIT #0740

4/3/2006 07:00 - 4/3/2006 18:00

Last 24hr Summary

SICP=230#

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

BWD, TIH and tag no fill. Start air unit. Establish circulation w/ air. Unload hole @ 4493'. (Returned 4 bbl water.) Circulate clean. PUH to 4114' KB. PJSM w/ logging crews. RU H&H wireline unit. MU and Rih w/ EOT locator. Find PBTD @ 4493'. Find EOT @ 4114'. Pooh. Mu Protechnics Completion Profile logging tools. Rih to 4443' Stop and record SBHP for 10 min.

Open well flowing up tbg to atmosphere w/ 1/2" choke @ surface. Wait for flowing pressure to stabilize FTP= 0# to 60# SICP=190#. Flowing pressure did not stabilize.Contacted engineer and decided to C/O another day.POOH w/ logging tool,RD service companys.Repair BOP,replace O ring on shaft. Secure well.SDFD.

4/4/2006 07:00 - 4/4/2006 18:00

Last 24hr Summary

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

SICP=220#

Bled well down.RIH w/ 13 jts 2-3/8" tbg. Start air unit, establish circulation. Unload well @ 4493', w/ air 1150 cfm and 9-10 bph mist.

Returning light to medium water and no sand. Circulate remainder of day

Recovered 35 bbls water in 8 hrs. Shut down air unit.POOH w/ 13 jts 2-3/8" tbg.

Secure well.SDFD.

4/5/2006 07:00 - 4/5/2006 17:30

Last 24hr Summary

SICP=220#.

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

BWD, TIH and tag no fill. Start air unit. Establish circulation w/ air. Unload hole @ 4493'. Circulate clean. PUH to 4114' KB.

PJSM w/ logging crews. RU H&H wireline unit. MU and Rih w/ Protechnics Completion Profile logging tools.

Open well flowing up tog to atmosphere w/ 1/2" choke @ surface. Pressures stabilized as follows: FTP= 20#, SICP= 120#. Log LWS w/ 8 passes @ set speeds. 30,60,90 &,120 ft/min.

Log from 4180' to 4469'. SWI, POOH and lay down logging tool.Retrieve data.Data was good.

MU and RIH w/ tbg plug and set in FN.POOH w/ wireline,RN and release service companys.

BWN,POOH w/24 jts.. Shut down due to high winds. Secure well. SIWFN

4/6/2006 07:00 - 4/6/2006 17:30

Last 24hr Summary

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

Bled well down. Ops stalled, wait for bad weather to pass. POOH w/ 107 jts 2-3/8" tbg.

Shut down due to high wind. Secure well. SIWFN.

4/7/2006 07:00 - 4/7/2006 17:30

Last 24hr Summary

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

SICP=210#

Bled well down.Kill CSG w/ 10 bbls 2% kcl. RIH w/ 3-7/8" junk mill, 144 jts 2-3/8" tbg. RU swivel.

Start air unit, establish circulation and unload well @ 4493 w/ 1150 cfm air 9-10 bph mist.

Drill out CBP @ 4493'. Circulate clean remainder of day, returning medium sand and light water.

SD air unit. Hang swivel back. POOH w/ 13 jts 2-3/8" tbg. Secure well. SIWFWE.

4/8/2006 00:00 - 4/9/2006 23:45

Last 24hr Summary

Shut down for weekend

4/10/2006 07:00 - 4/10/2006 18:00

Last 24hr Summary

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

Bled well down.RIH w/ 34 jts 2-3/8" tbg.Tag fill @ 5177'. RU swivel. Start air unit, establish

circulation and unload well @ 5167'.C/O fill from 5177' to 5231' w/ 1150cfm air and 9-10 bph mist.

circulate clean.Drill out CBP @ 5231'.Circulate clean,shut down air unit.POOH w/ 37 jts 2-3/8" tbg.

Secure well.SIWFN.

4/11/2006 07:00 - 4/11/2006 17:00

Last 24hr Summary

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

BWD.RIH w/ 47 jts 2-3/8" tbg, tag fill @ 5573'.RU swivel.Start air unit and establish circulatoin.

C/O fill from 5573' to 5710' (PBTD) w/ 1150 cfm air,9-10 bph mist. Circulate clean.

SD air unit.RD swivel.POOH w/ 182 jts 2-3/9" tbg and lay down 3-7/8" junk mill.

PJSM on drifting prod tbg. MU and RIH drifting w/ 2-3/8" 1/2" MS expendable check,1.81 FN and 171 jts 2-3/8 tbg. Secure well. SIWFN.

Regulatory Summary

ConocoPhillips

SAN JUAN 29 6 UNIT #074C

4/12/2006 07:00 - 4/12/2006 17:00

Last 24hr Summary

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

SICP=480#

BWD.RIH w/ 11 jts 2-3/8" tbg.Tag fill @ 5679'.Start air unit,C/O fill from 5679' to 5710' w/ 1150 cfm air and 9-10 bph mist. Circulate clean. SD air unit. POOH w/ 11 jts 2-3/8" tbg. Kill tbg w/ 8 bbls 2% kcl. Remove string float,drop ball.Start air unit.Test tbg @ 1000# for 10 min.Pump out check

@ 1300#. Unload well w/ air.SD air.Open well flowing up tog to atmosphere w/ 1/2" choke @ surface. FLOW TEST MV AS FOLLOWS:

2 3/8" tbg set @ 5365' KB

MV perfs- 4997'- 5489'

SICP= 410# FTP= 190#

MV Production= 1254 MCFPD

BWPD=3

BOPD= 1-1/2

No sand. Test witnessed by S,Serna w/ Key Energy Services. BWN.Kill tbg w/ 5 bbls 2% kcl. RIH w/ 11 jts 2-3/8" tbg. No fill. Lay down 11 jts 2-3/8" tbg. Kill csg w/ 10 bbls 2% kcl. MU tbg hanger.Land well w/ 4' tbg sub, 171 jts 2-3/8" tbg, 1.81 FN, and 1/2 MS re-entry guide. EOT @ 5365' KB.Top of FN @ 5363'. ND BOPE.NU tbg master valve and check for leaks. Purge air from tubulars.Checked w/ O2 monitor. RD well service unit and equipment. FINAL REPORT. Turn over to construction group

to build facility.

