UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells Lease Number 2006 SFP NMSF-07935347 If Indian, All. or Type of Well GAS R Exribe Name 070 FARMINGTON NM 7. Unit Agreement Name Name of Operator San Juan 32-8 Unit 8. Well Name & Number Address & Phone No. of Operator San Juan 32-8 Unit #263 9. API Well No. PO Box 4289, Farmington, NM 87499 (505) 326-9700 30-045-33789 Location of Well, Footage, Sec., T, R, M Sec., T--N, R--W, NMPM Field and Pool Unit A (NENE), 1140' FNL & 950' FEL, Sec. 15, T32N, R8W NMPM **Basin Fruitland Coal** 11. **County and State** San Juan Co., NM 12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA Type of Submission **Type of Action** Notice of Intent Abandonment X - Other - Spud Report Change of Plans **New Construction** Recompletion X Subsequent Report Plugging Non-Routine Fracturing Casing Repair Water Shut off Final Abandonment Altering Casing Conversion to Injection 13. Describe Proposed or Completed Operations %731/Q6 MIRU MOTE 209. Spud 12 ¼" hole on 8/31/06. Drill ahead(to 220' ,RIH w/10 jts 9 5/8" 32.30# H-40 ST & C casing, set @ 223'. Circ. & cond. hole. RU to cement. Pumped preflush of 6 bbls gel H2O. Pumped 76 sx(122cf -22 bbls) Type I-II Portland Cement w/20% Flyash. Bumped plug & displaced w/14 bbls FW. Circ. 5 bbls cement to surface. WOC. Install well head. RR 8/31/06. PT will be conducted by the drilling rig and results shown on next report. APD/ROW PROCESS 14. I hereby certify that the foregoing is true and correct. Tracey N. Monroe Title Regulatory Assistant Date 9/01/06 (This space for Federal or State Office use) APPROVED BY Title CONDITION OF APPROVAL, if any: Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. SEP 0 8 2006