Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED Budget Bureau No. 1004-0135

Expires: March 31, 1993

BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. NM - 03404SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE San Juan 31-6 Unit I. Type of Weil Oil Gas Well 8. Weil Name and No. Other # 213 2. Name of Operator Phillips Petroleum Company 9. API WIL No. 30-039-24531 3. Address and Telephone No. (505)5525 Hwy. 64, NBU 3004, Farmington, NM 87401 599-3454 10. Field and Pool, or Exploratory Area Basin Fruitland Coal 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1865' FSL & 1595' FWL Rio Arriba, NM Section 5, T-30-N, R-6-W CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Notice of Intent Abandonment Change of Plans **New Construction** Recompletion Non-Routine Fracturing Subsequent Report Plugging Back Casing Repair Altering Casing Conversion to Injection Final Abandonment Notice Other Cavitate well & set Dispose Water (Note: Report results of multiple completion on Wes-13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* See attached for procedure we will be using to cavitate well and set new 5-1/2" liner, in an attempt to produce well. OIL CON. DIV. 14. I hereby certify that the foregoing is true and correct Ed Hasely Title Environmental/Regulatory Englie (This space for Federal or State office use) APPROVED

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 printed states any falso, fictitious or fraudulent statement

or representations as to any matter within its jurisdiction

*See Instruction on Reverse Side

San Juan 31-6 Unit #213 Cavitating Well and Setting New Liner

MI & RU DDU. Install BPV. ND WH and PT well. GIH w/2-7/8" tubing open-ended to +/- 3050', dump @ 10,000#s of sand across coal seam interval up to @ 2960'. POOH w/tubing. RIH w/7" Retrievable packer and set @ 2900' and established circulation. COOH.

Cement retainer and set at @ 2930'. PT to 3000 psi. Sting out of retainer and attempt to load hole and establish circulation. Sting back into retainer, establish pump in rate and pressure.

RIH to cement 7", 23 lb/ft, P-110 casing w/115 sxs (133 cuft) Class B cement. Displace to 7" liner shoe w/fresh water. Sting out of cement retainer and immediately pull up to above 7" liner hanger. Reverse circulate cement. WOC 16 hours.

RIH w/6-1/4" bit and 4-3/4" BHA and 3-1/2" drillpipe. Drill out cement retainer with air and foamer.

Tag sand in coal seam interval. Clean out sand w/air and foamer to 3122' (PBTD). Circ. clean. Continue to rotate and reciprocate pipe with air and foamer cavitating the coal seam interval until well has stabilized.

Blow well until clean. COOH w/bit, BHA & drillpipe.

RU w/float equipment, 320' of 5-1/2" 23 lb/ft, P-110 liner, 7" X 5-2/" hanger w/out pack-off of 3-1/2" drillpipe. Clean out to TD of 3122' before setting liner hanger. Set 5-1/2" liner and liner hanger. Release setting tool and COOH laying down 3-1/2" drillpipe.

RU Electric Wireline unit. PU lubricator and Test to 1000 psi. Perforate 5-1/2" liner. PU and RIH w/2-7/8" production tubing w/2.250" ID 'F' profile SN and expendable check. Land tubing +/-2928'. Install BPV in tubing hanger. ND BOP and NU WH. PT well. Drop ball and pump out expendable check. Unload water w/air. RD and release rig. Put well back on production.