

District I - (505) 393-6161
 1633 N. French Dr
 Albuquerque, NM 87241-1990
 District II - (505) 748-1283
 811 S. First
 Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Road
 Aztec, NM 87410
 District IV - (505) 827-7131

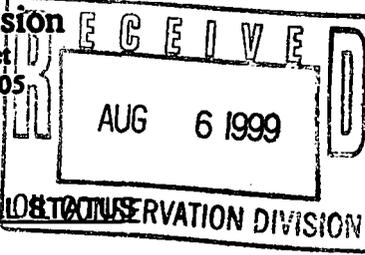
NEW MEXICO
 Energy Minerals and Natural Resources Department

1115

Date 06/99

Oil Conservation Division

2040 South Pacheco Street
 Santa Fe, New Mexico 87505
 (505) 827-7131



SUBMIT ORIGINAL
 PLUS 2 COPIES
 TO THE SANTA FE
 OFFICE

APPLICATION FOR NEW WELL

I. Operator and Well

Operator name & address Phillips Petroleum Company 5525 Hwy. 64 Farmington, NM 87401							OGRID Number 017654	
Contact Party Patsy Clugston							Phone 505-599-3454	
Property Name San Juan 32-7					Well Number 220		API Number 30-045-29567	
UL M	Section 5	Township 31N	Range 7W	Feet From The 655	North/South Line South	Feet From The 705	East/West Line West	County San Juan

II. Date/Time Information

Spud Date 6/19/99	Spud Time 1000 hrs	Date Completed 7/15/99	Pool Basin Fruitland Coal
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III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of New Mexico)
)
 County of San Juan)
)
 ss.

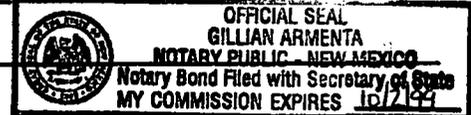
Patsy Clugston being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature Patsy Clugston Title Regulatory Assistant Date 8/5/99

SUBSCRIBED AND SWORN TO before me this 5th day of August, 1999

Gillian Armenta
 Notary Public



My Commission expires:

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>Mark Speer</u>	Title <u>P.E. Speer</u>	Date <u>OCT 1 1999</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 10/1/99

NOTICE: The operator must notify all working interest owners of this New Well certification.

PV2V2006248937

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. SF-078996
2. Name of Operator Phillips Petroleum Company	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 5525 Highway 64, NBU 3004, Farmington, NM 87401 505-599-3454	7. If Unit or CA, Agreement Designation San Juan 32-7 Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit M, 655' FSL & 705' FWL Section 5, T31N, R7W	8. Well Name and No. SJ 32-7 Unit #220
	9. API Well No. 30-045-29567
	10. Field and Pool, or exploratory Area Basin Fruitland Coal
	11. County or Parish, State San Juan, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Spud Report</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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.)*

6/17/99

MIRU Key Energy #37. Spud 12-1/4" hole @ 10:00 hrs 6/19/99. Drilled ahead to 503'. RIH w/9-5/8", 36#, K-55 casing and landed @ 497'. RU BJ to cement. Pumped 10 bbls mud clean, 10 bbls water spacer & then pumped 275 sx (329 cf) Class H cement w/2% CaCl2, 1/4#/sx Cello-flake, mixed at 15.6 ppg w/1.20 yield. Had 8 bbls (45 cf) cement circulated to surface. WOC. NU BOPs. PT casing, rams & manifold to 200 psi 3 minutes and 1500 psi for 10 minutes. Good test.

070 FARMINGTON, NM
 99 JUN 25 PM 1:43
 RECEIVED
 BLM

14. I hereby certify that the foregoing is true and correct
 Signed *Felix Christian* Title Regulatory Assistant Date 6/24/99

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
 Conditions of approval, if any:

ACCEPTED FOR RECORD

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 United States any false, fictitious or fraudulent statement or representations as to any matter within its jurisdiction.

* See Instruction on Reverse Side

JUN 30 1999

OPERATOR

FARMINGTON FIELD OFFICE
BY _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

RECEIVED

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

5. LEASE DESIGNATION AND SERIAL NO.
SF-078996
6. IF INDIAN, ALLOTTEE OR TRIBE NAME

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other 99 JUL 16 AM 11:04

7. UNIT AGREEMENT NAME
04

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESRV Other 070 FARMINGTON, NM

San Juan 32-7 Unit

2. NAME OF OPERATOR
Phillips Petroleum Company

8. FARM OR LEASE NAME, WELL NO.
SJ 32-7 Unit #220

3. ADDRESS AND TELEPHONE NO.
5525 Highway 64, NBU 3004, Farmington, NM 87401 505-599-3454

9. API WELL NO.
30-045-29567

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface
Unit M, 655' FSL & 705' FWL
At top prod. interval reported below
1634' FSL & 135' FWL
At total depth
1634' FSL & 135' FWL

10. FIELD AND POOL, OR WILDCAT
Basin Fruitland Coal

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 5, T31N, R7W

14. PERMIT NO. DATE ISSUED

12. COUNTY OR PARISH
Rio Arriba, NM

15. DATE SPUNDED 6/19/99 16. DATE T.D. REACHED 6/28/99 17. DATE COMPL. (Ready to prod.) 7/15/99 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 6766' 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 3943' TMD/3696' VD 21. PLUG, BACK T.D., MD & TVD 3943' - TMD/3696' VD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY 24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)* Basin Fruitland Coal - 3670' - 3940' TMD 25. WAS DIRECTIONAL SURVEY MADE no

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*
Basin Fruitland Coal - 3670' - 3940' TMD

26. TYPE ELECTRIC AND OTHER LOGS RUN
Mud log 27. WAS WELL CORED no

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
9-5/8"	36#, K-55	497'	12-1/4"	275 sx Class H	8 bbls-surf.
7"	20#, K-55	3614' MD	8-3/4"	L-430 sx (903 cf) 35/65 POZ	
				T-100 sx (128 cf) C1 H	16 bbls-surf

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
5-1/2"	3552' MD	3942' MD	n/a		2-3/8"	3748' - MD	no
15.5# J-55	390' total				4.7#		

31. PERFORATION RECORD (Interval, size and number)
Basin Fruitland Coal @ 4spf(.75")208 holes (TMD)
3934' - 3940' (6'); 3815' - 3819' (4');
3760' - 3757' (7'); 3714' - 3736' (21')
3700' - 3704' (4') 3670' - 3680' (10') = 52 feet

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED
3670' - 3940' (TMD) Underreamed only
6-1/4" hole to 9-1/2" hole

33. PRODUCTION
DATE FIRST PRODUCTION SI PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) Flowing WELL STATUS (Producing or shut-in) SI

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SI waiting on approvals to first deliver TEST WITNESSED BY David Green

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL - BBL.	GAS - MCF.	WATER - BBL.	GAS - OIL RATIO
7/13/99	1 hr - pitot	2"			3500 mcf	180 bwpd	

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY - API (CORR.)
	SI - 560 psi			3500 mcf	180 bwpd	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
SI waiting on approvals to first deliver TEST WITNESSED BY David Green

35. LIST OF ATTACHMENTS
Note most of the depths listed above are TMD (true measured depths) unless noted differently
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED Fatsy Clayton TITLE Regulatory Assistant DATE JUL 20 1999

ACCEPTED FOR RECORD

(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Ojo Alamo	2536	2641	Sandstone			
Kirtland	2641	3271	Shale & sandstone			
Fruitland	3271	3346	Shale, coal and sandstone			
Fruitland Coal	3346	3656	Shale & coal			
			These are estimated tops in TVD-true vertical depth			
			No open hole logs were run.			

PROP #	Party Uid	Name	WI	WELL NAME/FORMATION
A650427	69378	WILLIAMS PRODUCTION COMPANY	0.180000	SAN JUAN 32-7 UNIT #220
A650427	69595	PHILLIPS-NEW MEXICO PARTNERS, L.P.	0.820000	SAN JUAN 32-7 UNIT #220

