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
March 4, 2004

WELL API NO.
30-039-30314

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name
San Juan 29-7Unit

1. Type of Well:
Oil Well ☐ Gas Well X☐ Other

8. Well Number
#58N

2. Name of Operator
Burlington Resources

9. OGRID Number
14538

3. Address of Operator
P.O. Box 4289, Farmington, NM 87499-4289

10. Pool name or Wildcat
Basin Dakota/Blanco Mesa Verde

4. Well Location

Unit Letter F : 2485 feet from the North line and 2075 feet from the West line

Section 26 Township 29N Range 7W NMPM Rio Arriba County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
6334'

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☒	COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPLETION	☐	CASING TEST AND CEMENT JOB	☐		
OTHER: Intermediate depth			☒	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.

ConocoPhillips Requests the following:

The intermediate hole was permitted by the APD for an 8 ¾" hole. We would like to drill a 9 7/8" hole to help us get casing to bottom without hitting bridges and making a wiper trip. The new TD would be 7603' instead of 7638'. Please see attached program. Cement volumes will be adjusted accordingly.

RCVD NOV 1 '07
OIL CONS. DIV.

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 Tracey N Monroe TITLE Regulatory Technician DATE 10/30/07

DIST. 3

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

(This space for State use)

APPPROVED BY [signature] TITLE ~~Deputy Oil & Gas Inspector,~~ District #3 DATE NOV 19 2007

Conditions of approval, if any:

11/19/07

BURLINGTON RESOURCES

San Juan Division - Drilling Program

Well Name:	San Juan 29-7 #58N	**Safety:**	
Formation:	MV/DK New Drill	AFE#	WAN.CDR.7165
Location:	T - 29 N R - 7 W Sec.: 26	Network #	10194457
Footage:	2485' FNL & 2075' FWL		
County:	Rio Arriba State: New Mexico		
Rig:	H&P 282 API #: 30-039-30314		
APD/BLM	09/07/07 Lease FEE	AFE	$639,961
GL:	6,334' OCD Phone #: 334-6178	Est. Cost/ft	$82.50
KB:	6,350' BLM Phone #: 599-8908	Like Kind Cost	$627,248
TD:	7,603' EST DAYS: 8		

In case of Major Emergency Call 911

Give the following information to Operator:

Well Name: San Juan 29-7 #58N — County: Rio Arriba — State: New Mexico

Latitude (NAD83): 36.69721 degrees — Latitude (NAD27): 36 degrees, 41.8324 minutes

Longitude (NAD83): 107 54224 degrees — Longitude (NAD27): 107 degrees, 32.4978 minutes

From the post office in Blanco, take highway 64 East for 19.1 miles. Turn right and travel southerly through two gates for 0.6 miles. Turn left (southerly) for 0.7 miles, to beginning of new access on right side of road, which continues 50' to newly staked location.

Environmental, Health & Safety

"A minute of thought is worth more than an hour of talk." - Author Unknown

	TRIR*	LTA	Restrict'd Duty	OSHA Rec	1st Aid
Goal	0	0	0	0	0
Actual (10/17/07)	2.75	5	8	22	107

* TRIR - Total Recordable Incident Rate per 200,000 man-hours

Environmental Goals:

- Zero Spills on Location
- Remove Trash from Roads and Locations

Geology

	216'	
NA		Nacimiento
2257'		Ojo Alamo
2425'		Kirtland
2449'	Stage Tool	If Required
2749'		Fruitland
3141'		Pic. Cliffs
3298'		Lewis
3398'		Int TD
NA		Huerfanito Bentonite
4103'		Chacra
4669'		Upper Cliff House
4854'		Massive Cliff House
4973'		Menefee
5313'		Massive Pt Lookout
5563'		Mancos Shale
6568'		Gallup
7287'		Greenhorn
7343'		Graneros
7391'		Two Wells
NA		Paguate
7506'		Upper Cubero
7536'		Lower Cubero
7588'		Est. btm perfs
7596'		Oak Canyon
7600'		Est. PBTD
7603'		TD
7608'		Encinal Top

C:\Documents and Settings\monroth\Local Settings\Temporary Internet Files\OLK12\[SJ 29-7 58N drlg_prog xls]PROG

Hydraulics	Drlg Fluids
12 1/4	Spud
Drill out surface with tri-cone bit. Hughes 6-1/2" 505Z pilot bit with 5 11/32's jets. 9-7/8" reamer with 2 12/32" jets. Do not back ream with RWD BHA. 8-15K max WOB. Spin Top Drive @ 70-80 RPM; do not exceed 80 RPM. Run Teledrift. Do not PU motor for this well.	Drill out from under surface w/ Clean-Faze system. Sweep w/ gel and fiber as needed. Pretreat w/ 20% LCM @ 2700', and close in system. 500 GPM maximum above coal. 350-400+ GPM if lost returns occur.
New 6-1/4" Marquis CV462 & Halco Hammer. 2 - 4K WOB. 30-40 RPM. Slow ROP before drilling into the top of Greenhorn. Reduce WOB to 2,000 & RPM to 25.	**Nitrogen/Air:** 400-500 psi. 1800-2200 SCFM. Use N2 membrane unit from Gallup down to TD.
If hole gets wet: Mist drill to top of Mancos w/ hammer. Mud up, drill to TD w/ 506ZX. **Must run Dev Surveys**	

Cement

Type III cement with 2% CaCl2 and 1/8 pps Cello-Flake

260 sks — 15 6 ppg — 5.24 gal/sk

307 cu ft — 1 18 cu ft/sk — Excess 125%

Intermediate Cement Job

PF: 20 bbls Mud Flush

Lead: Premium Plus / Type III cement + 3.0% Bentonite + 30 pps San Juan Poz + 5.0 pps Phenoseal

528 sks — 11.5 ppg — 14.61 gal/sk

1373 cu.ft. — 2.60 cu.ft/sk — 80%

Tail: 50/50 Poz Premium + 6 lbm/sx Pheno Seal + 2% Bentonite

142 sks — 13.5 ppg — 5.51 gal/sk

189 cu.ft. — 1.33 cu.ft/sk — 0%

Top of tail @ 2718.4

135.6 bbls displacement

2-Stage Intermediate Cement Job (If Necessary)

Stage 1 — DV Tool @ 2718.4

PF: 20 bbls Mud Flush

Lead: Premium Plus / Type III cement + 3.0% Bentonite + 30 pps San Juan Poz + 5.0 pps Phenoseal

105 sks — 11.5 ppg — 14.61 gal/sk

272 cu.ft. — 2.60 cu.ft/sk — 80%

Tail: 50/50 Poz Premium + 6 lbm/sx Pheno Seal + 2% Bentonite

142 sks — 13.5 ppg — 5.51 gal/sk

189 cu.ft. — 1.33 cu.ft/sk — 0%

Stage 2

PF: 20 bbls Mud Flush

Tail: Premium Plus / Type III cement + 3.0% Bentonite + 30 pps San Juan Poz + 5.0 pps Phenoseal

424 sks — 11.5 ppg — 14.61 gal/sk

1101 cu.ft. — 2.60 cu.ft/sk — 80%

Production Cement Procedure

Tail: 50/50 Poz/Standard 3.5 pps Pheno Seal (LCM) 0.2% CFR-3 Dispersant + 0.8% Halad R-9 + 0.1 FL % HR-5 retarder + 3% Bentonite

PF 10 bbls Chemwash, 2 bbls freshwater

433 sks — 13.1 ppg — 6 39 gal/sk

628 cu ft — 1 45 cu.ft/sk — 40%

120 8 bbls, displace

Add 25 lb bag of sugar to 1st bbl of displacement

If mud drilled, use 50% excess factor

Materials

1 Wood Group wellhead

~~1 Wellhead trash cap~~

216 feet ~~9-5/8" 32 3# H-40 STC~~

~~1 9-5/8" sawtooth guide shoe~~

~~3 Bow-Type Centralizers~~

~~1 Wooden Plug for Displacement if Mo-Te sets~~

Intermediate String

1 7" float shoe flapper type (Gemoco)

42 feet Shoe Joint 7" 20.0#, J-55, ST&C

1 7" float collar flapper type (Gemoco)

3356 feet 7", 20.0#, J-55, ST&C to surface

Centralizers:

6 7" x 8-3/4" bow type every other jt off bottom

2 7" x 8-3/4" turbo centralizers at base of the Ojo Alamo

1 7" x 8-3/4" bow type in bottom of surface csg

Casing total:

3548 feet 7", 20.0#, J-55, ST&C w/ 150' extra

Production String

1 4-1/2" Float Shoe (Gemoco)

1 4-1/2" Float collar w/ 3/4" insert choke & **Latch In Wiper Plug**

410 feet 4-1/2", 11.6#, J-55, LT&C

10 feet 4-1/2" 10 5#, J-55, ST&C marker joint 150' above the Graneros

3429 feet 4-1/2", 10 5#, J-55, ST&C

10 feet 4-1/2", 10 5#, J-55, ST&C mj 1100' abv CH

3044 feet 4-1/2", 10.5#, J-55, ST&C

700 feet 4-1/2", 11.6#, J-55, LT&C

Centralizers: other joint for first 12 joints then 1 in the 7" shoe.

Casing total:

6493 feet 4-1/2", 10.5#, J-55, ST&C

1260 feet 4-1/2", 11.6#, J-55, LT&C w/ 150' extra

If mud drilling is necessary, deepen as necessary, run 25' shoe jt and 4-1/2" x 6-1/4" centralizers as shown above to the base of the 7" casing.

Mud Logs:

From 7200' to TD (Softrock Geological Services)

Open-Hole Logs:

None

Notify Phoenix Service to acquire deviation survey at rig down. Phone # 325-1125

SJ 29-7 #58M (MV/DK, 2001, 1/2 mi S). Drilled 12-1/4" surface hole to 220' Set 9-5/8" surf csg to 212', cmt w/ 38 5 bbls @ 200% excess and got 14 bbls to surf Drilled f/220'-3,510' w/ 8-3/4" GT-09C, avg ROP=72 fph, max dev=1 deg, 314 gpm. No losses while drilling TOOH with no drag Ran 7", 20#, J-55, ST&C to 3,310' Pumped 200 bbls cmt, circ 40 bbls to surf, 130% excess Drilled f/3,510'-7,577' w/ 6-1/4" Smith H41R6R2, avg ROP=129 fph Tripped for bad hammer Ran 4-1/2", 11 6#, J-55, ST&C casing to 7 572' Pumped 112 bbls cmt, TOC @ 2,770', 40% excess, 545' overlap

SJ 29-7 #72B (MV, 1999, 1/2 mi E). Drilled surf hole to 143' Ran 9-5/8" csg to 137', cemented with 25 bbls, circ 8 bbls to surf. Drilled f/143'-2,515' w/ 8-3/4" GT-09C, avg ROP=90 fph, max dev=2 deg Ran 7" N-80 on btm, K-55 in middle, and 20#, J-55, LT&C on top, set shoe @ 2498' Pumped 135 bbls cmt, circ 1 bbl to surf. 100% excess Drilled f/2,515'-5,737' w/ Smith H-41R6R2. avg ROP=85 fph ran 4-1/2", 11 6#, J-55, LT&C liner to 5,743' Pumped 88 bbls cmt, circ 7 bbls to surf

SJ 29-7 #72C (MV, 2001, 1/2 mi SE): Drilled surf hole to 220'. Ran 9-5/8" 32 3#, WC-50, ST&C csg to 214', cemented with 25 bbls, circ 10 bbls to surf Drilled f/220'-3,452' w/ 8-3/4" GT-09C, avg ROP=68 fph, max dev=1 deg, 315 gpm Pulled 10-20K over on first 3 stds while making short trip, no bridges while tripping back to btm Ran 7", N-80, set shoe @ 3,447' Pumped 244 bbls cmt, circ 4 bbls to surf, 170% excess Drilled f/3,452'-5,700' w/ Smith H-41R6R2, avg ROP=105 fph Ran 4-1/2", 10 5#, J-55, ST&C liner to 5 697' Pumped 62 bbls cmt, did not circ cmt to surf

Operations Notes:

- Surface casing already set by Mo-Te
- Read Hughes Christensen RWD Guideline document before running RWD assembly in the hole.
- Drill intermediate hole w/ Clean Faze w/ sweeps as needed. Disperse mud for Lewis Transfer mud to next location--notify Regulatory
- Install rotating rubber after drill collars are buried
- Rig up blooie line before penetrating Kirtland formation
- Fill out all Check Sheets (MIRU, Pre-spud) and take pictures of location
- Watch deviation very closely while drilling with RWD-PDC. Verify Teledrift surveys with Totco if Teledrift indicates deviation > 5 deg Lost returns expected, possibly while running casing.
- Surface pits MUST be lined according to the APD
- Disperse mud & spin bit to remove bit ball while drilling the Lewis during connections and short trip.
- Circulate 7" casing down every 15-20 joints and wash the last 5 joints to TD
- **Ensure that tools above bi-center bit have OD less than 6-3/4"**
- Use Weatherford/Gemoco float equipment for all holes this well. Production hole float includes a 0.75" ID insert choke in the float collar and will use latch in wiper plug. Cement w/ Halliburton on all cement jobs.
- Call all appropriate regulatory agencies 24 hours in advance of spud, cementing, or running casing. Leave message if after hours

Prepared: 10/30/2007

Prepared by: Russell Perkins - Drilling Engineer

Approved by: Tom Bealessio - Drilling Superintendent