

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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. NMSF078687
2. Name of Operator PHILLIPS PETROLEUM COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address 5525 HIGHWAY 64 NBU 3004 FARMINGTON, NM 87401		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 505.599.3454 Fx: 505-599-3442		8. Well Name and No. SJ 32 FED 8 1A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 8 T32N R9W SESE 693FSL 767FEL 36.99389 N Lat, 107.79610 W Lon		9. API Well No. 30-045-31268-00-X1
		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"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling Operations
	<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 recompleat 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 recompleat 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.)

SPUD NOTICE

2/19/03 MIRU Key #49. Spud 12-1/4" hole @ 1930 hrs 2/20/03. Drilled ahead to 229'. Circ. hole. RIH w/9-5/8", 32.3# H-40 casing and set @ 219'. Pumped a preflush of 30 bbls FW ahead of 135 sx (176.3 cf - 32 bbl slurry) Standard 50/50 POZ w/2% Gel, 5#/sx Gilsontite, 3% BWOC CaCl₂, 1/2#/sx Flocele and .2% CFR-3. Released wiper plug & displaced plug w/14 bbls FW. Bumped plug @ 0434 hrs 2/21/03 w/450 psi. Circ. 12 bbls cement to surface. WOC. NU BOP, PT casing, rams and manifold to 600 psi for 30 minutes. Good test.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #18863 verified by the BLM Well Information System For PHILLIPS PETROLEUM COMPANY, sent to the Farmington Committed to AFMSS for processing by Steve Mason on 02/26/2003 (03SXM0414SE)	
Name (Printed/Typed) PATSY CLUGSTON	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 02/24/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	STEPHEN MASON Title PETROLEUM ENGINEER	Date 02/26/2003
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 Farmington

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.

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ******NMOC**