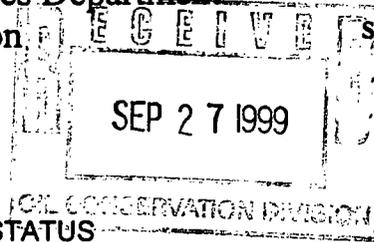


District I - (505) 393-6161
 1625 N. French Dr
 Hobbs, NM 88241-1980
 District II - (505) 748-1283
 811 S. First
 Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Road
 Aztec, NM 87410
 District IV - (505) 827-7131

New Mexico
 Energy Minerals and Natural Resources Department
 Oil Conservation Division
 2040 South Pacheco Street
 Santa Fe, New Mexico 87505
 (505) 827-7131

1254 Form C-142
 Date 06/99



SUBMIT ORIGINAL
 PLUS 2 COPIES
 TO THE SANTA FE
 OFFICE

APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address Phillips Petroleum Company 5525 Hwy. 64 Farmington, New Mexico 87401						OGRID Number 017654		
Contact Party Patsy Clugston						Phone 505-599-3454		
Property Name San Juan 32 Fed 24				Well Number #2		API Number 30-045-29789		
UL	Section	Township	Range	Feet From The	North/South Line	Feet From The	East/West Line	County
M	24	32N	9W	958	South	1055	West	San Juan

II. Date/Time Information

Spud Date 8/11/99	Spud Time 0030 hrs	Date Completed 9/1/99	Pool Basin Fruitland Coal
----------------------	-----------------------	--------------------------	------------------------------

- 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)
) ss.
 County of San Juan)

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 9/17/99

SUBSCRIBED AND SWORN TO before me this 17th day of Sept., 1999.

My Commission expires: 10/2/99

Gillian Armenta
 Notary Public

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 Ralphy</u>	Title <u>P.E. Spec.</u>	Date <u>NOV 1 - 1999</u>
---------------------------------	----------------------------	-----------------------------

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 11/1/99

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

PV2V2006632368

RECEIVED
BLM

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

Oil Well Gas Well Other

2. Name of Operator

Phillips Petroleum Company

3. Address and Telephone No.

5525 Highway 64, NBU 3004, Farmington, NM 87401 505-599-3454

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Unit M, 958' FSL & 1055' FWL
Section 24, T32N, R9W

5. Lease Designation and Serial No.

SF-079329

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

San Juan 32 Fed 24

8. Well Name and No.

SJ 32 Fed 24 #2

9. API Well No.

30-045-29789

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.)*

8/10/99

MIRU Key Energy #37. Spud 12-1/4" hole @ 0030 hrs 8/11/99. Drilled ahead to 380'. RIH w/9-5/8" 36#, K-55 casing & set @ 375'. RU BJ to cement. Pumped 10 bbls mud clean and 10 bbls water spacer ahead of 195 sx (234 cf) Class H cement w/2% CaCl2 & 1/4#/sx Cello-flake, mixed at 15.6 ppg, 1.20 yield. Dropped wood plug and displaced with 26.5 bbls water. Plug down at 1520 hrs 8/11/99 with 150 psi. Circulated 8 bbls cement to surface. WOC.

NU BOP. PT casing, rams, and valves to 200 psi for 3 minutes and then 1500 psi for 10 minutes. Good test.

APD/ROW Process

14. I hereby certify that the foregoing is true and correct

Signed Patsy Clugston Title Regulatory Assistant Date 8/13/99

(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 statements or representations as to any matter within its jurisdiction.

* See Instruction on Reverse Side

OPERATOR

FARMINGTON FIELD OFFICE
BY [Signature]
AUG 13 1999

**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
SEP 2 1999

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1. LEASE DENIGATION AND SERIAL NO.
SF-079329

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

7. UNIT AGREEMENT NAME

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP EN PLUG BACK DIFF. RESRV Other _____

San Juan 32 Fed 24

2. NAME OF OPERATOR
Phillips Petroleum Company

8. FARM OR LEASE NAME, WELL NO.

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

SJ 32 Fed 24 #2

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

9. API WELL NO.
30-045-29789

At surface
Unit M, 958' FSL & 1055' FWL

10. FIELD AND POOL, OR WILDCAT

At top prod. interval reported below
Same as above

Basin Fruitland Coal

At total depth
Same as above

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 24, T32N, R9W

14. PERMIT NO. _____ DATE ISSUED _____

12. COUNTY OR PARISH
San Juan,

13. STATE
NM

15. DATE SPUNDED **8/11/99** 16. DATE T.D. REACHED **8/15/99** 17. DATE COMPL. (Ready to prod.) **9/1/99** 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* **6787'** 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD **3637'** 21. PLUG, BACK T.D., MD & TVD **3637'** 22. IF MULTIPLE COMPL., HOW MANY* _____ 23. INTERVALS DRILLED BY _____ ROTARY TOOLS **X** CABLE TOOLS _____

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*
Basin Fruitland Coal - 3427' - 3598' 25. WAS DIRECTIONAL SURVEY MADE
no

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	375'	12-1/4"	195 sx (234 cf) C1 H	8 bbls-surf.
7"	20#, K-55	3391'	8-3/4"	395 sx (829 cf) 35/65 C1 H	
				100 sx (127.5 cf) C1 H	10 bbls-surf.

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
5-1/2"	3356'	3622'	n/a		2-7/8"	3550'	none
	266' total	liner			6.5#		

30. TUBING RECORD

PERFORATION RECORD (Interval, size and number)	ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
Basin Fruitland 4 spf - 56' (224 holes) 3427' - 3431'; 3443' - 3450'; 3461' - 3470'; 3486' - 3490'; 3550' - 3562'; 3566' - 3580'; 3592' - 3598';	only under-reamed 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
DATE OF TEST 8/31/99	HOURS TESTED 1 hr - pitot	CHOKE SIZE 2"
PROD'N. FOR TEST PERIOD	OIL - BBL.	GAS - MCF. 2200 mcf
WATER - BBL.	GAS - OIL RATIO	
FLOW. TUBING PRESS.	CASING PRESSURE 500 psi	CALCULATED 24-HOUR RATE
OIL - BBL.	GAS - MCF. 2200 mcf	WATER - BBL. 200 bwpd
OIL GRAVITY - API (CORR.)		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
SI waiting for approvals to first deliver

TEST WITNESSED BY
David Green
ACCEPTED FOR RECORD

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED Felipe Clugston TITLE Regulatory Assistant DATE 9/1/99

SEP 02 1999
9/1/99

FARMINGTON FIELD OFFICE
BY [Signature]

*(See instructions and spaces for Additional Data on Reverse Side)

OPERATOR

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
Nacimiento	1183					
Ojo Alamo Ss	2378	2443	Sandstone			
Kirtland Sh	2443	3278	Shale & sandstone			
Fruitland	3278	3333	Shale, coal and sandstone			
Fruitland Coal	3333	TD	Shale & coal			
			These are estimated tops based on off-set logs.			
			No open hole logs were run.			

San Juan 32 Fed 24 #2
Fruitland Coal Formation

OWNER NAME	ADDRESS	WI
PHILLIPS PETROLEUM COMPANY		0.820000
WILLIAMS PRODUCTION COMPANY	ONE WILLIAMS CENTER, P O BOX 3102, MS 37-5, TULSA, OK 74101	0.180000