

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

RCVD DEC21'06

OIL CONS. DIV.

DIST. 3

1a. Type of Work DRILL	5. Lease Number SF-080379 A	
1b. Type of Well GAS	Unit Reporting Number NMNM-78416-A-MV	
2. Operator ConocoPhillips	6. If Indian, All. or Tribe	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	7. Unit Agreement Name San Juan 29-6 Unit	
4. Location of Well Surf Unit B (NWNE), 1240' FNL & 1465' FEL, Bott Unit H (SENE), 1680' FNL & 800' FEL Latitude 36° .72953' N 36° 36' 43.6985" N Longitude 107° .48228' W 107° 28' 7648" W	8. Farm or Lease Name 9. Well Number #71M 10. Field, Pool, Wildcat Blanco Mesa Verde/Basin DK 11. Sec., Twn, Rge, Mer. (NMPM) B Sec. 17 T29N, R06W, NMPM API # 30-039-30133	
14. Distance in Miles from Nearest Town 9 Miles to Gobernador	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1240'		
16. Acres in Lease	17. Acres Assigned to Well 320 acres E/2	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease		
19. Proposed Depth 8036'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6743' GL	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Nancy V. Monner</u> Regulatory Technician	<u>12/16/06</u> Date	

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

Archaeological Report submitted seperately
Enviromental Assessment is attached.

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or presentations as to any matter within its jurisdiction.

This is not an HPA well

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

NMOC

12/22/06

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

HOLD C104 FOR directional survey

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, 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

☐ AMENDED REPORT
RCVD DEC 21 '06
OIL CONS. DIV.

WELL LOCATION AND ACREAGE DEDICATION PLAT

DIST. 3

*API Number 30-039- 30133	*Pool Code 72319 / 71599	*Pool Name BLANCO MESAVERDE / BASIN DAKOTA
*Property Code 31326	*Property Name SAN JUAN 29-6 UNIT	*Well Number 71M
*OGRID No. 217817	*Operator Name CONOCOPHILLIPS COMPANY	*Elevation 6743'

¹⁰ Surface Location

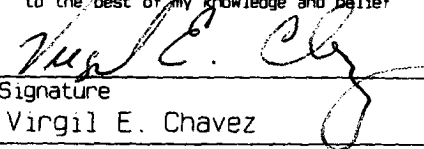
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	17	29N	6W		1240	NORTH	1465	EAST	RIO ARriba

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
H	17	29N	6W		1680	NORTH	800	EAST	RIO ARriba

¹² Dedicated Acres 320.0 Acres - (E/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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 5289.24' LEASE SF-080379 1240' 1680' 1465' 796.3' 556°41.4'E SURFACE LOCATION LAT: 36°43.72953'N LONG: 107°28.48228'W DATUM: NAD1983 LAT: 36°43.7710'N LONG: 107°28.9007'W DATUM: NAD27 5280.00' 17 5281.32'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Virgil E. Chavez Printed Name Projects & Operations Lead Title September 11 2006 Date

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. 30-039-30133	
5. Indicate Type of Lease STATE ☐ FEE ☐	
6. State Oil & Gas Lease No. SF-080379	
7. Lease Name or Unit Agreement Name San Juan 29-6 Unit	
8. Well Number 71M	
9. OGRID Number 217817	
10. Pool name or Wildcat Blanco MV/Basin Dakota	
4. Well Location Unit Letter B : 1240 feet from the North line and 1465 feet from the East line Section 17 Township 29N Range 6W NMPM County Rio Arriba	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6743'	
Pit or Below-grade Tank Application ☒ or Closure ☐	
Pit type New Drill Depth to Groundwater >100' Distance from nearest fresh water well <200' Distance from nearest surface water <100'	
Pit Liner Thickness: 12 mil Below-Grade Tank: bbls; Construction Material	

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: New Drill Pit ☒ 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.

New Drill, Lined:

ConocoPhillips proposes to construct a new drilling pit, an associated vent/flare pit and a pre-set mud pit (if required). Based on ConocoPhillips' interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and pre-set mud pit will be lined pits as detailed in ConocoPhillips' General Plan dated June 2005 on file at the NMOCDD office. A portion of the vent/flare pit will be designed to manage fluids and that portion will be lined as per the risk ranking criteria. ConocoPhillips anticipates closing these pits according to the November 1, 2004 Guidelines.

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 NMOCDD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Tracey N. Monroe TITLE Regulatory Technician DATE 12/6/2006

Type or print name Tracey N. Monroe E-mail address Tracey.N.Monroe@conocophillips.com Telephone No. 505-326-9752

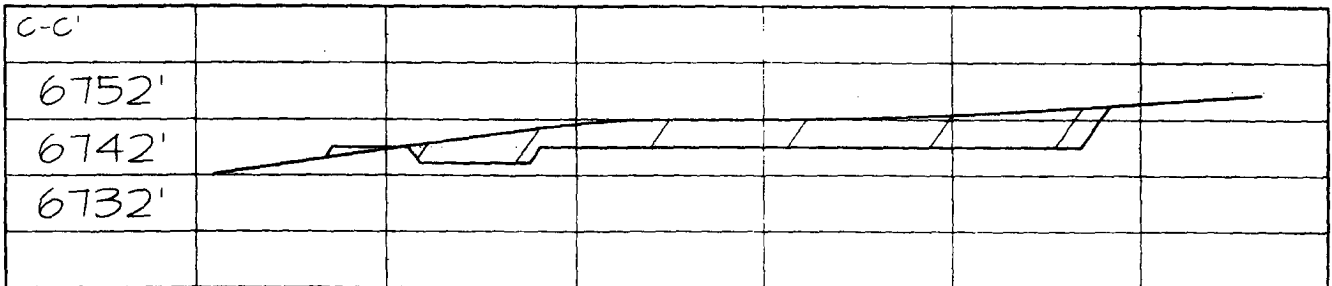
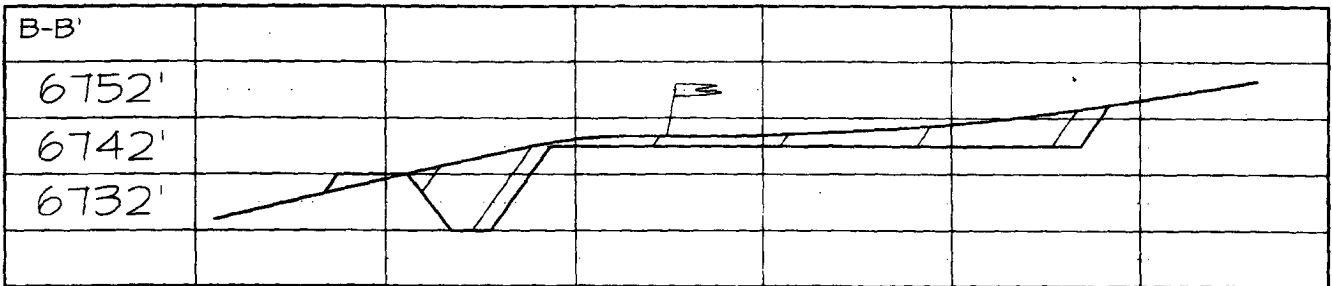
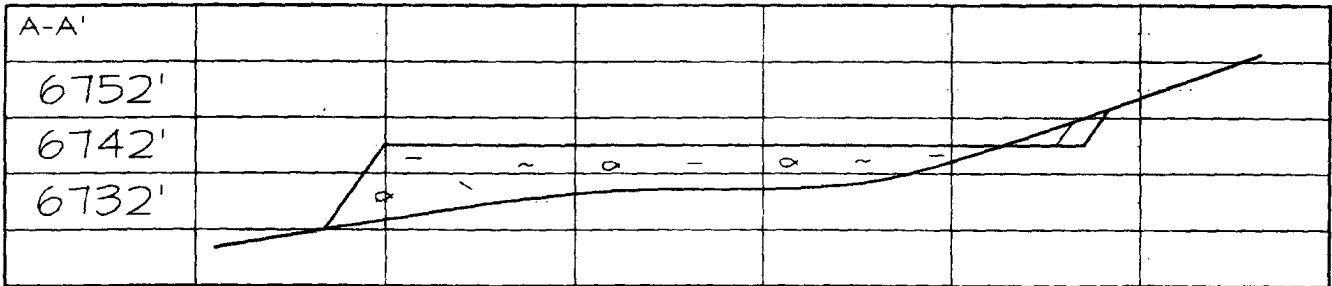
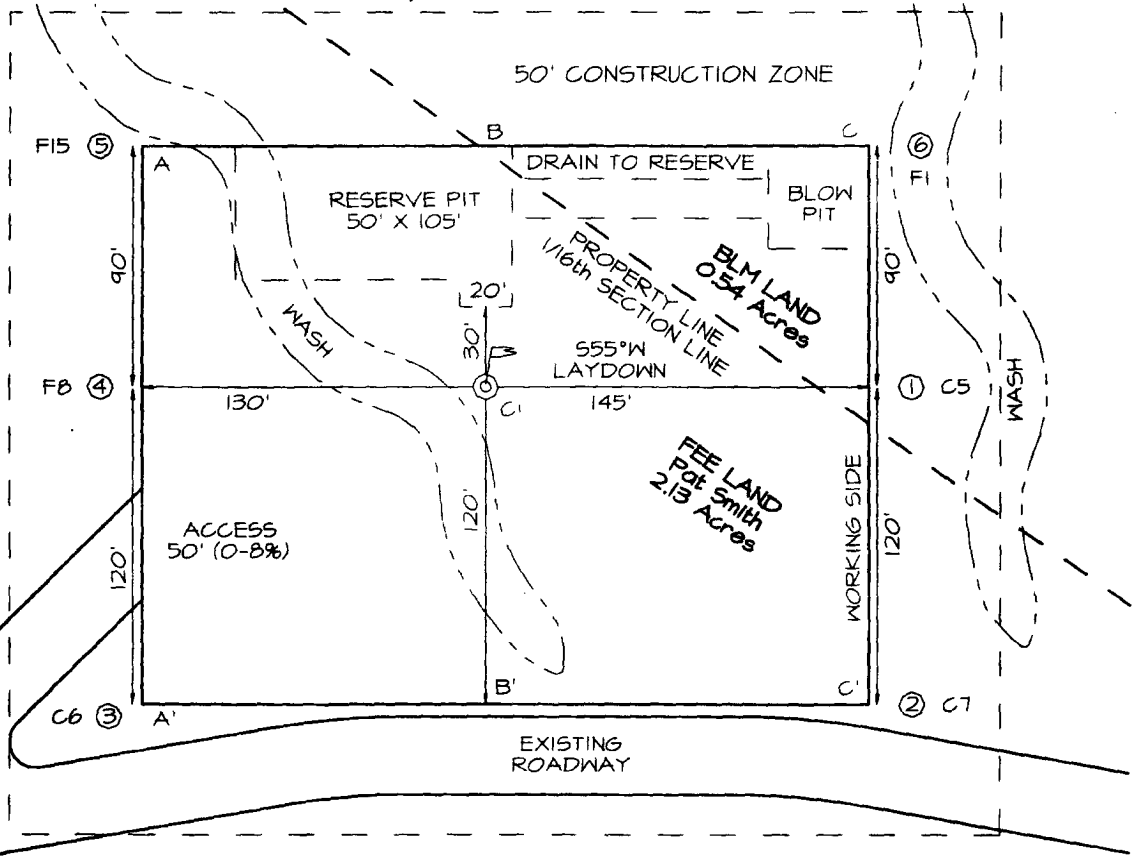
For State Use Only

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. IV DATE DEC 22 2006

Conditions of Approval (if any):

CONOCOPHILLIPS COMPANY SAN JUAN 29-6 UNIT #71M
1240' FNL & 1465' FEL, SECTION 17, T29N, R6W, NMPM
RIO ARriba COUNTY, NEW MEXICO ELEVATION: 6743'

LATITUDE: 36.72953° N
LONGITUDE: 107.48228° W
 DATUM: NAD1983



PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 29-6 71M

Lease:		AFE #: WAN.CNV.6195		AFE \$:	
Field Name: 29-6	Rig:	State: NM	County: RIO ARRIBA	API #:	
Geoscientist: Glaser, Terry J		Phone: (832)486-2332	Prod. Engineer:		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		Datum Code: NAD 27		Deviated	
Latitude: 36.729523	Longitude: -107.481675	X:	Y:	Section: 17	Range: 6W
Footage X: 1465 FEL	Footage Y: 1240 FNL	Elevation: 6743	(FT)	Township: 29N	
Tolerance:					
Location: Bottom Hole		Datum Code: NAD 27		Deviated	
Latitude: 36.728308	Longitude: -107.479413	X:	Y:	Section: 17	Range: 6W
Footage X: 800 FEL	Footage Y: 1680 FNL	Elevation:	(FT)	Township: 29N	
Tolerance:					

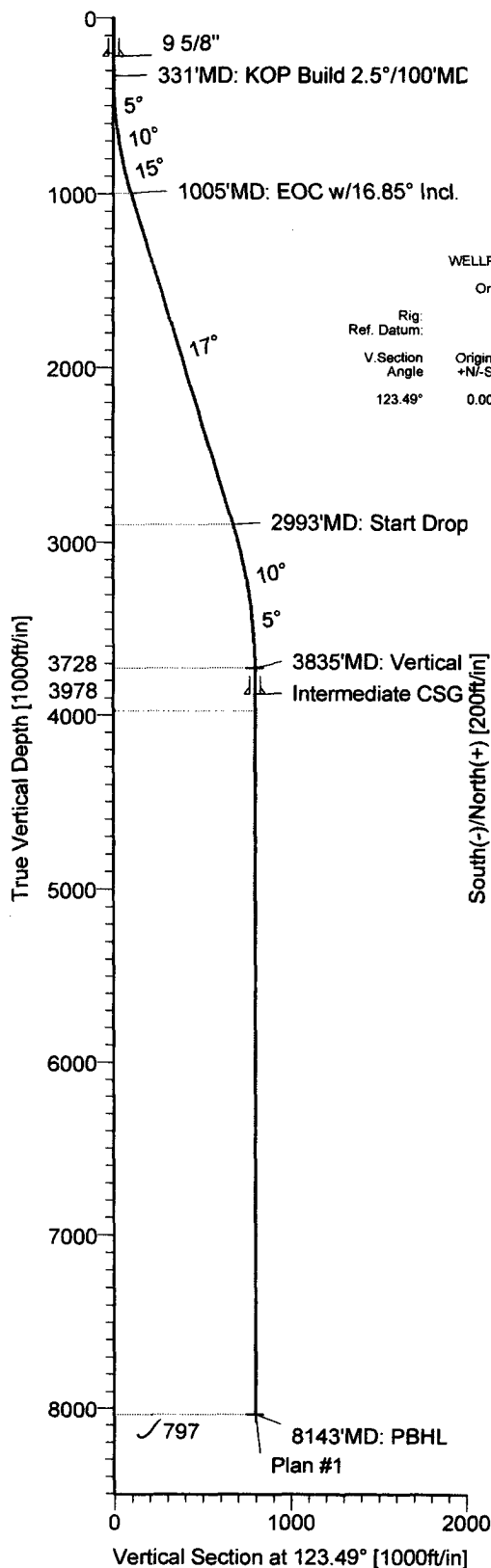
Location Type: Year Round	Start Date (Est.):	Completion Date:	Date In Operation:
Formation Data: Assume KB = 6759 Units = FT			

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
SURFACE CSG	216	6543	☐			13-1/2" or 12-1/4 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.
NCMT	1559	5200	☐			
OJAM	2689	4070	☐			Possible water flows.
KRLD	2840	3919	☐			
FRLD	3257	3502	☐			Possible gas.
PCCF	3623	3136	☐			
LEWS	3878	2881	☐			
Intermediate Casing	3978	2781	☐			8 3/4" Hole. 7", 23 ppf, J-55, LTC Casing. Circulate cement to surface.
CHRA	4628	2131	☐			
CLFH	5401	1358	☐			Gas; possibly wet
MENF	5462	1297	☐			Gas.
PTLK	5791	968	☐			Gas.
GLLP	7109	-350	☐			Gas. Possibly wet.
GRHN	7776	-1017	☐			Gas possible, highly fractured
GRRS	7838	-1079	☐			
TWLS	7955	-1196	☐			Gas
CBBO	7972	-1213	☐			Gas
CBRL	8014	-1255	☐			
TD	8036	-1277	☐			6-1/4" hole. 4-1/2", 11.6 ppf, J-55, LTC and 4-1/2" 10.5 ppf, J-55, STC casing. Circulate cement a minimum of 100' inside the previous casing string. No open hole logs. Cased hole GR with collar locator.

Reference Wells:		
Reference Type	Well Name	Comments

ConocoPhillips

ConocoPhillips
Field: Rio Arriba County, NM
Site: San Juan 29-6-71M
Well: San Juan 29-6 71M
Wellpath: Original Hole
Plan: Plan #1



FIELD DETAILS

Rio Arriba County, NM
 USA
 Geodetic System: US State Plane Coordinate System 1983
 Ellipsoid: GRS 1980
 Zone: New Mexico, Western Zone
 Magnetic Model: igr2005
 System Datum: Mean Sea Level
 Local North: Grid North

SITE DETAILS

San Juan 29-6-71M
 Blanco Mesaverte / Basin Dakota
 Site Centre Latitude: 36°43'46.308N
 Longitude: 107°28'56.208W
 Ground Level: 6743.00
 Positional Uncertainty: 0.00
 Convergence: 0.21

WELLPATH DETAILS

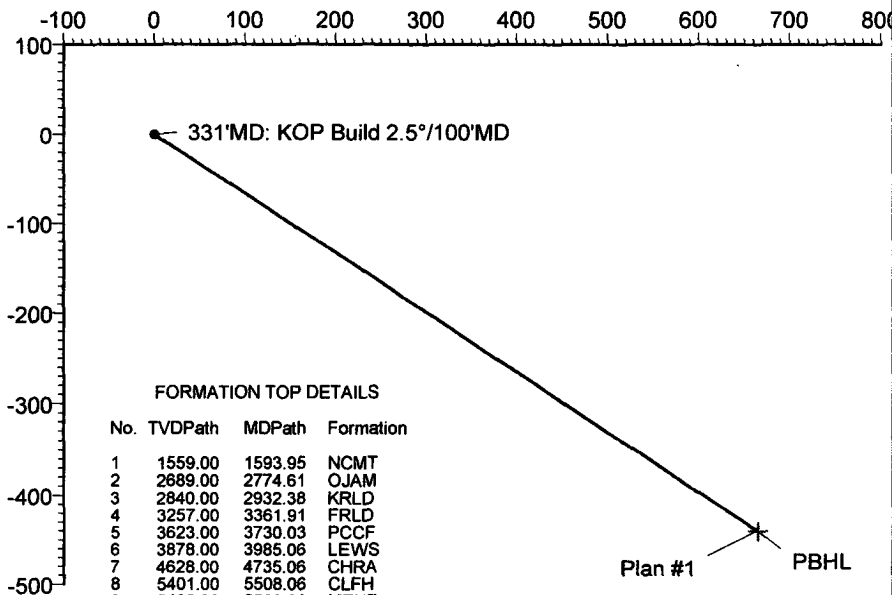
Original Hole

Rig: Ref. Datum:	Est. RKB	6759.00ft
V. Section Angle	Origin +N/-S	Starting From TVD
123.49°	0.00	0.00

CASING DETAILS

No.	TVD	MD	Name	Size
1	216.00	216.00	9 5/8"	9.625
2	3878.00	3985.06	Intermediate CSG	0.000

West(-)/East(+) [200ft/in]



FORMATION TOP DETAILS

No.	TVDP	MD	Formation
1	1559.00	1593.95	NCMT
2	2689.00	2774.61	OJAM
3	2840.00	2932.38	KRLD
4	3257.00	3361.91	FRLD
5	3623.00	3730.03	PCCF
6	3878.00	3985.06	LEWS
7	4628.00	4735.06	CHRA
8	5401.00	5508.06	CLFH
9	5462.00	5569.06	MENF
10	5791.00	5898.06	PTLK
11	7109.00	7216.06	SLLP
12	7776.00	7883.06	GRHN
13	7838.00	7945.06	GRRS
14	7955.00	8062.06	TWLS
15	7972.00	8079.06	CBBO
16	8014.00	8121.06	CBRL
17	8036.00	8143.06	TD

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	123.49	0.00	0.00	0.00	0.00	0.00	0.00	
2	216.00	0.00	123.49	216.00	0.00	0.00	0.00	123.49	0.00	
3	331.00	0.00	123.49	331.00	0.00	0.00	0.00	123.49	0.00	
4	1004.84	16.85	123.49	995.18	-54.27	82.02	2.50	123.49	98.35	
5	2992.75	16.85	123.49	2997.78	-372.16	562.47	0.00	0.00	674.45	
6	3835.06	0.00	123.49	3728.00	-440.00	665.00	2.00	180.00	797.39	Vertical Point
7	4085.06	0.00	123.49	3978.00	-440.00	665.00	0.00	123.49	797.39	
8	8143.06	0.00	123.49	8036.00	-440.00	665.00	0.00	123.49	797.39	PBHL

TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Latitude	Longitude	Shape
Vertical Point	3728.00	-440.00	665.00	36°43'41.933N	107°28'48.059W	Point
PBHL	8036.00	-440.00	665.00	36°43'41.933N	107°28'48.059W	Point

Ryan Energy Technology
 19510 Oil Center Blvd
 Houston, TX 77073
 Ph: 281-443-1414
 Fx: 281-443-1676

Ryan The leader in
 UNDERGROUND INTELLIGENCE™

Plan Plan #1 (San Juan 29-6 71M/Original Hole)
 Created By: Charlotte Sims Date: 10/5/2006
 Checked: _____ Date: _____
 Reviewed: _____ Date: _____
 Approved: _____ Date: _____

San Juan 29-6 71M

MD and TVD Formation tops

MD (ft)	TVD (ft)	Formation
0	0	
216	216	Surface Casing
1594	1559	Nacimiento
2775	2689	Ojo Alamo
2932	2840	Kirtland
3362	3257	Fruitland
3730	3623	Picture Cliffs
3985	3878	Lewis
4085	3978	Int Casing
4735	4628	Chacra
5508	5401	Cliffhouse
5569	5462	Menefee
5898	5791	Point Lookout
7216	7109	Gallup
7883	7776	Greenhorn
7945	7838	Graneros
8062	7955	Two wells
8079	7972	Cubero
8121	8014	Cubero Lower
8143	8036	TD

HOLE: 12.25 "
CSG OD: 9.625 "
CSG ID: 9.001 "
WGT: 32.3 ppf
GRADE: H-40
EXCESS: 125 %
DEPTH: 235'

SURFACE:
Option 1
148 sx
30.8 bbls
172.9 cuft
1.17 ft³/sx
15.8 ppg
4.973 gal/sx
Class G Cement
+ 3% S001 Calcium Chloride
+ 0.25 lb/sx D029 Cellophane Flakes

Option 2
143 sx
30.8 bbls
172.9 cuft
1.21 ft³/sx
15.6 ppg
5.29 gal/sx
Standard Cement
+ 3% Calcium Chloride
+ 0.25 lb/sx Flocele

Option 3
65 sx
18.6 bbls
104.3 cuft
1.61 ft³/sx
14.5 ppg
7.41 gal/sx
Type I-II Ready Mix
+ 20% Fly Ash
Comp. Strength
8 hrs 475 psi
24 hrs 1375 psi

HOLE: 8.75 "
CSG OD: 7 "
CSG ID: 6.456 "
WGT: 23 ppf
GRADE: J-55
EXCESS: 150 %
TAIL: 817'
DEPTH: 4085'

INTERMEDIATE LEAD:

Option 1
434 sx
210.4 bbls
1181.4 cuft
2.72 ft³/sx
11.7 ppg
15.74 gal/sx
Class G Cement
+ 3% D079 Extender
+ 0.20% D046 Antifoam
+ 10 lb/sx Phenoseal

Option 2
454 sx
210.4 bbls
1181.4 cuft
2.60 ft³/sx
11.5 ppg
14.62 gal/sx
Type III Ashgrove Cement
+ 30 lb/sx San Juan Poz
+ 3% Bentonite
+ 5.0 lb/sx Phenoseal

Option 3
449 sx
210.4 bbls
1181.4 cuft
2.63 ft³/sx
11.7 ppg
15.92 gal/sx
Class G Cement
+ 3% D079 Extender
+ 0.20% D046 Antifoam
+ 1.0 lb/bbl CemNet
Comp. Strength
3 hrs 100 psi
24 hrs 443 psi

HOLE: 6.25 "
CSG OD: 4.5 "
CSG ID: 4 "
WGT: 10.5/11.6 ppf
GRADE: J-55
EXCESS: 50 %
DEPTH: 8143'

PRODUCTION:

Option 1
450 sx
115.4 bbls
648.2 cuft
1.44 ft³/sx
13.0 ppg
6.47 gal/sx
50/50 Poz: Class G Cement
+ 0.25 lb/sx D029 Cellophane Flakes
+ 3% D020 Bentonite
+ 1.0 lb/sx D024 Gilsontite Extender
+ 0.25% D167 Fluid Loss
+ 0.25% D065 Dispersant
+ 0.1% D800 Retarder
+ 0.1% D046 Antifoam
+ 3.5 lb/sx Phenoseal

Option 2
447 sx
115.4 bbls
648.2 cuft
1.45 ft³/sx
13.1 ppg
6.55 gal/sx
50/50 Poz: Standard Cement
+ 3% Bentonite
+ 0.2% CFR-3 Friction Reducer
+ 0.1% HR-5 Retarder
+ 0.8% Halad-9 Fluid Loss Additive
+ 3.5 lb/sx Phenoseal

Option 3
247 sx
56.4 bbls
316.7 cuft
1.28 ft³/sx
13.5 ppg
5.255 gal/sx
50/50 Poz: Class G Cement
+ 2% D020 Bentonite
+ 5.0 lb/sx D024 Gilsontite Extender
+ 2% S001 Calcium Chloride
+ 0.1% D046 Antifoam
+ 0.15% D065 Dispersant
+ 1.0 lb/bbl CemNet
Comp. Strength
24 hrs 1850 psi
48 hrs 3411 psi

82 D/R 10/9/06

HOLE: 12.25 "
CSG OD: 9.825 "
CSG ID: 9.001 "
WGT: 32.3 ppf
GRADE: H-40
EXCESS: 125 %
DEPTH: 235'

SURFACE:

INTERMEDIATE LEAD:

Option 4
410 sx
210.4 bbls
1181.4 cuft
2.88 ft³/sx
11.5 ppg
16.85 gal/sx
Standard Cement
+ 3% Econolite (Extender)
+ 10 lb/sx Phenoseal

Option 5
563 sx
210.4 bbls
1181.4 cuft
2.10 ft³/sx
11.7 ppg
11.724 gal/sx
75% Type XI / 25% Class G Cement
+ 0.25 lb/sx D029 Cellophane Flakes
+ 3% D079 Extender
+ 0.20% D046 Antifoam

Comp. Strength
1:47 50 psi
12 hrs 350 psi
24 hrs 450 psi

Comp. Strength
10:56 500 psi
42 hrs 1012 psi

HOLE: 8.75 "
CSG OD: 7 "
CSG ID: 6.456 "
WGT: 23 ppf
GRADE: J-55
EXCESS: 150 %
TAIL: 817'
DEPTH: 4085'

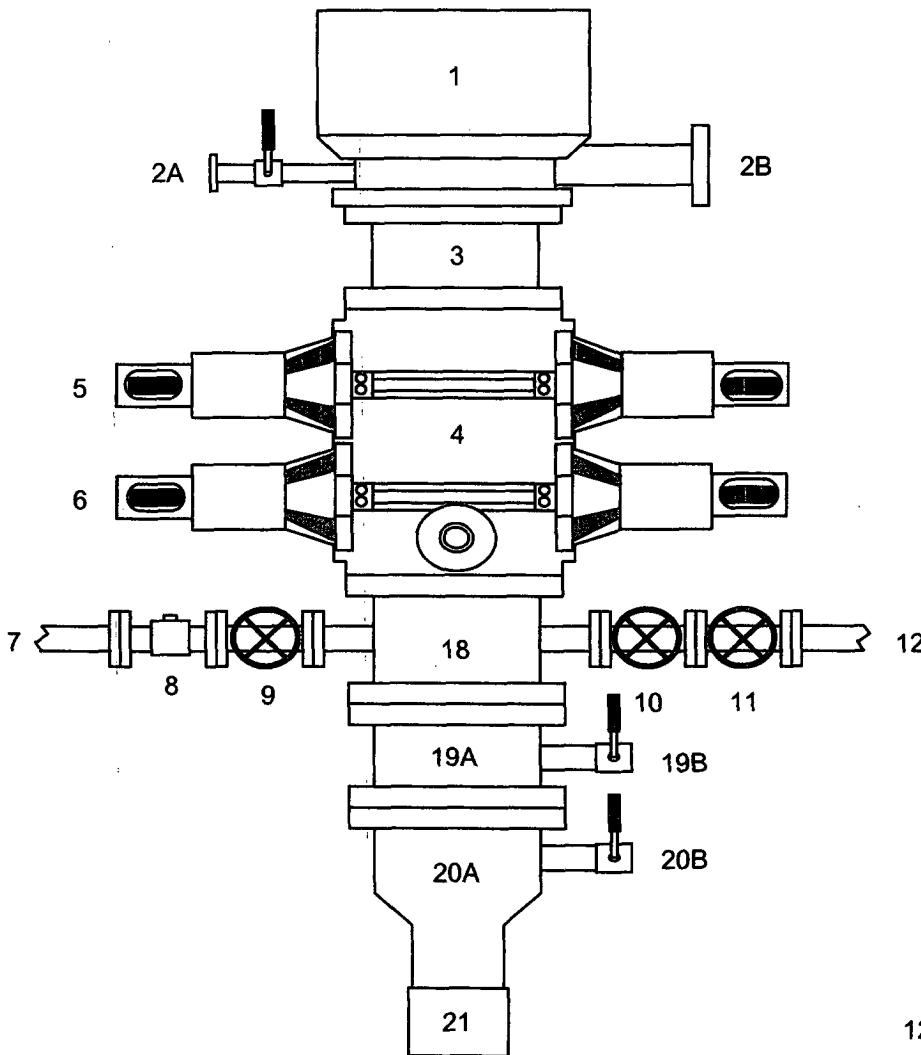
INTERMEDIATE TAIL:

HOLE: 6.25 "
CSG OD: 4.5 "
CSG ID: 4 "
WGT: 10.5/11.6 ppf
GRADE: J-55
EXCESS: 50 %
DEPTH: 8143'

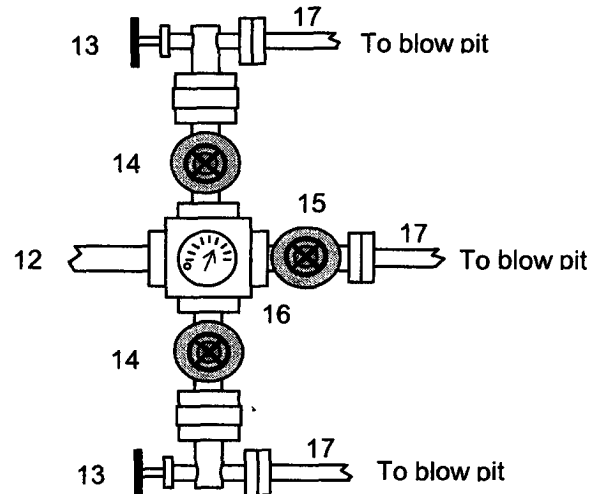
PRODUCTION:

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to TD and Setting 4.5 inch Casing



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Bleeie 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



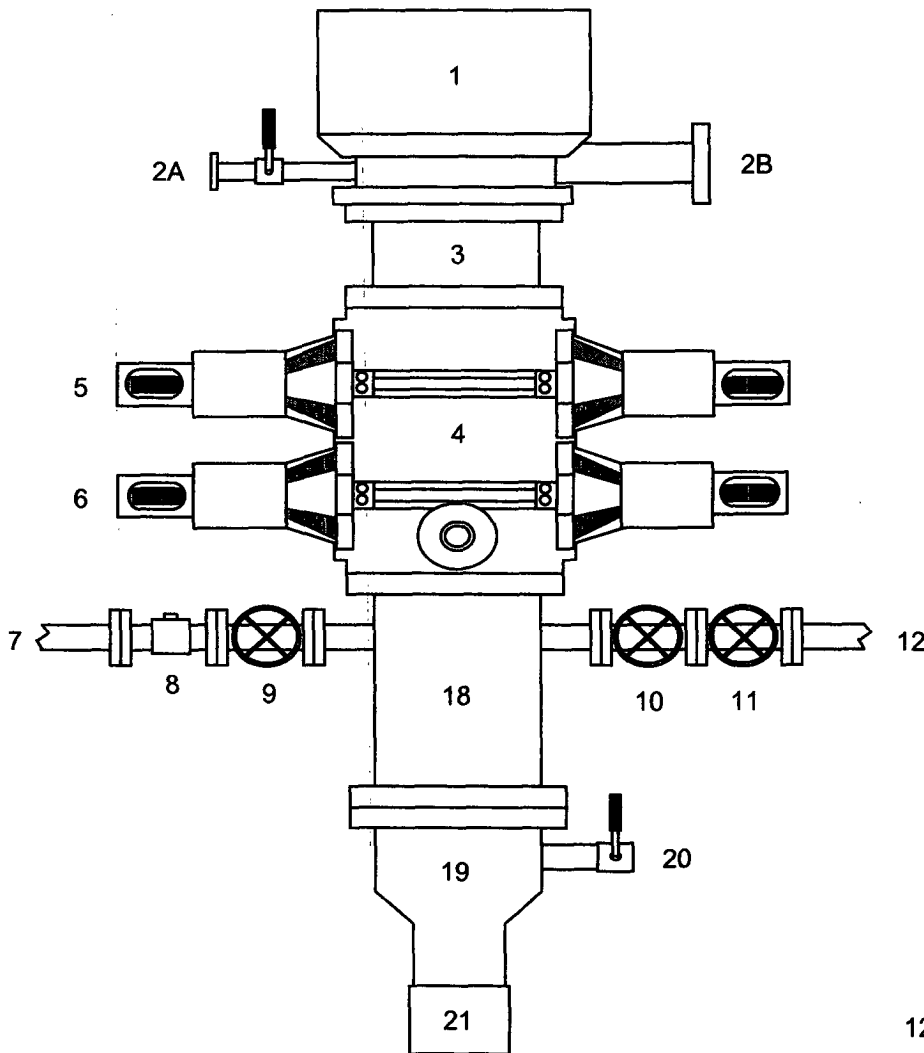
After the 7" intermediate casing has been run and cemented, the Casing Spool ("B" Section) will be installed on the wellhead ("A" Section) and the BOP will be installed on the Casing Spool. A test plug will be set in the wellhead and the pipe rams, blind rams, and choke manifold will be tested to 200 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 1500 psi for 30 minutes - this test pressure is 34% of the minimum internal yield strength of 4360 psi for the 7", 23#, 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:

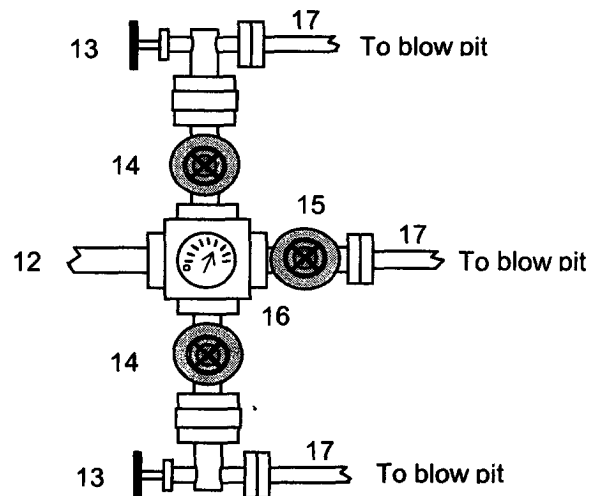
1. Upper Kelly cock Valve with handle
2. Stab-in TIW valve for all drillstrings in use

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 13-1/52" or 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 600 psi for 30 minutes** (this value is 26% 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
2. Stab-in TIW valve for all drillstrings in use