

At Conoco our work is never so urgent or important that we cannot take time to do it safely.
SAN JUAN DRILLING PROGRAM

| | | | | | | | | |
|------------------|---------------------------------|--|---|---------------------------|---|------------|-----------------------------------|-----------------------------|
| WELL INFO | Well: San Juan 28-7 #274 | | Area: 28-7 | | AFE # | | AFE \$: | |
| | County: Rio Arriba | | State: New Mexico | | Rig: | | RKB-GL: 13' | |
| | API # | | Permit # | | Fresh Wtr Prot: Circulate cement on surface casing | | | |
| | MD: 3500' | | TVD: 3500' | | KOP: N/A | | G.L. Elev: 6609' (KB 6622) | |
| | Co-ordinates: | | WELL | Latitude: 36°35.6' | Longitude: 107°32.8' | ERA | Latitude: 36°35.4' | Longitude: 107°32.8' |
| | Location: | | 1100' FNL & 1865' FWL Sec. 11, T27N, R7W | | | | | |
| | Directional: | | N/A | | | | | |

THIS WELL IS TO BE DRILLED WITH SAFETY AND PROTECTION OF THE ENVIRONMENT AS THE PRIMARY OBJECTIVES! Use of the STOP program, Job Safety Analysis and Pre-Job Safety Meetings are imperative.

IT IS THE DRILLING REPRESENTATIVES RESPONSIBILITY TO READ AND FOLLOW ALL STIPULATIONS FOR EACH PERMIT AND ENSURE COMPLIANCE

REGULATORY NOTIFICATIONS

Notify the U.S. Bureau of Land Management:

1. Anytime a major deviation from the well plan (plug back, sidetrack, etc...) is going to occur. Leave a message with the intended plan if no one answers. **If in doubt notify! Better to notify unnecessarily than not to and get a fine.**
2. Immediately upon spudding
3. Complete the Notice of Spud Sundry and FAX to Trigon Engineering Inc. at (970) 385-9107, attention Debra Sittner. Call her at (970) 385-9100, ext. 25 or Verla Johnson @ ext. 20 to confirm that the fax was received. This is in addition to the phone calls to the BLM.
4. 24 hours prior to any BOP or casing pressure test.
5. 24 hours prior to any cementing operation

PHONE NUMBERS

BLM – Farmington: (505) 599-8907

BLM – Albuquerque: (505) 761-8700

New Mexico Oil Conservation Department: (505) 334-6178

NOTE – Permits come from either the Farmington OR Albuquerque depending upon the area. Refer to the permit for the correct number to call.

Review Emergency Response Plan before rigging up and be prepared to execute the plan if needed!

The objective of this well is to develop the Picture Cliff & Fruitland Coal geologic horzon.

Good oilfield practices are to be used throughout the drilling of this well. This includes measuring and recording the OD, ID and length of everything that goes through the rotary table, using hole covers, etc.

| TIME | Days From Spud to... | | | | | | | | |
|------|----------------------|-------------|----------|-------------|----------|----|-----|--------------|----------|
| | | Surf Csg Pt | Drlg Out | Int. Csg Pt | Drlg Out | TD | Log | Prod Csg Set | Rig Rel. |
| | Days | .5 | 1 | N/A | N/A | 4 | N/A | 4.5 | 5 |

FORMATIONS

| Zone | Depth (TVD) | MW | Zone EMW | Hole Size | Csg Size | FIT / LOT | Remarks |
|----------------------|-------------|-----------|----------|-----------|--|-----------|---|
| Surface Casing | 250 | 8.6 – 8.8 | | 8 ¾" | 7" 20#, J-55, STC (0' to 250') | None | Severe lost circulation is possible. 200' is the minimum surface casing depth below ground level per NMOCD. |
| OJAM | 2445 | 8.5 - 8.6 | | 6 ¼" | 4.5" 10.5#, J-55, STC (0' to TD) | N/A | Possible water flows. |
| KRLD | 2547 | | | | | | |
| FRLD | 2892 | | | | | | Gas |
| PCCF | 3193 | | | | | | Gas , Possible lost circulation & differential sticking |
| TOTAL DEPTH | 3500 | 8.7 - 8.9 | | | | | Gas |
| PERMIT TO | | | | | | | |

| LOGS | Intermediate Logs: | N/A |
|------|-------------------------|--|
| | TD Logs: | TDT 1000' & gamma to surface or Triple Combo 1000' & gamma to surface. |
| | Additional Information: | Logging company to provide a sketch with all lengths, CD's & ID's of all tools prior to running in the hole. |