

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF 078687
2. Name of Operator CONOCOPHILLIPS CO.		6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 2197 WL3 6108 HOUSTON, TX 77252		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 832.486.2326 Fx: 832.486.2764		8. Well Name and No. SAN JUAN 32 FED 15 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 15 T32N R9W SESW 802FSL 1342FWL		9. API Well No. 30-045-30634
		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 checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input checked="" type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input 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 type="checkbox"/> Other
	<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 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.)

ConocoPhillips is requesting to cleanout and if needed cavitate this well to return to production as per the attached procedure.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations



14. I hereby certify that the foregoing is true and correct. Electronic Submission #29118 verified by the BLM Well Information System For CONOCOPHILLIPS CO., sent to the Farmington Committed to AFMSS for processing by MATTHEW HALBERT on 04/07/2004 ()	
Name (Printed/Typed) DEBORAH MARBERRY	Title SUBMITTING CONTACT
Signature (Electronic Submission)	Date 03/31/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By	Title Petr. Eng	Date 4/8/04
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 NMOCB

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

San Juan 32 Fed 15 #2

Objective: Cleanout and potentially cavitate to return well to production.

Summary: POOH with pump and rods. POOH with 2-3/8" tubing. Mill up liner hanger and POOH with 5-1/2" liner. RIH, tag for fill, and cleanout to TD. Deepen hole 130'. Take flow test, underream, and cavitate if warranted. RIH with new 5-1/2" liner. Perforate coal intervals. RIH with 2-3/8" tubing and new insert pump on existing rods. Return well to production.

WELL DATA:

API: 30-045-30634

Location: Section 15 – T32N – R9W

802' FSL & 1342' FWL

Lat: 36.979450 deg N

Long: 107.770790 deg W

Elevation: GLM 6848'

KBM 6864'

TD: 3666'

PBTD: Casing set at 3657' on 7/18/01. Tagged at 3674' on 3/23/02.

Perforations: 3423'-3426', 3439'-3442', 3461'-3472', 3553'-3556', 3564'-3573'

PROCEDURE:

1. Prepare cleanout pit.
2. Hold pre-job safety meeting.
3. MIRU completion unit on rig stand.
4. ND stuffing box and pull polished rod, pony rods, sucker rods, and insert pump. Note conditions of rods and pump in Daily Report.
5. Set BPV in tubing hanger. ND tree. NU 7-1/16" drilling/cavitation BOP stack (see attached schematic)
6. Test blind and pipe rams per COP Well Control Manual to 250 psig for 3 minutes and 1800 psig for 10 minutes.
7. Blow backside of well to atmosphere. Pump only the minimum volume of water down the backside as necessary to control well.
8. PUH and remove hanger and BPV.
9. POOH with one stand of tubing to allow fill to fall to bottom. RIH, tag, and determine fill.
10. TOOH laying down 114 joints of 2-3/8" tubing, gas separator, and mud anchor

joint. Note condition of tubing and BHA on Daily Report.

11. Run GSL log from PBTD to 3200'.
12. TIH with 6-1/4" OD "metal muncher" pilot mill on 2-7/8" drill pipe with sufficient collars to provide necessary weight. Mill Hyflo 3 liner hanger for approximately 6' until the slips release. POOH. RIH with spear and jars to top of liner. Jar liner free and POOH.
13. RIH to 7" casing shoe and obtain flow test data each 15 minutes for 1 hour by taking choke manifold pressure readings and converting that data to a calculated flow rate (MCFD). Report the manifold pressure and the calculated flow rate for each reading on the flow test.
14. Shut in the well and conduct a pressure build up test. Record initial shut in pressure and take subsequent pressure readings each 15 minutes for 1 hour.
15. TIH with 6-1/4" bit, bit sub with float, 3-1/2" drill collars (at least enough collars to be well out of open hole), and 2-7/8" drill pipe.
16. Tag for fill and report to Houston Engineering. Clean out to TD at 3666'. **Do not clean out with air only (use mist w/ foamer). Rotate and reciprocate on bottom, keeping the drill string moving at all times.**
17. Rig up mudloggers. Deepen well 130' to 3796' +/-.
18. Make several short trips and clean out any additional coal that has come in. Blow well until it is clean.
19. Once the well has cleaned up and stabilized, POOH to 7" casing shoe and obtain flow test data each 15 minutes for 1 hour by taking choke manifold pressure readings and converting that data to a calculated flow rate (MCFD). Report the manifold pressure and the calculated flow rate for each reading on the flow test.
20. Shut in the well and conduct a pressure build up test. Record initial shut in pressure and take subsequent pressure readings each 15 minutes for 1 hour.
21. TOOH with drill string. Pick up 9-1/2" under-reamer and under-ream hole from 3418' to TD at 3796'.
22. Make several short trips and clean out any additional coal that has come in. Blow well until it is clean.
23. Once the well has cleaned up and stabilized, POOH to 7" casing shoe and obtain flow test data each 15 minutes for 1 hour by taking choke manifold pressure readings and converting that data to a calculated flow rate (MCFD). Report the manifold pressure and the calculated flow rate for each reading on the flow test.

24. Shut in the well and conduct a pressure build up test. Record initial shut in pressure and take subsequent pressure readings each 15 minutes for 1 hour.
25. Communicate the results of the flow test and pressure build up test to the Production Engineer and obtain a decision to either cavitate or to proceed directly to completion without cavitation. Wait for the decision.
26. If the decision is made to proceed to completion without cavitation, skip to Step 30. If the decision is made to cavitate, continue on to next step.
27. Conduct the cavitation as follows:
 - Continue to run the mist pump (5 bbl/hr minimum) at all times while pumping air.
 - Use the least amount of water pads that our procedures allow.
 - Chart pressure vs. time for build up of each surge and retain the charts for further analysis (please send these to Jeremy Enszt, 3WL-4029, Houston via company mail)
28. After surging the well approximately 4 times, clean out and obtain a flow test in the same way as described in Step 17 above.
29. Discuss the results with the Production Engineer and obtain a decision to either do another round of surges or to proceed with completion. Wait for the decision.

If the decision is made to do another round of surges, go back to Step 27, otherwise continue on to next step.
30. Blow well until it is clean. After well is clean and maximum flow rate obtained, POOH while venting well to flare pit via blooie lines.
31. RU to run liner. Install 5-1/2" casing rams per sequence listed below (top to bottom). Test the 5-1/2" rams to 250 psi for 3 minutes and to 1800 psi for 10 minutes.
 - Stripping head
 - 5-1/2" casing rams
 - Mud cross
 - 2-7/8" pipe rams (for drill pipe)
 - Blind rams
32. RIH with rerun 6-1/4" bit, float, and 5-1/2", 15.5#, J-55 liner (sufficient length to cover OH interval) and hydraulic set liner hanger. Hang off liner with 10'-40' of overlap in the 7" casing. Release off of hanger and POOH laying down the drill pipe.

33. RU Blue Jet wireline. Install and test lubricator. RIH and perforate 5-1/2" liner in the intervals to be communicated later.
34. Rig up to run 2-3/8" tubing. Install pipe rams per sequence listed below and test them to 250 psi for 3 minutes and 1800 psi for 10 minutes.
- Stripping head
 - 2-3/8" pipe rams
 - Mud cross
 - 2-3/8" pipe rams
 - Blind rams
35. RIH with mud anchor assembly and 1.78" F nipple on 2-3/8" production tubing as follows to F nipple 30' below bottom perf (to be confirmed later).

Bottom To Top

One joint 2-7/8" tubing, orange peeled, with four 1' x 4" slots in upper 2'
2-7/8" x 2-3/8" x-over
2-3/8" x 1.78" F nipple
2-3/8", 4.7#, J-55, EUE 8RD tubing to surface

36. Set BPV in tubing hanger.
37. ND BOP install B-1 adapter.
38. NU sucker rod wellhead assembly. Pull BPV.
39. RIH with new 1-1/4" RHAC insert pump on existing 3/4" rods (if condition warrants) with required pony rods to space out pump for pumping unit stroke length of 54". Install a 4' pony rod directly above the pump.

Bottom To Top

1-1/4" RHAC insert pump
4' x 3/4" Norris, Type 78, API Grade D pony rod
Norris 3/4", Type 54, API Grade D rods
1-1/4" x 22' polished rod

40. Load tubing with water and test tubing to 500 psig. Stroke pump to 500 psig and tie polished rod to pumping unit. Start and stroke pumping unit prior to moving rig out.
41. Return well to production.