Form 3160-4
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
NMSF079380

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr,.
Other

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and no.
NMNM78424B

2. Name of Operator
CONOCOPHILLIPS COMPANY

8. Lease Name and Well No.
SAN JUAN 32-8 UNIT 263A

3. Address
5525 HIGHWAY 64 FARMINGTON NM 87401

3.a Phone No. (include area code)
(505)599-3419

9. API Well No.
30-045-32796

4. Location of Well *(Report location clearly and in accordance with Federal requirements)*

At Surface SESE SEC 15 T32N R8W 999 FSL & 1152 FEL

At top prod. interval reported below

At total depth SAME AS ABOVE

10. Field and Pool, or Exploratory
BASIN FRUITLAND COAL

11. Sec., T., R., M., on Block and Survey or Area P Sec: 15 Twn: 32N

12. County or Parish
SAN JUAN

13. State
NEW MEXICO

DEC 2005
RECEIVED
OIL CONS. DIV.
DIST. 3

14. Date Spudded	15. Date T.D. Reached	16. Date Completed	17. Elevations (DF, RKB, RT, GL)*
08/30/2005	09/03/2005	☐ D & A ☒ Ready to Prod. 11/18/2005	6980 GL

18. Total Depth: MD 4017 TVD 4017	19. Plug Back T.D.: MD 3967 TVD 3967	20. Depth Bridge Plug Set: MD TVD

21. Type of Electric & Other Mechanical Logs Run (Submit copy of each)
CNL; GR/CCL Logs

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☐ No ☒ Yes (Submit copy)

23. Casing and Liner Record *(Report all strings set in well)*

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.25	9.625H-40	32.3	0	225		150 sx		0	10 bbl
7.875	5.5 J-55	17.0	0	4012		760 sx		0	25 bbl

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	3880							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Basin Fruitland Coal	3818	3831	3818-3831	.34"	52	Open
B) Basin Fruitland Coal	3762	3778	3762-3778	.34"	16	Open
C) Basin Fruitland Coal	3518	3521	3518-3521	.34"	54	Open
D)						

27. Acid, Fracture, Treatment, Cement Sqeeze, Etc.

Depth Interval	Amount and Type of Material
3518-3831	3518-3521:20#Delta frac 140 in Pad w/2000# 40/70 AZ sand. Frac lower FC w/20# Delta frac 140 w/WC SW. 100,500 # 16/30 Brady. Total sand: 102,500. Fluid 1718 bbl. 3762-3778:25# Delta frac 140 in pad. Frac Fc w/20# Delta frac 140 w/WC SW. 100,500 20/40 Brady sand. fluid 1672 bbl. 3818-3831: 20# Delta frac 140 in Pad w/3000 # of 40/70 AZ sand. Frac upper Fc w/20# Delta frac 140 w/WC SW.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/18/05	11/15/05	4	→	0	2178	25 bwpd			Gas Pumping Unit

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status
1/2"	n/a	550 sicp	→					Shut-in

Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status
			→					

ACCEPTED FOR RECORD
DEC 20 2005
FARMINGTON FIELD OFFICE
BY

(See Instructions and spaces for additional data on page 2)

NMOCD

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status

29. Disposition of Gas *(Sold, used for fuel, vented, etc.)*

Sold

30. Summary of Porous Zones (Include Aquifers):

Show all important zones or porsity and contents thereof: Cored intervals and all drill-stem tests, inlcuding depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
				Naciamento	1018
				Ojo Alamo	24223
				Kirtland	3033
				Fruitland	3443
				Top Coal MD	3514
				B Main Coal MD	3654
				PC Tongue MD	3776
				B Lowest Coal MD	3850
				Top PCCF MD	3868

32. Additional remarks (include plugging procedure):

This well is a single well producing from the Basin Fruitland Coal. Attached is the Wellbore Schematic and the Daily Summaries.

33. Indicate which itmes have been attached by placing a check in the appropriate boxes:

☐ Electrical/Mechanical Logs (1 full set req'd.) ☐ Geological Report ☐ DST Report ☐ Directional Survey

☐ Sundry Notice for plugging and cement verification ☐ Core Analysis ☐ Other

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name *(please print)* JUANITA FARRELL Title REGULATORY ANALYST

Signature Juanita Farrell Date 12/09/2005

Title 18 U.S.C. Section 101 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 and false, fictitious or fradulent statements or representations as to any matter within its jurisdiction.

ConocoPhillips

Regulatory Summary

SAN JUAN 32 8 UNIT #263A

INITIAL COMPLETION, 9/9/2005 00:00

API/Bottom UWI	County	State/Province	Surface Legal Location	N/S Dist (ft)	N/S Ref	E/W Dist (ft)	E/W Ref
300453279600	San Juan	NEW MEXICO	NMPM-32N-08W-15-P	999.00	S	1,152.00	E

Ground Elevation (ft)	Latitude (DMS)	Longitude (DMS)	Spud Date	Rig Release Date
6,980.00	36° 58' 45.192" N	107° 39' 25.56" W	8/30/2005	

9/10/2005 08:00 - 9/10/2005 12:00

Last 24hr Summary

Held safety meeting. RU Computalog. Ran CNL log from 3956' to 3350'. Ran GR/CCL log from 3956' to surface. SWI. RD Computalog. Tested 5 1/2" csg to 4500 # for 30 min. Held ok.

9/11/2005 06:00 - 9/11/2005 12:00

Last 24hr Summary

Held safety meeting. RU Schlumberger. Ran RST log from 3941' to 3350'. Ran GR/CCL log from 3941' to surface. SWI. RD Schlumberger.

9/16/2005 09:00 - 9/16/2005 12:00

Last 24hr Summary

Held safety meeting. RU Computalog. Perforated the lower Fruitland Coal. RIH w/ 3 1/8: 120 degree HSC perforating gun. Perforated from 3818' - 3831' w/ 4 spf. A total of 52 holes w/ .34 dia. SWI. RD Computalog.

9/17/2005 07:00 - 9/17/2005 14:00

Last 24hr Summary

Held safety meeting. RU Halliburton. Frac the Lower Fruitland Coal. Tested lines to 5100 #. Set pop off @ 4250 #. Broke down formation @ 5 BPM @ 1990 #. Pumped 1000 gals of 15% formic acid @ 5 BPM @ 1840 #. Pumped 20 # Delta frac 140 in Pad w/ 2000 # of 40 / 70 Arizona sand @ .25 # sand per gal. Frac the Lower Fruitland Coal w/ 20 # Delta frac 140 w/ WC SW. 100,500 16/30 Brady sand. Total sand pumped 102,500 #. 1718 bbls fluid. Avg rate 35 BPM. Avg pressure 1915 #. Max pressure 3970 #. Max sand cons 5 # per gal. ISIP 1304 #. Frac gradient .80. Tagged pad (all 3) w/ Antimony. SWI. RD Halliburton.

9/22/2005 07:00 - 9/22/2005 17:00

Last 24hr Summary

Held safety meeting. RU Coil tbg. SICP 0 #. RIH w/ 1 1/4" coil tbg. Tagged sand @ 3795'. 167' of fill. cleaned out from 3795' to 3962 PBTD. Perfs @ 3818' to 3831'. Ran soap sweeps w/ air. circulated well clean w/ air. Pooh w/ coil tbg. SWI. RD coil tbg.

9/23/2005 07:00 - 9/23/2005 16:00

Last 24hr Summary

Held safety meeting. RU H&H wireline. Logged the Lower Fruitland Coal. RIH w/ Protechnics Spectrascan log tools. Ran log from 3920' to 3400'. Perfs @ 3818' to 3831'. Pooh w/ slickline & logging tools. RD wireline. RU Computalog. Perforated the Fruitland Coal Sand. RIH 5 1/2" composit plug. Set plug @ 3800'. tested plug to 4500 #. held ok. RIH w/ 3 1/8: 90 degree HSC perforating gun. Perforated from 3762' - 3778' w/ 4 spf. A total of 16 holes w/ .34 dia. SWI. RD Computalog.

9/28/2005 06:00 - 9/28/2005 14:00

Last 24hr Summary

Held safety meeting. RU Halliburton. Frac the Fruitland Coal Sand. Tested lines to 5100 #. Set pop off @ 4250 #. Broke down formation @ 5 BPM @ 2480 #. Pumped 1000 gals of 15% formic acid @ 5 BPM @ 3990 #. Attempted to foam frac the FC Sand. Due to pressure could not foam frac. Changed frac design and went to Delta frac. Pumped 1000 gals of 28% formic acid @ 5 BPM @ 2240 #. Pumped 25 # Delta frac 140 in Pad @ 35 BPM @ 3090 # Frac the Fruitland Coal Sand w/ 20 # Delta frac 140 w/ WC SW. 100,500 20/40 Brady sand. 1672 bbls fluid. Avg rate 35 BPM. Avg pressure 2605 #. Max pressure 3090 #. Max sand cons 4 # per gal. ISIP 1538 #. Frac gradient .72. SWI. RD Halliburton. Started flowback.

9/30/2005 12:00 - 9/30/2005 16:00

Last 24hr Summary

Held safety meeting. RU Computalog. Perforated the Upper Fruitland Coal. RIH 5 1/2" composit plug. Set plug @ 3700'. tested plug to 4500 #. held ok. RIH w/ 3 1/8: 120 degree HSC perforating gun. Perforated from 3518' - 3521' w/ 2 spf, 3542' - 3548' w/ 2 spf, 3581' - 3585' w/ 2 spf, 3615' - 3621' w/ 2 spf, 3629' - 3635' w/ 2 spf, 3671' - 3673' w/ 2 spf. A total of 54 holes w/ .34 dia. SWI. RD Computalog.

10/1/2005 06:00 - 10/1/2005 12:00

Last 24hr Summary

Held safety meeting. RU Halliburton. Frac the Upper Fruitland Coal. Tested lines to 5100 #. Set pop off @ 4250 #. Broke down formation @ 5 BPM @ 1427 #. Pumped 1000 gals of 28% formic acid @ 5 BPM @ 1840 #. Pumped 20 # Delta frac 140 in Pad w/ 3000 # of 40 / 70 Arizona sand @ .25 # sand per gal. Frac the Upper Fruitland Coal w/ 20 # Delta frac 140 w/ WC SW. 150,250 16/30 Brady sand. Total sand pumped 153,250 #. 2407 bbls fluid. Avg rate 51 BPM. Avg pressure 2782 #. Max pressure 2902 #. Max sand cons 5 # per gal. ISIP 2345 #. Frac gradient 1. Tagged pad (all 3) w/ Scandium. SWI. RD Halliburton. Start flowback.

11/9/2005 07:00 - 11/10/2005 17:00

Last 24hr Summary

PJSM w/ crews. Discussed days events and ways to prevent incident. Filled out and reviewed JSA. Road unit and equipment from SJ 29-5 # 62F to SJ 32-8 # 263A.

PJSM w/ crews. Discussed days events and ways to prevent incident. Filled out and reviewed JSA.

Check location for hazards and LEL's. Spot Key rig # 15. Ru unit, pump and blow line. SICP=540#. BWD to 0#. Set tbg hanger through frac stack. ND frac stack. NU BOPE. PJSM w/ roust-about crew. RU blooie line, air unit, 2" flow line and place all concrete blocks.

Load BOP w/ water. RU Key Energy pressure pump. Pressure test blind and pipe rams to 200# low and 3000# high . Test was good. Charted and witnessed by M.Potohaas w/ Key energy.

RU floor and tbg. tools. Remove thread protectors. Prep to pick up tbg. Secure well & SDFN.

11/10/2005 07:00 - 11/11/2005 17:00

Last 24hr Summary

SICP= 370#
PJSM w/ crews. Discussed days events and ways to prevent incident. Filled out and reviewed JSA.
BWD to 0#. Pump 20 bbl to ensure well stays dead. Pooh w/ test hanger. MU and Tih drifting w/ 4 3/4" cone bit, bit sub, X/O and 108 jts 2 3/8" tbg. Tagged fill @ 3410'. (All perfs are covered.).Establish circulation w/ air. Unload hole. for 3 hrs. trapped pressure coming to surface. Well returned 200 bbl fluid and heavy sand from well bore. Continue to Tih and tag fill @ 3678'. Establish circulation w/ air. Unload hole and c/o fill from 3678' to CBP @ 3724' w/ 2 jts. Circulate clean. Pooh w/ 10 jts 2 3/8" tbg. Secure well SDFN.

11/11/2005 07:00 - 11/12/2005 13:30

Last 24hr Summary

SICP= 1350#
PJSM w/ crews. Discussed days events and ways to prevent incident. Filled out and reviewed JSA.
BWD, Tih w/ 10 jts 2 3/8" tbg. Tag w/ 2' . RU Power swivel. Establish circultion w/ air unload hole c/o fill to CBP. Drill out plug. Pressure climbed up 300# PUH 2 jts circulate to let pressure stabilize. Well returning heavy fluid. Pit is full. LD power swivel. Pooh w/ 10 jts. SWI and pull water out of pit.

11/14/2005 07:00 - 11/15/2005 16:30

Last 24hr Summary

SICP= 1450#
PJSM w/ crews. Discussed days events and ways to prevent incident. Filled out and reviewed JSA.
BWD, Kill csg w/ 20 bbl. Tih w/ 10 jts 2 3/8" tbg. Tag fill @ 3790'. RU power swivel. Establish circulation w/ air-mist. Unload hole. C/O fill from 3790' to CBP @ 3805'. Drill out CBP. Continue to tih and tag fill @ 3879'. Unload hole and C/O fill from 3879' to PBTD of 3962'. Circulate clean. Pooh w/ 30 jts 2 3/8" tbg. Had to shut down due to heavy winds. Secure well SDFN.

11/15/2005 07:00 - 11/16/2005 17:30

Last 24hr Summary

SICP= 1350#
PJSM w/ crews. Discussed days events and ways to prevent incident. Filled out and reviewed JSA.
BWD, Continue to Tooh standing back. LD bit BHA. MU and Tih w/ 2 3/8" expendable ck, 1.81" FN and 126 jts 2 3/8" tbg. Tag 2' fill. Establish circulation w/ air mist. Unload hole. C/O fill to PBTD of 3962'. Circulate clean. PUH to 3618'. Pump 3 bbl H20, Drop ball. Pump Out exp check @ 790#. Unload fluid. SD air unit. Ru tbg flow line w/ 1/2" choke @ surface. Open well to pit and flow test Fruitland coal formation as follows:
FC perfs- 3518'- 3831'.
2 3/8" tbg set @ 3618'. w/ 1/2" choke @ surface.
FTP= 330#
SICP= 550#
FC production= 2178 mscf/d
25 BWPD
0 BOPD
No sand. Witnessed by M.Pantojas w/ Key Energy Services.
PUH to 3405'. PJSM w/ Logging crews. RU H&H wireline w/ EOT locator. RIH and tag no fill @ 3965'. PUH and find EOT @ 3405'. Pooh. MU and Rih w/ Protechnics Spectra Scan Isotope logging tools. Log from 3945' to 3200'. Pooh and retrive Data. RD service companys.
Secure well SDFN.

11/16/2005 07:00 - 11/17/2005 17:00

Last 24hr Summary

SICP= 1350#
PJSM w/ crews. Discussed days events and ways to prevent incident. Filled out and reviewed JSA.
Bwd, Tih and tag no fill. Tooh w/ tbg standing back and LD logging BHA, MU and Tih drifting w/ 2 1/16" notched collar, 1.5" ID seating nipple, 2 3/8" x 2 1/16" X/O, 31' 2 3/8" mud anchor w/ 1/2" hole drilled below collar, 1.781" FN, 120 jts 2 3/8" tbg, 2' sub, 6' sub, 8' sub, 10' sub and 1 jt 2 3/8" tbg. NU hanger and land tbg w/ EOT @ 3880'. Top of 1.781' FN @ 3846'. ND BOPE, NU 5k B1 adapter, radigan, pumping tee w/ nipples and valves and TIW valve.
Wait for slick line unit. PJSM w/ H&H wire line. RIH to 3846' and pull plug in FN. Pooh. RD H&H. Spot Rod trailer.RD blooie line and load in basket. Too late to run rods, Drain equipment. Secure well SDFN.

11/17/2005 07:00 - 11/18/2005 17:00

Last 24hr Summary

SICP= 1350#, SITP= 0#
PJSM w/ crews. Discussed days events and ways to prevent incident. Filled out and reviewed JSA.
BWD, MU and Rih w/ 2"x 1 1/2" x 12' RWAC-ZDV COP CBM pump, (3) 1 1/4 sinker bars, (149) 3/4" sucker rods, (5) 3/4" pony rods consisting of 8', 6', 4', 4', 2', (1) 22' 1 1/4" polished rod. Spaced out w/ soft tag.Seated pump. Loaded tbg and pressure tested to 500#, Bleed down tbg. Stroked pump and pressured up to 500#. Bleed tbg down. Stroked pump w/ rig to ensure pump is working correctly. Hung rods off w/ 18" of polished rod showing. SWI.
RD equipment and unit. Prep to MOLOC.
Turn over to construction group to build facility. {{{{{ FINAL REPORT }}}}}

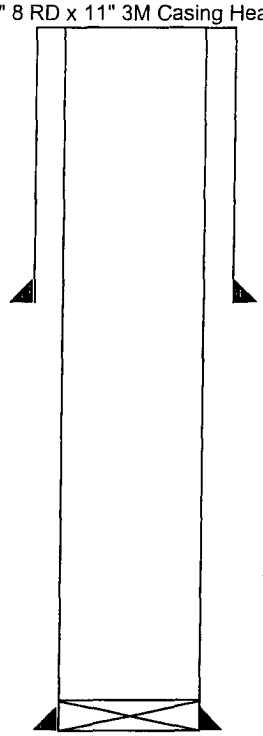
ConocoPhillips

END OF WELL SCHEMATIC

Well Name: San Juan 32-8 #263A
API # : 30-045-32796
Location: 999' FSL & 1152' FEL
Sec. 15 - T32N - R8W
San Juan County, NM
Elevation: 6980' GL (above MSL)
Drl Rig RKB: 13' above Ground Level
Datum: Drl Rig RKB = 13' above GL

Patterson Rig: #747
Spud: 30-Aug-05
Spud Time: 1:30
Release Drl Rig: 4-Sep-05
Release Time: 16:00

9-5/8" 8 RD x 11" 3M Casing Head



[X] New
[ ] Used

Surface Casing

Date set: 30-Aug-05
Size 9 5/8 in
Set at 225 ft # Jnts: 5
Wt. 32.3 ppf Grade H-40
Hole Size 12 1/4 in Conn STC
Excess Cmt 125 %
T.O.C. SURFACE Csg Shoe 225 ft
TD of 12-1/4" hole 235 ft

Notified BLM @ 16:00 hrs on 28-Aug-05
Notified NMOCD @ 16:00 hrs on 28-Aug-05

SurfaceCement

Date cmt'd: 30-Aug-05
Lead : 150 sx Class B Cement
+ 2% Calcium Chloride
+ 0.25 lb/sx Flocele
1.21 cuft/sx, 181.0 cuft slurry at 15.6 ppg
Displacement: 14.2 bbls fresh wtr
Bumped Plug at: 08:30 hrs w/ 286 psi
Final Circ Press: 61 psi @ 0.5 BPM
Returns during job: YES
CMT Returns to surface: 10 bbls
Floats Held: No floats used
W.O.C. for 6.00 hrs (plug bump to start NU BOP)
W.O.C. for 8.00 hrs (plug bump to test csg)

Production Casing:

Date set: 4-Sep-05
[X] New
[ ] Used
Size 5 1/2 in 89 jts
Set at 4012 ft 0 pups
Wt. 17 ppf Grade J-55
Hole Size 7 7/8 in Conn LTC
Excess Cmt 160 % Top of Float Collar 3962 ft
Pup Jt @ ____ ft Bottom of Casing Shoe 4012 ft
TD of 7-7/8" Hole 4017 ft TD of 7 7/8" Hole: 4017 ft

Notified BLM @ 15:20 hrs on 02-Sep-05
Notified NMOCD @ 15:20 hrs on 02-Sep-05

Production Cement

Date cmt'd: 4-Sep-05
Lead : 485 sx Standard Class G Cement
+ 3.0% Econolite
+ 0.25 lb/sx Flocele
+ 10.0 lb/sx Gilsonite
2.91 cuft/sx, 1411 cuft at 11.5 ppg
Tail : 275 sx 50/50 POZ : Standard cement
+ 2% Bentonite
+ 5 lb/sx Gilsonite
+ 0.25 lb/sx Flocele
+ 2% Calcium Chloride
1.33 cuft/sx, 365.8 cuft slurry at 13.5 ppg
Displacement: 91.9 bbls
Bumped Plug: 07:28 hrs w/1445 psi
Final Circ Press: 92 psi @ 2.0 bpm
Returns during job: Yes
CMT Returns to surface: 25 BBLs
Floats Held: X Yes __ No

Schematic prepared by:
Aaron Fuhr, Development Engineer
12-September-2005

COMMENTS:

9-5/8" Surf:	No float equipment was run. Ran a guide shoe and an aluminum baffle plate 1 jt above the guide shoe @ 181'. Displaced top wiper plug with water. Shut in casing head and WOC before backing out landing jt. CENTRALIZERS @ 215', 138', 98' &56'.	Total: 4
5 1/2" Production	DISPLACED W/ 91.9 BBLS. PRODUCED WATER. CENTRALIZERS @ 4002', 3917', 3823', 3731', 3653', 3560', 181', 88' & 42'.	Total: 9
	TURBOLIZERS @ 2639', 2592', 2545', 2498', 2466' & 2419'.	Total: 6