San Juan 28-7 Unit #155F

API No: 30-039-27037 Sec 22, T27N, R7W 20' FSL & 1980' FWL

Background

While running production casing the elevators popped open and the string of casing was dropped. 109 joints (4716') of 4 ½", 10.5 ppf, J-55, STC casing was dropped in the air hole. Intermediate casing shoe is at 3372' and the TD of the well was 7600'. Tagged top of fish at 3564'. A fishing attempt was made & 28 joints (1202') of casing were retrieved. New top of fish is at 4765'. Pin on the last joint retrieved was sheared in half, egged shaped and rolled in. No further fishing attempts were made due to the last joint of casing giving indications of extensive damage on top of the new fish.

Wellbore Changes Proposed:

- Open hole and fish were cemented with 335 sks Prem Lt Hi-strength cement + 3 lb/sk CSE + .25 lb/sk Cello Flake + .45% CD-32 + 65% FL-52 + 10.63 GPS FW mixed at 12.5 ppg and 2.02 cu.ft/sk yield for zonal isolation.
- WOC for 12 hours. TIH tag TOC and dress the cement off to 4765'.
- Load hole with 2% KCI and set a cementable whipstock and cement in place with 60 sks Type 3 neat cement @ 14.5 ppg and 1.37 cu.ft/sk. The whipstock face is 1.9 degrees/100' with 12' of slide. The top of the whipstock will be at ~4678'. The kick-off point will be ~4690'. A 60' tail joint will be run below the whipstock and cemented in place with the whipstock to proved stability to the whipstock while kicking off.
- WOC for 8 hours. TIH tag TOC and dress the cement off to ~4580'. WOC an additional 4 hours (if needed) before attempting to sidetrack the well.
- Kickoff the whipstock using a conventional BHA with a flex joint. Drill with a tri-cone bit to ~4800' with 2%KCL fluid/water.
- POOH & LD the flex joint. TIH, unload and dry up the hole. Air drill with a tri-cone bit to 5200'.
- POOH and PU an air hammer. Drill ahead letting the hole drop back to vertical.

Once back to vertical the planned displacement from the original hole is ~20'.

There will be no change in the casing or cementing of the production hole.

9/30/02 - Voicemail left with BLM (Jim Lovato) @ 1100 hrs.

9/30/02 - Voicemail left with NMOCD (Charlie Perrin) @ 1115 hrs.

10/1/02 - Verbal approval from BLM (Jim Lovato) @ 0947 hrs.

10/2/02 - Verbal approval from NMOCD (Charlie Perrin) @ 1500 hrs.

Brett Thompson Drilling Engineer ConocoPhillips 10/4/02