

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter, an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Serial No. NMSF078476
2. Name of Operator PHOENIX HYDROCARBONS OPERATING CORP.	6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 3638, MIDLAND, TX 79702	7. If Unit or CA/Agreement, Name and/or No
3b. Phone No. (include area code) 432-686-9869	8. Well Name and No. FEDERAL J #1B
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 720' FSL & 1305' FEL; O, Sec 11, T-27N, R-8W	9. API Well No. 30-045-31815
	10. Field and Pool, or Exploratory Area BLANCO MESAVERDE
	11. County or Parish, State SAN JUAN, NEW MEXICO

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other <u>Spud, drlg & comp oper</u>
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

10-13-03 280'; Spud 10-13-03 @ 7:00 PM; survey 3/4° @ 97' & 1° @ 240'

10-14-03 720' (440') Survey 1 1/4° @ 600'; run 9 jts 8 5/8", 24#, J-55 csg-set @ 277' w/43' shoe jt; cmt w/210 sks std cmt w/2% CC w/1/4# flocele-15.6# gal, bump plug @ 8:30 AM @ 475 psi; circ 10 bbls good cmt to surf; 4 hrs WOC; 6 1/4 hr NU; 1 hr press test to 1500# (low 250#); 3 1/2 hr drlg cmt 221' to 280'; PO drlg.

10-15-03 1,609' (889') Survey 3° @ 849', 2 1/2° @ 946', 2 1/2° @ 1,038', 2° @ 1,131', 2 1/4° @ 1,288', 2 1/2° @ 1,438' & 2 3/4° @ 1,550'.

10-16-03 2,180' (571') Survey 2 3/4° @ 1,550', 2 1/4° @ 1,663', 2° @ 1,786', 2 1/4° @ 1,910' & 2° 2,030'.

(OVER)

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Phyllis R. Gunter

Title Agent

Signature

Date 11/17/03

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

NOV 25 2003

Approved by

Title

DEPT. OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON FIELD OFFICE

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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 representations as to any matter within its jurisdiction.

NMOCD

10-17-03 2,595' (415') Survey 1¼° @ 2,150', 2° @ 2,380', 2° @ 2,410' & 2° @ 2,535'.

10-18-03 3,167' (572') Survey 1¼° @ 2,658', 1½° @ 2,784', 1¼° 3,067'.

10-19-03 4,190' (1,023') Survey 1° @ 3,815' & ¾° 3,367'.

10-20-03 4,900' (710') Survey ¾° @ 4,252' & 1¼° @ 4,720'.

10-21-03 5,492' (592') Survey 1¼° @ 5,120'; 22¼ hr drlg; reached TD 5,492' @ 5:30 AM.

10-22-03 TD 5,508' (16'); 2 ¼ hr circ & cond mud; 3 hrs short trip-PU two collars, slight drag 2,000' to 2,100'; 2 hrs RIH to TD; 2 hrs circ; 4 hrs POH to log; 4 hrs RU Schlumberger, run Density-Neutron-Induction logs; 3 hrs RIH w/DP; 3 ¾ hrs LD DP.

10-23-03 TD 5,508'; 1 hr finish LD DP & collars; RU csg crew & run 131 jts 4½", 10.5#, J-55 csg, set @ 5,486' w/43' shoe jt set @ 5,443'; cmt w/ 720 sks of 50/50/B/POZ w/2% gel, 1.5% Versaset & .01% Diacel LWL lead cmt; 250 sks of 50/50/B/POZ w/2 gel, 1.5% Versaset & .01% Diacel LWL tail cmt; 75 sks of cmt w/standard cap cmt w/2% cc w/15% Versaset; 17 hrs circ hole w/rig pump; RU Halliburton to cmt; nitrogen truck broke down, WO truck 3½ hr; test lines 3500#; pump 60 bbls foamed mud, 10 bbls FW & 20 bbls foamed superflush; cmt, drop plug & displaced w/86 bbls FW; plug down @ 9:30 PM; RD Halliburton (pumped 70 bbls cmt, lost returns & never got ret back); cut off & set slips @ 12:00AM; RD & move off.

10-31-03 RU Halliburton Mast & log unit; ran GR-CBL from 5,406' up to 3,758'; *PBTD* 5,472'; TOC approx 4,940'.

11-3-03 MI RU Triple P Well Serv; NU BOP; RU Jet West & RIH perf @ 5,023' (4 spf) POH; RIH w/junk basket & gauge ring to 5,000'; POH; RIH w/4½" cmt retainer & set @ 5,013'; POH RD Jet West; PU stinger; RIH w/157 jts 2¾" tbg; sting into retainer & establish inj rate, ¾ BPM @ 2000#; SIFN.

11-4-03 RU Halliburton; pump 10 bbls fw to establish circ; pump 8.5 bbls std cmt w/-4/10% Halad 322 @ 15.6 ppg down tbg & 8 bbls fw; sting into retainer; pump 2.5 bbls @ 1500#; SD 15 min; pump 1 bbl @ 1500#; SD 15 min; pump 1 bbl; psi held @ 1300#; PO of retainer & rev circ 50 bbls fw; circ out 4 bbl cmt; POH w/78 stds tbg 2-10' & 1-6' sub; RU Jet West & RIH & perf (4 spf) @ 4,930'; POH w/wireline; pump down csg 12 bbls fw & 200# blow on surf csg; RIH w/4½" cmt retainer & set @ 4,900'; POH RD wireline; RIH w/stinger & 2¾" tbg; sting into retainer @ 4,900' & circ mud down tbg & up backside of 4½" csg; SIFN.

11-5-03 Circ hole; MIRU Halliburton for foam cmt job; test lines to 3500# & pump 40 bbls foamed mud, 10 bbls fw, 20 bbls Super Flush, 10 bbls fw; pump 600 sks 50/50/B/POZ @ 13# ppg-foamed lead cmt; 100 sks 50/50/B/POZ @ 13# ppg-tail cmt; pump 19 bbls fw displacement; sting out of retainer, pull 1 jt & reverse out; (did not circ any cmt to surface) POH LD work string; ND BOP; RD rig; SWIFN.

11-15-03 RU Computalog & run cmt bond log from 2,200' to surface, *TOC 490' (foam), 1930' (nonfoam)*; RD wireline; PU 6-3½" DC & 3¼" mill; RIH w/2¾" work string & tag TOC @ 4,880'; drlg 20' cmt & drlg on retainer 1½ hr; pulled 2 stds; SWIFN.

11-16-03 POH w/4,900' - 2¾" tbg & collars; changed out 3¾" mill; RIH w/collars & tbg; drlg out retainer @ 4,900' & 30' cmt; test csg to 1000#-OK; drlg 2nd retainer, tested 1000#-OK; tag float collar @ 5,455'; drlg float collar & 25' rat hole; pull 1 jt; circ out w/2% KCL; SWIFN.

11-17-03 POH w/work string & LD 6-3½" DCs & mill; RU Schlumberger & perf 28-0.32 shots from 4987'-5455'; RD wireline & RIH w/BP & arrow set 4½" pkr; set plug & pkr below btm perf @ 5455'; RU Schlumberger & press test tbg & pkr to 3600#; would not hold; bled from 3600# to 400# in 4 min; POH w/tbg & pkr; SWIFN.