

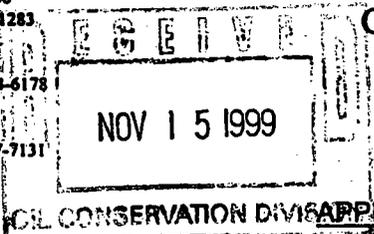
District I - (505) 393-6161
1625 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

Energy Minerals and Natural Resources Department

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



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 32-9. Well Number: 302. API Number: 30-045-29803. UL: K, Section: 9, Township: 32N, Range: 9W, Feet From The: 2215, North/South Line: South, Feet From The: 1333, East/West Line: West, County: San Juan.

II. Date/Time Information

Spud Date: 9/28/99, Spud Time: 0200 hrs, Date Completed: 10/19/99, 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)
County of San Juan) ss.

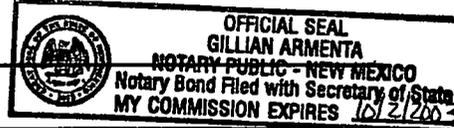
Patsy Clugston, being first duly sworn, upon oath states:

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

Signature: Patsy Clugston, Title: Regulatory Assistant, Date: 11/12/99

SUBSCRIBED AND SWORN TO before me this 12th day of November, 1999.

Gillian Armenta, Notary Public



My Commission expires: 10/21/2003

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: Mark P. E. Spoe, Title: P.E. Spoe, Date: DEC 20 1999

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: DEC 20 1999

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

PVEV2007232472

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

5. Lease Designation and Serial No.

SF-078687

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

San Juan 32-9 Unit

8. Well Name and No.

SJ 32-9 Unit #302

9. API Well No.

30-045-29803

10. Field and Pool, or exploratory Area

Basin Fruitland Coal

11. County or Parish, State

San Juan NM

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 K, 2215' FSL & 1333' FW
Section 9, T32N, R9W

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

TYPE OF SUBMISSION

- Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

- Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other Spud Report
 Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 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.)*

9/28/99 MIRU Key Energy #37. Spud 12-1/4" hole @0200 hrs 9/28/99. Drill 12-1/4" hole to 382'. Circ. hole. RIH w/9-5/8" 36#, K-55 casing and set @ 357'. RU BJ to cement. Pumped 10 bbls mud clean and 10 bbls FW/red dye ahead of 195 sx C1 H cement w/2% CaCl2 & 1/4#/sx Cello-flake @ 3 bpm @ 65# psi. Dropped plug and displaced with 27 bbls FW. Plug down @ 1530 hrs 9/28/99. Circulated 8 bbls cement to surface. WOC.

NU WH & NU BOPs. PT rams, casing and manifold to 200 psi for 3 minutes and 1500 psi for 10 minutes. Good Test.

070 FARMINGTON, NM
59 SEP 30 AM 1999
RECEIVED
BLM

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

Signed Tucker Dams Title Regulatory Assistant

Date 9/30/99

(This space for Federal or State office use)

Approved by _____ Title _____

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 or to any officer or employee of such department or agency, a false or fictitious or fraudulent statement or representations as to any matter within its jurisdiction.

* See Instruction on Reverse Side

OPERATOR

FARMINGTON FIELD OFFICE
BY [Signature]

**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
29 OCT 20 AM 12:01
070 FARMINGTON, NM

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____
 b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR 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 (Report location clearly and in accordance with any State requirements)*
 At surface
Unit K, 2215' FSL & 1333' FWL
 At top prod. interval reported below
Same as above
 At total depth
Same as above

5. LEASE DESIGNATION AND SERIAL NO.
SF-078687
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 7. UNIT AGREEMENT NAME
San Juan 32-9 Unit
 8. FARM OR LEASE NAME, WELL NO.
SJ 32-9 Unit #302
 9. API WELL NO.
30-045-29803
 10. FIELD AND POOL, OR WILDCAT
Basin Fruitland Coal
 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 9, T32N, R9W
 12. COUNTY OR PARISH
San Juan
 13. STATE
NM

14. PERMIT NO. _____ DATE ISSUED _____
 15. DATE SPUDDED **9/28/99** 16. DATE T.D. REACHED **10/3/99** 17. DATE COMPL. (Ready to prod.) **10/19/99** 18. ELEVATIONS (DF, REB, RT, GR, ETC.)* **6990'** 19. ELEV. CASINGHEAD _____

20. TOTAL DEPTH, MD & TVD **3761'** 21. PLUG, BACK T.D., MD & TVD **3756'** 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 3583' - 3721' 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	357'	12-1/4"	195 sx C1 H	8 bbls-surf.
7"	20#, J-55	3551'	8-3/4"	L-475 sx 35/65 POZ	
				T-100 sx C1 H	3 bbls-surf.

29. LINER RECORD **30. TUBING RECORD**

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
5-1/2"	3503'	3756'	no		2-7/8	3753'	
15.5 #	253' total				6.5#		

31. PERFORATION RECORD (Interval, size and number)
Basin Fruitland Coal .75" holes @ 4 spf
3716' - 3721' (5'); 3604' - 3620' (16');
3583' - 3600' (17') Total 38 feet = 152 holes

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3583' - 3721'	Only surged well w/air & mist until it cleaned up. No other type of stimulation.

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	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL - BBL.	GAS - MCF.	WATER - BBL.	GAS - OIL RATIO
10/17/99	1 hr. - pitot	1/2"			950 mcf	150 bwpd	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY - API (CORR.)	
	SI-290 psi			950 mcf	150 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

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
 SIGNED *Felicy Clouston* TITLE **Regulatory Assistant** DATE **10/20/99**

ACCEPTED FOR RECORD

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

OCT 21 1999

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	910					
Ojo Alamo	2150	2180	Sandstone			
Kirtland	2180	3410	Shale & sandstone			
Fruitland	3410	3430	Shale, coal & sandstone			
Fruitland Coal	3430	3770	Shale & coal			
Pictured Cliffs	3770		Marine Sands			
			These are estimated tops from off-set logs. no new open hole logs were run.			

1964 OCT 15 100
 U.S. GEOLOGICAL SURVEY

OWNER NAME	ADDRESS	WI	PROPERTY NAME
PHILLIPS PETROLEUM COMPANY		0.820000	SAN JUAN 32-9 UNIT #302
WILLIAMS PRODUCTION COMPANY	ONE WILLIAMS CENTER, P O BOX 3102, MS 37-5, TULSA, OK 74101	0.180000	