

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: COAL BED METHANE		5. Lease Serial No. NMSF079013
2. Name of Operator PHILLIPS PETROLEUM COMPANY		6. If Indian, Allottee or Tribe Name
Contact: PATSY CLUGSTON E-Mail: pclugs@ppco.com		7. If Unit or CA/Agreement, Name and/or No. NMNM78424B
3a. Address 5525 HWY. 64 FARMINGTON, NM 87401	3b. Phone No. (include area code) Ph: 505.599.3454 Fx: 505-599-3442	8. Well Name and No. SAN JUAN 32-8 UNIT 261
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T32N R8W Mer SWSW 660FSL 662FWL 36.97889 N Lat, 107.70420 W Lon		9. API Well No. 30-045-30656
		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
		11. County or Parish, and State SAN JUAN COUNTY, NM

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"/> DRG
	<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 recomplate 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.)

Fruitland Coal completion and 5-1/2" liner details.

7/26/01 RIH w/6-1/4" bit & drilled out cement & shoe @ 3380'. Drilled to TD @ 3658'. TD reached 7/26/01. Ran Mud Log. R&R well cleaning out to TD using foam & air. Surging well naturally and with air assists for approx. 16 days. COOH. RIH w/ 5-1/2", 15.5# J-55 casing as liner & set @ 3656' with hanger set @ 3340'. Top of hanger set @ 3334'. Total 316' liner with a 42' overlap into 7" shoe. RU Blue Jet & perforated Liner @ 4 spf .75" holes as follows: 3416'-3423'; 3458'-3467'; 3532'-3537'; 3609'-3615'; 3644'-3656'; Total 39' = 156 holes. RD Blue Jet. RIH w/ 2-3/8", 4.7# tubing and set @ 3623' with "F" nipple set @ 3591'. ND BOP, NU WH. PT - OK. Pumped off expendable check. RD & released rig 8/13/01. Turned over to production to first deliver.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #6585 verified by the BLM Well Information System For PHILLIPS PETROLEUM COMPANY, sent to the Farmington Committed to AFMSS for processing by Maurice Johnson on 08/23/2001 ()	
Name (Printed/Typed) PATSY CLUGSTON	Title AUTHORIZED REPRESENTATIVE
Signature	Date 08/20/2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
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.

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