Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

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.*

5. Lease Serial No.
NMSF078995

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
San Juan 32-7 Unit #41A

2. Name of Operator
ConocoPhillips Co.

9. API Well No.
30-045-25080

3a. Address
P.O. Box 2197, WL3-6085 Houston Tx 77252

3b. Phone No. *(include area code)*
(832)486-2463

10. Field and Pool, or Exploratory Area
Albino PC/Blanco Mesaverde

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 7 T32N R7W SESW 1085FSL 1820FWL

11. County or Parish, State
San Juan
NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other DHC
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 recomplete 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 recompletion 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.)

Effective 3/2/06, well converted from dual completion well into downhole commingled well producing from the Albino Pictured Cliff and Blanco Mesaverde. End of tubing is now @ 5539' KB. Daily summary report is attached.

MAR 2006 RECEIVED OIL CONS. DIV. DIST. 3

2006 MAR 24 PM 12 50
RECEIVED
070 FARMINGTON NM

DHC 3626

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Christina Gustartis

Title Regulatory Specialist

Signature Chris Gustartis

Date 03/23/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date ACCEPTED FOR RECORD

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

MAR 27 2006

FARMINGTON FIELD OFFICE
BY _____

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.

(Instructions on page 2)

NMOCD

Regulatory Summary

ConocoPhillips

SAN JUAN 32 7 UNIT #041A

Change of Well Type, 2/22/2006 05:30

API/Bottom UWI	County	State/Province	Surface Legal Location	N/S Dist (ft)	N/S Ref	E/W Dist (ft)	E/W Ref
300452508000	San Juan	NEW MEXICO	NMPM-32N-07W-07-N	1,084.97	S	1,819.88	W

Ground Elevation (ft)	Latitude (DMS)	Longitude (DMS)	Spud Date	Rig Release Date
6,435.00	0° 0' 0" N	0° 0' 0" E	8/26/1981	9/9/1981

2/22/2006 05:30 - 2/22/2006 17:30

Last 24hr Summary

Pre-trip inspection. Road rig & equipment from S. J. 32 FED 22 #2A to S.J. 32-7 #41A. Location survey. PJSM. Spot rig to well head. Remove concrete barriers from around well head. Ground around wellhead very uneven & has large chunks of frozen dirt near tree. PU cement block & try to level ground. Did not work. PU rig pit & try to level ground. Hit master valve on long string on well head & broke off valve. Well blowing out. Shut down all equipment & assemble at muster point. Notify Supervisor & COPC office.
Discuss plan to control well. Prepare 4' X 2-3/8" tubing pup joint & TIW valve. Remove broken 6' X 2-3/8" nipple. Stab pup joint & TIW valve into WH flange & torque down. Close TIW valve. Well under control & shut in. Suspend all further operations & wait for Incident Investigation team. Conduct on site investigation of incident. Unload equipment from trailers. Release trucks & crew for the night.
Secure rig & location. SDFN.

2/23/2006 06:00 - 2/23/2006 16:30

Last 24hr Summary

Crew interview in COPC office for Incident investigation. Crew interview in KEY ENERGY office for Incident investigation. Smooth out area around WH w/ back hoe. Spot equipment on location. Spot rig to WH & rigup. Raise derrick & secure guy lines. RU 3" flow line to flow back tank. RU rig pump & pit. RU pump discharge & pit return lines. Change rams in BOP. Change slips in air slips. RU stand pipe. Secure rig & location. SDFN.

2/24/2006 05:30 - 2/24/2006 17:30

Last 24hr Summary

Casing pressure @ 1400 psi. 2-3/8" tubing pressure @ 600 psi. 1-1/2" tubing pressure @ 1200 psi.
RU SL. RIH / 1.90 gauge ring in 2-3/8" tubing. Tag tight spot @ 3900'. Jar down to 5330'. Pull 1500 psi hydraulic pressure over normal to PUH. POOH w/ gauge ring. Examine gauge ring. Found gouges & scale in groves. RD & release SL.
Bleeddown casing & 2-3/8" tubing.
Casing bled down to 10 psi. 2-3/8" tubing bled down to 60 psi. Pump 8 bbls 2% KCL water to kill tubing.
NDWH. Install BPV in both tubing strings. NUBOP. Change rams from 2-3/8" to 1-1/2" offset rams. RU rig floor, power tongs, change slips, install offset spool & install stripper rubber head.
Unseat 1-1/2" tubing hanger. Pull 6K over string weight. POOH & LD 1-1/2" tubing. Bottom 1/3 of tubing had small amount of scale build up.
OOH w/ 1-1/2" tubing. RD 1-1/2" tools. RU 2-3/8" tools. Change tubing rams from 1-1/2" to 2-3/8" tubing rams.
Unseat 2-3/8" hanger & PUH to unseat Big bore packer seal assembly. Let casing bleed down.
Pump 5 bbls 2% KCL water to kill 2-3/8" tubing.
Remove BPV. Remove tubing hanger. PUH 3 stands.
Install TIW valve in tubing. Secure well, rig & location. SDFWE.

2/27/2006 05:30 - 2/25/2006 17:30

Last 24hr Summary

Casing pressure @ 800 psi. Tubing pressure @ 150 psi. BDW.
TOOH w/ 2-3/8" production string.
Rig throttle stuck on full throttle. Call for a mechanic to repair throttle. WO mechanic.
Mechanic on location. Working on throttle for rig.
TOOH w/ 2-3/8" tubing. LD packer seal assembly. Finish TOOH.
OOH. Remove "F" nipple from string. Install string float.
TIH to 4367'. Run easy through packer bore @ 3435' & top of liner @ 3467'.
Stop TIH. Install TIW valve. Drain all pumps & lines for cold weather. Secure well, rig & location. SDFN.

2/28/2006 05:30 - 2/28/2006 17:30

Last 24hr Summary

Casing pressure @ 820 psi. Tubing pressure @ 0 psi. BDW. RU chicksen & kelly hose. Establish circulation w/ 1700 cfm AIR & 5 BPH 2% KCL water mist w/ 15 gallons inihibitor & 10 gallons foamer per 20 bbls.
Circulation established. Pump as above. Unload well 4367'. Returns of produced water & trace of sand. RIH from 4367' & tag fill @ 5560'. RU chicksen & kelly hose. Establish circulation as above. Circulation established. Pump as above. Cleanout from 5560' to 5680'. Could not make any more progress. Tubing starting to hang up. Call engineer & decided to TOOH & PU mill to finish cleaning out. SD AIR. RD chicksen & kelly hose. TOOH. Tubing sticking & pulling hard. Tie back to single fast line. Work pipe free. Tie back to double fast line. Finish TOOH. OOH. Remove Mule shoe. PU 2-7/8" junk mill & bit sub. TIH to 1871'.
Stop TIH. Install TIW valve. Close & lock tubing rams. Drain all pumps & lines for cold weather. Secure well, rig & location. SDFN.

3/1/2006 05:30 - 3/1/2006 17:30

Last 24hr Summary

Casing pressure @ 800 psi. Tubing pressure @ 0 psi. BDW. Remove TIW valve. Unlock & open tubing rams. Finish TIH w/ mill & tubing. Tag fill @ 5645'. RU power swivel.Establish circulation. Pump 1800 cfm AIR & 5 BPH 2% KCL water w/ 15 gallons inihibitor & 5 gallons foamer per 20 bbls.Circulation established. Pump as above. Drill out junk in hole. Cleanout from 5645' to 5720' (PBTD). Blow well clean. SD Air compressors & mist pump. RD power swivel. TOOH laying down tubing. OOH. Drain all pumps & lines for cold weather. Secure well, rig & location. SDFN.

3/2/2006 05:30 - 3/2/2006 17:30

Last 24hr Summary

Service, start & warmup equipment. Casing pressure @ 810 psi. No tubing in well. BDW.
Change out tubing trailers.
Strap, PU & drift new production tubing going in well.
Pump 5 bbls 2% KCL water down tubing. Drop ball for expendable check valve. Wait 15 minutes for ball to drop. Pressure test tubing w/ AIR to 1000 psi for 15 minutes. GOOD TEST. Pump out expendable check valve w/ AIR. Check valve pumped out @ 1500 psi.
PUH TO 5539'.
RAN:
1 ea - 2-3/8" expendable check valve. EOT @ 5539'.
1 ea - 2-3/8" X 1.18" I.D. "F" nipple. (TOP of F nipple @ 5537').
178 jts - 2-3/8", 4.7#, J-55, EUE, NEW tubing.
1 ea - 7" X 2-3/8" tubing hanger.
Land tubing & secure w/ lockdown bolts.
RD power tongs, floor, & 3" floww line off of BOP.
NDBOP. NUWH.
RD pump, pit & lines. RD 3' flow line. RD unit. Prepare to move to next location.
Secure well, rig & location. SDFN.
WORK COMPLETE. RELEASE WELL TO CONSTRUCTION & PRODUCTION. NO FURTHER ACTIVITY . FINAL REPORT.