

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

2006 FEB 21 PM 3 55

☐ AMENDED REPORT

RECEIVED

670 FARMINGTON NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-29818	*Pool Code 72319 / 71599	*Pool Name BLANCO MESAVERDE / BASIN DAKOTA
*Property Code 31325	*Property Name SAN JUAN 29-5 UNIT	*Well Number 6M
*OGRID No. 217817	*Operator Name CONOCOPHILLIPS COMPANY	*Elevation 6815'


¹⁰ Surface Location

UL or lot no. N	Section 27	Township 29N	Range 5W	Lot Idn	Feet from the	North/South line SOUTH	Feet from the	East/West line WEST	County 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 320.0 Acres - W/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

16	5266.80'	27	5280.00'	2633.40'	330'	2633.40'	5280.00'	LEASE FEE	LEASE NM-011349-A	LEASE NM-011349 <i>160 acres</i>	LAT: 36°41.4138' N LONG: 107°20.7148' W DATUM: NAD27	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief <i>Virgil E. Chavez</i> Signature Virgil E. Chavez Printed Name Projects & Operations Lead Title <i>February 3, 2006</i> Date
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. Date of Survey: AUGUST 31, 2005 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

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

Form C-103
May 27, 2004

WELL API NO. 30-039-29818	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name SAN JUAN 29-5 UNIT	
8. Well Number	6M
9. OGRID Number	217817
10. Pool name or Wildcat BLANCO MESAVERDE / BASIN DAKOTA	

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator ConocoPhillips Company	
3. Address of Operator 4001 Penbrook, Odessa, TX 79762	
4. Well Location Unit Letter <u>N</u> <u>330</u> feet from the <u>SOUTH</u> line and <u>2320</u> feet from the <u>WEST</u> line Section <u>27</u> Township <u>29N</u> Range <u>5W</u> NMPM <u>RIO ARRIBA</u> County	

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6815' GL

Pit or Below-grade Tank Application <input checked="" type="checkbox"/> Closure <input type="checkbox"/>	
Pit type <u>DRILL</u>	Depth to Groundwater <u>60'</u>
Distance from nearest fresh water well <u>>1000'</u>	
Distance from nearest surface water <u><1000' >200'</u>	
Liner Thickness: <u>12</u> mil	Below-Grade Tank: Volume <u>4400</u> bbls; Construction Material <u>SYNTHETIC</u>

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 COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/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.

The pit will be constructed and closed in accordance with Rule 50 and as per COPC June 2005 General Pit Plan on file with the NMOCD.. 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

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 Peggy James TITLE Sr. Associate DATE 02/20/2006

Type or print name E-mail address peggy.s.james@conocophillips.com: Telephone No.: (432)368-1230

For State Use Only

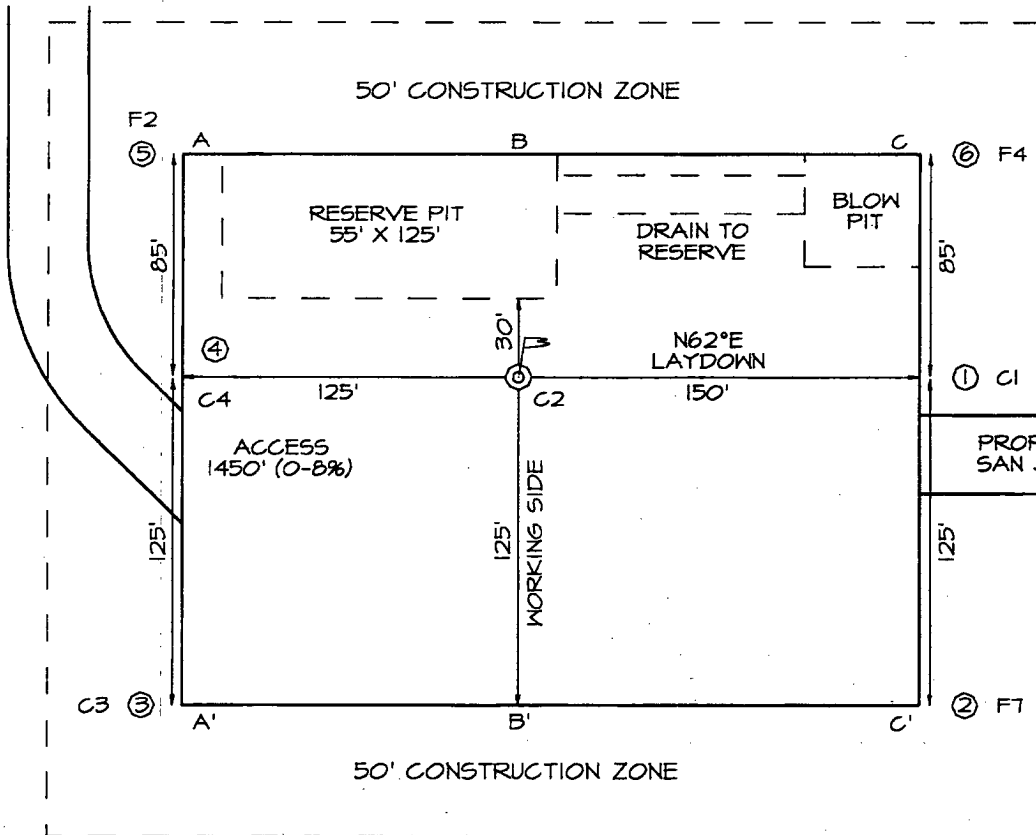
APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 1 DATE JUN 05 2006

Conditions of Approval (if any).

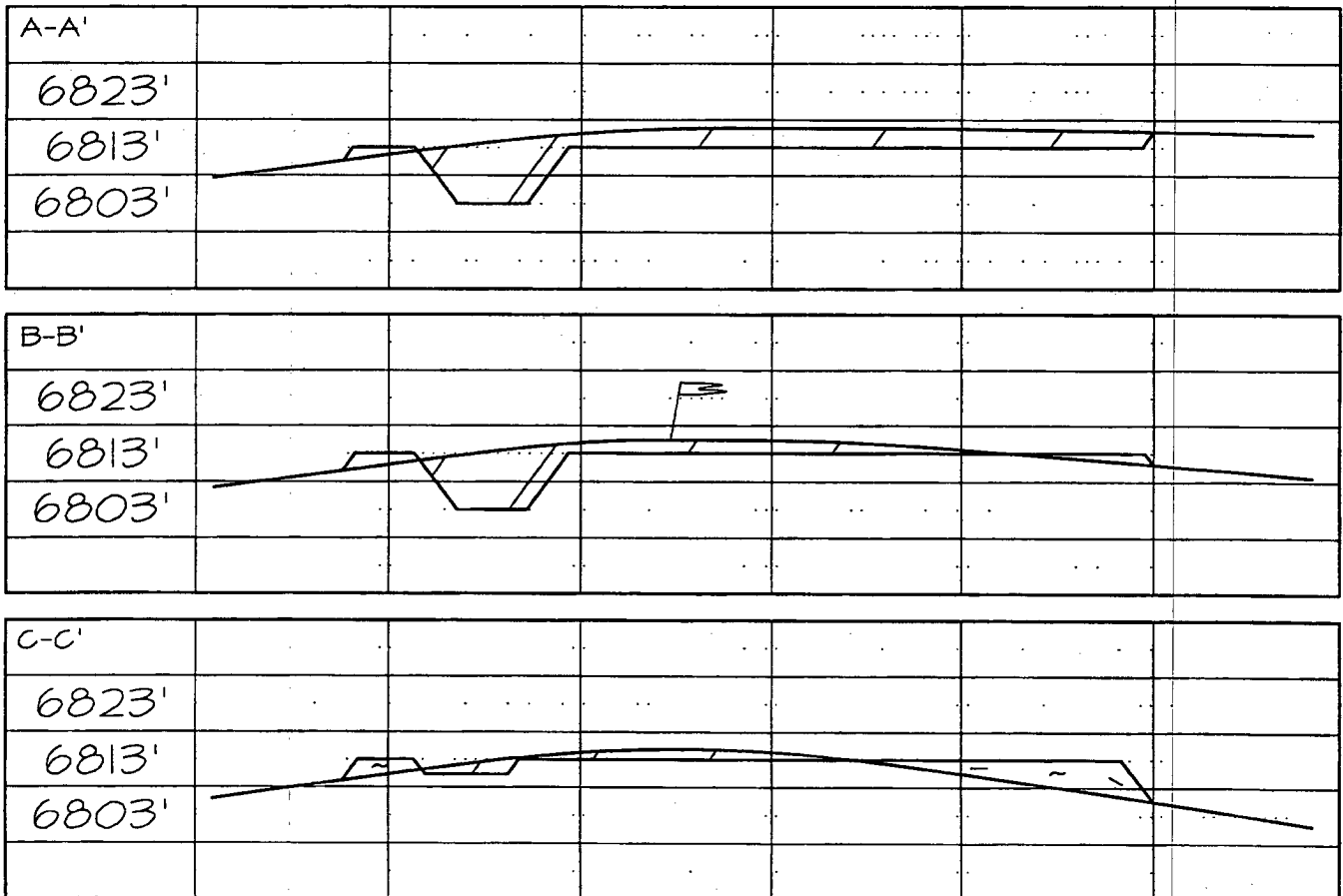
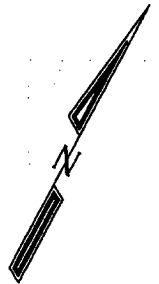
CONOCOPHILLIPS COMPANY SAN JUAN 29-5 UNIT #6M
330' FSL & 2320' FWL, SECTION 27, T29N, R5W, NMPM
RIO ARriba COUNTY, NEW MEXICO ELEVATION: 6815'

LATITUDE: 36.69023° N
LONGITUDE: 107.34525° W
 DATUM: NAD1927

PLAT NOTE:
 FEE SURFACE OWNER
 La Familia de los Candelarias



PROPOSED ACCESS
 SAN JUAN 29-5 #14M



PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 29-5 6M

Lease:	AFE #: WAN.CNV.6179			AFE \$:
Field Name: 29-5	Rig: H&P 283	State: NM	County: RIO ARRIBA	API #:
Geoscientist: Glaser, Terry J	Phone: (832)486-2332	Prod. Engineer: Moody, Craig E.	Phone: 486-2334	
Res. Engineer: Johnson, Tom B.	Phone: (832)-486-2347	Proj. Field Lead: Fransen, Eric E.	Phone:	

Primary Objective (Zones):

Zone	Zone Name
R20002	MESAVERDE(R20002)
R20076	DAKOTA(R20076)

Location: Surface

Latitude: 36.69	Longitude: -107.35	X:	Y:	Section: 27	Range: 5W
Footage X: 2320 FWL	Footage Y: 300 FSL	Elevation: 6815	(FT)	Township: 29N	

Tolerance:

Location Type:	Start Date (Est.):	Completion Date:	Date In Operation:
Formation Data: Assume KB = 6831	Units = FT		

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	216	6615	<input type="checkbox"/>			13-1/2" hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.
NCMT	1731	5100	<input type="checkbox"/>			
CJAM	2991	3840	<input type="checkbox"/>			Possible water flows.
KRLD	3191	3640	<input type="checkbox"/>			
FRLD	3521	3310	<input type="checkbox"/>			Possible gas.
PCCF	3781	3050	<input type="checkbox"/>			
LEWS	3981	2850	<input type="checkbox"/>			
Intermediate Casing	4081	2750	<input type="checkbox"/>			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
CHRA	4731	2100	<input type="checkbox"/>			
CLFH	5621	1210	<input type="checkbox"/>			Gas; possibly wet
MENF	5671	1160	<input type="checkbox"/>			Gas.
PTLK	5966	865	<input type="checkbox"/>			Gas.
CLLP	7211	-380	<input type="checkbox"/>			Gas. Possibly wet.
CRHN	7926	-1095	<input type="checkbox"/>			Gas possible, highly fractured
CBBO	8081	-1250	<input type="checkbox"/>			Gas
TOTAL DEPTH DK	8276	-1445	<input type="checkbox"/>			6-1/4" Hole. 4-1/2", 11.6 ppf, N-80, LTC 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
----------------	-----------	----------

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 29-5 6M

Logging Program:Intermediate Logs: ☐ Log only if show ☐ GR/ILD ☐ Triple ComboTD Logs: ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☒ TDT

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
----------	-------	-----------	---------	----------------	---------

Comments:

TOPSET FRUITLAND COAL Wells: (topset casing above coal to prepare for cavitation/DO/UR)

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 joints

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

CASE & FRAC FRUITLAND COAL Wells: (casing set below coal to prepare for frac completion)

Drilling Mud Program:

Surface: spud mud

Production: fresh water mud with bentonite and polymer 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

Production: centralizers placed 10' above the shoe latched over a stop collar and at the top of the 2nd, 4th, 6th, 8th, & 10th joints

Turbolizers placed one per joint from the top of the Ojo Alamo to the top of the Kirtland Shale

MESA VERDE Wells:

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

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 joints

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

DAKOTA Wells:

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 joints

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

San Juan 29-5 # 6M
Halliburton Cementing Program

SURFACE CASING :

Drill Bit Diameter	13.5 "	
Casing Outside Diameter	9.625 "	Casing Inside Diam. 9.001 "
Casing Weight	32.3	ppf
Casing Grade	H-40	
Shoe Depth	235 '	
Cement Yield	1.21	cuft/sk
Cement Density	15.6	lb/gal
Excess Cement	125	%
Cement Required	214	sx

SHOE 235 ', 9.625 ", 32.3 ppf, H-40 STC

INTERMEDIATE CASING :

Drill Bit Diameter	8.75 "	
Casing Outside Diameter	7 "	Casing Inside Diam. 6.456 "
Casing Weight	20	ppf
Casing Grade	J-55	
Shoe Depth	4081 '	
Lead Cement Yield	2.88	cuft/sk
Lead Cement Density	11.5	lb/gal
Lead Cement Excess	150	%
Lead Cement Required	210	sx
Tail Cement Length	816.2 '	
Tail Cement Yield	1.33	cuft/sk
Tail Cement Density	13.5	lb/gal
Tail Cement Excess	150	%
Tail Cement Required	238	sx

SHOE 4081 ', 7 ", 20 ppf, J-55 STC

PRODUCTION CASING :

Drill Bit Diameter	6.25 "	
Casing Outside Diameter	4.5 "	Casing Inside Diam. 4.000 "
Casing Weight	11.6	ppf
Casing Grade	N-80	
Top of Cement	3881 '	200' inside intermediate casing
Shoe Depth	8276 '	
Cement Yield	1.45	cuft/sk
Cement Density	13.1	lb/gal
Cement Excess	50	%
Cement Required	462	sx

SHOE 8276 ', 4.5 ", 11.6 ppf, N-80 LTC

SAN JUAN 29-5 #6M**HALLIBURTON OPTION**

9-5/8 Surface Casing	
Cement Recipe	Standard Cement
	+ 3% Calcium Chloride
	+ 0.25 lb/sx Flocele
Cement Volume	214 sx
Cement Yield	1.21 cuft/sx
Slurry Volume	259.5 cuft
	46.2 bbls
Cement Density	15.6 ppg
Water Required	5.29 gal/sx

7" Intermediate Casing	
Lead Slurry	
Cement Recipe	Standard Cement
	+ 3% Econolite (extender)
	+ 10 lb/sx Pheno Seal
Cement Required	410 sx
Cement Yield	2.88 cuft/sx
Slurry Volume	1180.2 cuft
	210.2 bbls
Cement Density	11.5 ppg
Water Required	16.85 gal/sx

7" Intermediate Casing	
Tail Slurry	
Cement Slurry	50 / 50 POZ: Standard Cement
	+ 2% Bentonite
	+ 6 lb/sx Pheno Seal
Cement Required	238 sx
Cement Yield	1.33 cuft/sx
Slurry Volume	316.4 cuft
	56.4 bbls
Cement Density	13.5 ppg
Water Required	5.52 gal/sx

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
	+ 0.8% Halad-9 Fluid Loss Additive
Cement Quantity	462 sx
Cement Yield	1.45 cuft/sx
Cement Volume	669.3 cuft
	119.2
Cement Density	13.1 ppg
Water Required	6.55 gal/sx

SCHLUMBERGER OPTION 1

9-5/8 Surface Casing	
Cement Recipe	Class G Cement
	+ 3% S001 Calcium Chloride
	+ 0.25 lb/sx D029 Cellophane Flakes
Cement Volume	222 sx
Cement Yield	1.17 cuft/sx
Cement Volume	259.5 cuft
Cement Density	15.8 ppg
Water Required	4.973 gal/sx

7" Intermediate Casing	
Lead Slurry	
Cement Recipe	Class G Cement
	+ 0.25 lb/sx D029 Cellophane Flakes
	+ 3% D079 Extender
	+ 0.20% D046 Antifoam
	+ 10 lb/sx Pheno Seal
Cement Required	434 sx
Cement Yield	2.72 cuft/sx
Slurry Volume	1180.2 cuft
	210.2 bbls
Cement Density	11.7 ppg
Water Required	15.74 gal/sx

7" Intermediate Casing	
Tail Slurry	
Cement Slurry	50 / 50 POZ: Class G Cement
	+ 0.25 lb/sx D029 Cellophane Flakes
	+ 2% D020 Bentonite
	+ 1.5 lb/sx D024 Gilsonite Extender
	+ 2% S001 Calcium Chloride
	+ 0.10% D046 Antifoam
	+ 6 lb/sx Pheno Seal
Cement Required	242 sx
Cement Yield	1.31 cuft/sx
Slurry Volume	316.4 cuft
	56.4 bbls
Cement Density	13.5 ppg
Water Required	5.317 gal/sx

4-1/2" Production Casing	
Cement Recipe	50 / 50 POZ: Class G Cement
	+ 0.25 lb/sx D029 Cellophane Flakes
	+ 3% D020 Bentonite
	+ 1.0 lb/sx D024 Gilsonite Extender
	+ 0.25% D167 Fluid Loss
	+ 0.15% D065 Dispersant
	+ 0.1% D800 Retarder
	+ 0.1% D046 Antifoamer
	+ 3.5 lb/sx PhenoSeal
Cement Quantity	465 sx
Cement Yield	1.44 cuft/sx
Cement Volume	669.3 cuft
	119.2
Cement Density	13 ppg
Water Required	6.47 gal/sx

SCHLUMBERGER OPTION 2

9-5/8 Surface Casing	
Cement Recipe	Type III Cement
	+ 2% S001 Calcium Chloride
	+ 0.25 lb/sx D029 Cellophane Flakes
	+ 0.20% D046 Antifoam
Cement Volume	195 sx
Cement Yield	1.33 cuft/sx
Cement Volume	259.5 cuft
Cement Density	14.8 ppg
Water Required	6.095 gal/sx

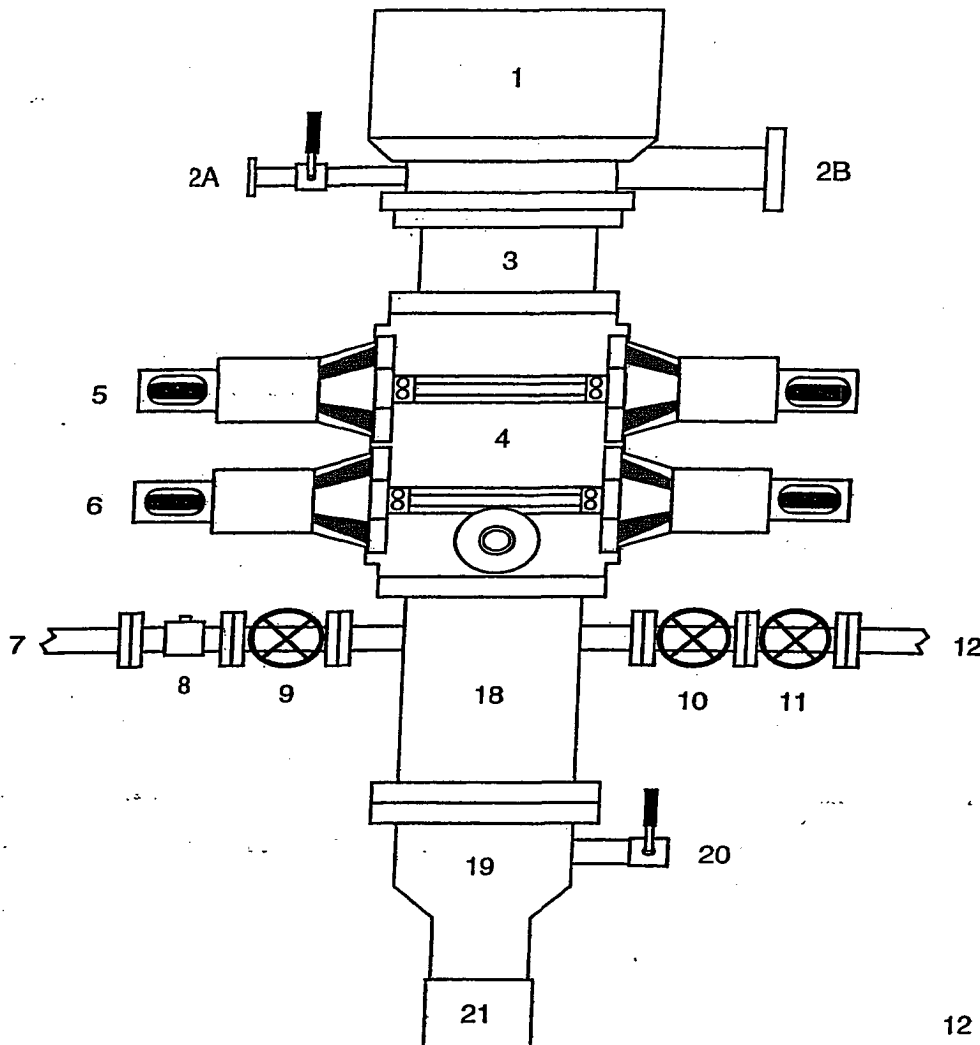
7" Intermediate Casing	
Lead Slurry	
Cement Recipe	75% Type XI / 25% Class G Cement
	+ 0.25 lb/sx D029 Cellophane Flakes
	+ 3% D079 Extender
	+ 0.20% D046 Antifoam
Cement Required	562 sx
Cement Yield	2.1 cuft/sx
Slurry Volume	1180.2 cuft
	210.2 bbls
Cement Density	11.7 ppg
Water Required	11.724 gal/sx

7" Intermediate Casing	
Tail Slurry	
Cement Slurry	50 / 50 POZ: Class G Cement
	+ 0.25 lb/sx D029 Cellophane Flakes
	+ 2% D020 Bentonite
	+ 1.5 lb/sx D024 Gilsonite Extender
	+ 2% S001 Calcium Chloride
	+ 0.10% D046 Antifoam
	+ 6 lb/sx Pheno Seal
Cement Required	242 sx
Cement Yield	1.31 cuft/sx
Slurry Volume	316.4 cuft
	56.4 bbls
Cement Density	13.5 ppg
Water Required	5.317 gal/sx

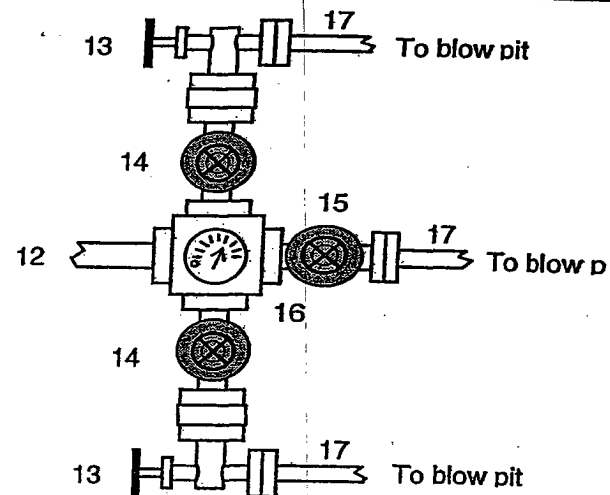
4-1/2" Production Casing	
Cement Recipe	50 / 50 POZ: Class G Cement
	+ 0.25 lb/sx D029 Cellophane Flakes
	+ 3% D020 Bentonite
	+ 1.0 lb/sx D024 Gilsonite Extender
	+ 0.25% D167 Fluid Loss
	+ 0.15% D065 Dispersant
	+ 0.1% D800 Retarder
	+ 0.1% D046 Antifoamer
	+ 3.5 lb/sx PhenoSeal
Cement Quantity	465 sx
Cement Yield	1.44 cuft/sx
Cement Volume	669.3 cuft
	119.2
Cement Density	13 ppg
Water Required	6.47 gal/sx

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

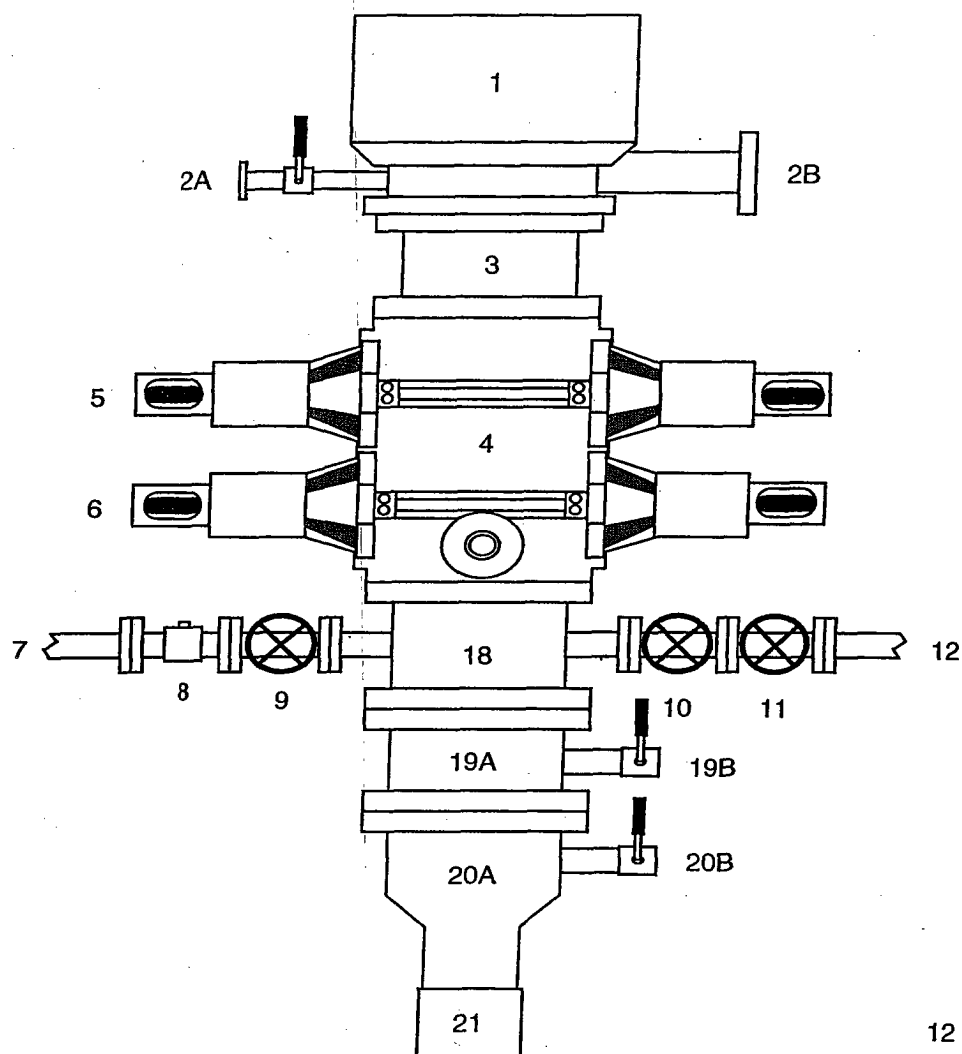


A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe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

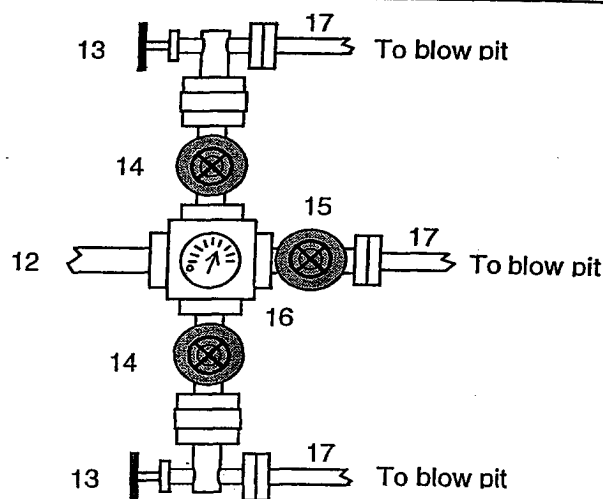
In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to TD and Setting 4.5 inch Casing



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Bleeed 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 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 29-5 UNIT **Well #:** 6M

Surface Location:

Unit: N **Section:** 27 **Township:** 29N **Range:** 5W

County: RIO ARRIBA **State:** New Mexico

Footage: 330 **from the** SOUTH **line,** 2320 **from the** WEST **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.